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Sapphire Textile Mills Limited

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Company Profile

Board Of Directors**Chairman :**

Mr. Mohammad Abdullah

Chief Executive :

Mr. Nadeem Abdullah

Director :

Mr. Shahid Abdullah

Mr. Amer Abdullah

Mr. Yousuf Abdullah

Mr. Nabeel Abdullah

Mr. Shayan Abdullah

Independent Director:

Mr. Nadeem Karamat

Audit Committee**Chairman :**

Mr. Nadeem Karamat

Member :

Mr. Amer Abdullah

Mr. Yousuf Abdullah

Mr. Shayan Abdullah

Human Resource**& Remuneration Committee :****Chairman :**

Mr. Nadeem Karamat

Member :

Mr. Amer Abdullah

Mr. Yousuf Abdullah

Chief Financial Officer :

Mr. Abdul Sattar

Secretary :

Mr. Zeeshan

Auditors :

E. Y Ford Rhodes,

Chartered Accountants

Tax Consultants :

Deloitte Yousuf Adil,

Chartered Accountants

Legal Advisor :

A. K. Brohi & Company

Bankers :

Allied Bank Limited

Habib Bank Limited

Standard Chartered Bank (Pakistan) Ltd.

United Bank Limited

Bank Alfalah Limited

Bank Al Habib Limited

Meezan Bank Limited

Share Registrar :

Hameed Majeed Associates (Pvt.) Ltd.

Registered Office :

212, Cotton Exchange Building,

I. I. Chundrigar Road,

Karachi.

Mills :

S. I. T. E. Kotri,

S. I. T. E. Nooriabad,

Chunian, District Kasur

Feroze Wattoan,

Bhubtian, Lahore.

Directors' Report to the Shareholders

The Directors of the Company have pleasure in submitting their Report together with the un-audited financial statements of the Company for the nine months' period ended March 31, 2020.

Financial Review

The Company's financial results have been quite encouraging. The Summary of key financial numbers are presented below:

	(Rupees in Thousand) March 31	
	2020	2019
Net turnover	27,629,870	25,527,835
Gross Profit	4,563,166	3,972,468
Profit from Operations	3,704,498	3,353,652
Other Income	491,973	655,882
Finance cost	(2,055,064)	(1,497,156)
Profit before taxation	1,649,434	1,856,496
Profit after taxation	1,413,377	1,613,414

During the period the Company's net turnover increased from Rs.25.528 billion to Rs. 27.630 billion. The gross profit as a percentage of sales increased to 16.52% from 15.56% in the corresponding period. The finance cost during the period increased to Rs.2.055 billion representing 7.44% of sales from Rs.1.497 billion representing 5.86% of sales in the corresponding period.

Earnings per Share

The earnings per share for the nine months' period ended March 31, 2020 is Rs. 66.23 as compared to Rs. 76.47 for previous year's corresponding period.

Future Prospects

The operations of the company had to be suspended in the last week of March 2020 due to the lockdown announced by the Government because of the Global Covid 19 Pandemic. Many countries around the world also went for lock down to control spread of the virus. This unprecedented situation is having tremendous slowdown in the global economy which will impact the operations of the company. The operations of the company have restarted but will take time to stabilize as the global economies start operation.

The Government of Pakistan has taken very prompt steps to support the industry including interest rate cut, release of pending refunds, deferment of long term loans as well as concessional finance to encourage retention of workers.

These are very challenging times, and the workers, staff and management are trying their best to stabilize the performance of the company.

Acknowledgment

The Management would like to place on record its appreciation for the support of Board of Directors, regulatory authorities, shareholders, customers, financial institutions, suppliers and dedication & hard work of the Staff and Workers.

On behalf of the Board

Lahore:
Dated: April 28, 2020

NADEEM ABDULLAH
CHIEF EXECUTIVE

MOHAMMAD ABDULLAH
DIRECTOR

ڈائریکٹرز رپورٹ برائے حصص یافتگان

کمپنی کے ڈائریکٹران نہایت مسرت کے ساتھ 31 مارچ 2020ء کو اختتام پذیر ہونے والی نو ماہی کی غیر آڈٹ شدہ مالی تفصیلات پیش کر رہے ہیں۔ کمپنی کے مالیاتی نتائج کافی حوصلہ افزا رہے ہیں۔ مالیاتی نتائج درج ذیل ہیں:

مالیاتی نتائج:

31 مارچ 2019	31 مارچ 2020	رقم ہزاروں میں
25,527,835	27,629,870	نیٹ کل فروخت
3,972,468	4,563,166	مجموعی منافع
3,353,652	3,704,498	خالص منافع
655,882	491,973	دیگر آمدنی
(1,497,156)	(2,055,064)	سودی لاگت
1,856,496	1,649,434	قبل از ٹیکس منافع
1,613,414	1,413,377	بعد از ٹیکس منافع

کاروباری کارکردگی کا جائزہ:

رواں سال نو ماہی میں کمپنی نے 27.630 بلین کی فروخت حاصل کی جبکہ گزشتہ سال اسی مدت میں فروخت 25.528 بلین تھی۔ شرح کل منافع فروخت کا 16.52 فیصد رہا جبکہ یہی شرح گزشتہ سال کی اسی مدت کے لئے 15.56 فیصد تھی۔ سودی لاگت رواں سال نو ماہی میں بڑھ کر 2.055 بلین ہو گئی جو کہ کل فروخت کا 7.44 فیصد ہے جبکہ گزشتہ سال اسی مدت میں لاگت 1.497 بلین تھی جو کہ کل فروخت کا 5.86 فیصد تھی۔

آمدنی فی حصص:

31 مارچ 2020ء کو ختم ہونے والے نو ماہی کی آمدنی فی حصص 66.23 روپے ہے جبکہ پچھلے سال کی نو ماہی میں یہ 76.47 روپے تھی۔

مستقبل کا منظر نامہ:

عالمی وبائی مرض کو وڈ-19 کی وجہ سے حکومت کی جانب سے اعلان کردہ لاک ڈاون کی وجہ سے مارچ-2020 کے آخری ہفتے میں کاروباری سرگرمیاں معطل رہیں۔ اس وبائی مرض کے پھیلاؤ کو روکنے کے لئے دنیا کے بہت سے ممالک نے لاک ڈاون کیا اس صورتحال میں عالمی معاشی سرگرمیاں سست روی کا شکار ہیں جس کے اثرات کمپنی کی سرگرمیوں پر بھی پڑیں گے۔ کمپنی کی سرگرمیاں دوبارہ شروع ہو چکی ہیں لیکن عالمی معیشتوں کے کام شروع ہونے پر اس کے استحکام میں وقت لگے گا۔

حکومت پاکستان نے صنعتوں کے استحکام کے لئے سود کی شرح میں کمی، ریفرنڈ کی مد میں ادائیگی، بطویل مدتی قرضوں کی ادائیگی میں التواء اور اس کے ساتھ ساتھ کارکنوں کی برقراری کے لئے قرضوں کی سہولیات جیسے فوری اقدامات اٹھائے ہیں۔

یہ بہت مشکل وقت ہے، جس میں کارکنان، عملہ، اور انتظامیہ کمپنی کی کارکردگی کو مستحکم کرنے کی پوری کوشش کر رہے ہیں۔

اظہار تشکر:

کمپنی اپنے ڈائریکٹران، ریگولیٹری اتھارٹیز، حصص یافتگان، کسٹمرز، سپلائرز، مالیاتی اداروں اور کارکنوں کی شراکت داری کو قدر کی نگاہ سے دیکھتی ہے۔

بورڈ کی جانب سے

محمد عبداللہ

ڈائریکٹر

نذیم عبداللہ

چیف ایگزیکٹو

لاہور

مورخہ 28 اپریل 2020ء

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

ASSETS	Note	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
NON-CURRENT ASSETS			
Property, plant and equipment	5	13,263,779,052	12,679,723,703
Investment property		31,750,000	31,750,000
Intangible assets		233,334	627,039
Long term investments	6	13,749,455,054	14,256,507,418
Long term loans and advances		47,265,918	51,343,927
Long term deposits		87,684,092	87,909,092
		27,180,167,450	27,107,861,179
CURRENT ASSETS			
Stores, spares and loose tools		506,983,223	393,812,720
Stock in trade		10,505,357,873	7,481,967,254
Trade debts		3,190,340,963	2,197,892,804
Loans and advances		88,126,769	72,388,577
Trade deposits and short term prepayments		45,508,867	6,688,684
Other receivables		1,096,314,487	921,899,641
Short term investments		3,169,825,376	4,030,717,707
Tax refund due from government		2,338,583,338	1,901,803,432
Cash and bank balances		130,769,691	96,759,191
		21,071,810,587	17,103,930,010
TOTAL ASSETS		48,251,978,037	44,211,791,189
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
35,000,000 ordinary shares of Rs.10 each		350,000,000	350,000,000
Issued, subscribed and paid up capital		216,897,910	200,831,400
Reserves		16,333,476,734	16,181,248,942
		16,550,374,644	16,382,080,342
NON-CURRENT LIABILITIES			
Long term financing		14,139,792,927	12,257,108,436
Deferred liabilities		438,371,642	509,584,337
		14,578,164,569	12,766,692,773
CURRENT LIABILITIES			
Trade and other payables		3,985,879,417	3,442,588,442
Contract liabilities		806,689,306	850,602,812
Accrued Interest / mark-up		399,467,222	320,423,966
Unclaimed dividend		1,673,718	1,795,457
Short term borrowings		11,295,802,303	7,797,508,535
Current portion of long term financing	7	-	2,001,251,085
Provision for taxation		633,926,858	648,847,777
		17,123,438,824	15,063,018,074
CONTINGENCIES AND COMMITMENTS	8		
TOTAL EQUITY AND LIABILITIES		48,251,978,037	44,211,791,189

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Note	Nine Months Period Ended		Quarter Ended	
		31 March		31 March	
		2020	2019	2020	2019
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Net turnover	9	27,629,869,771	25,527,835,317	9,041,396,229	9,267,677,253
Cost of sales	10	(23,066,703,284)	(21,555,367,729)	(7,786,609,976)	(7,795,448,163)
Gross profit		4,563,166,487	3,972,467,588	1,254,786,253	1,472,229,090
Distribution cost		(835,981,842)	(797,255,527)	(290,293,245)	(275,600,520)
Administrative expenses		(339,202,523)	(313,893,424)	(104,564,909)	(102,415,373)
Other operating expenses		(175,456,716)	(163,547,896)	(35,060,572)	(70,873,921)
Other income		491,973,062	655,881,754	180,837,053	136,741,296
		(858,668,019)	(618,815,093)	(249,081,673)	(312,148,518)
Profit from operations		3,704,498,468	3,353,652,495	1,005,704,580	1,160,080,572
Finance cost		(2,055,064,459)	(1,497,156,426)	(828,417,488)	(594,021,583)
Profit before taxation		1,649,434,009	1,856,496,069	177,287,092	566,058,989
Taxation					
Current					
- for the period		(336,488,331)	(240,021,516)	(114,009,973)	(61,133,599)
- prior year		(516,265)	834,128	-	-
Deferred		100,947,309	(3,894,452)	(3,479,096)	(4,590,505)
		(236,057,287)	(243,081,840)	(117,489,069)	(65,724,104)
Profit after taxation for the period		1,413,376,722	1,613,414,229	59,798,023	500,334,885
Earnings per share - basic and diluted		66.23	Restated 76.47	2.76	Restated 23.72

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine Months Period Ended 31 March		Quarter Ended 31 March	
	2020 (Rupees)	2019 (Rupees)	2020 (Rupees)	2019 (Rupees)
Profit after taxation for the period	1,413,376,722	1,613,414,229	59,798,023	500,334,885
Other comprehensive income:				
Items to be reclassified to profit or loss in subsequent period:				
Forward foreign currency contracts				
Unrealized loss on remeasurement of forward foreign currency contracts	(152,786,594)	-	(173,625,733)	-
Reclassification adjustments relating to loss realized on settlement of forward foreign currency contracts	-	(17,651,047)	-	-
	(152,786,594)	(17,651,047)	(173,625,733)	-
Loss on debt instruments at fair value through other comprehensive income	(1,000,000)	-	(375,000)	-
Items not be reclassified to profit or loss in subsequent years:				
Net (loss) / gain on equity instruments at fair value through other comprehensive income	(1,150,432,092)	(752,761,375)*	(2,973,791,823)	1,027,060,340*
Gain on disposal of investments at fair value through OCI	47,437,089	-	11,507,781	-
	(1,102,995,003)	(752,761,375)	(2,962,284,042)	1,027,060,340
Other comprehensive (loss) / income for the period	(1,256,781,597)	(770,412,422)	(3,136,284,775)	1,027,060,340
Total comprehensive income / (loss) for the period	156,595,125	843,001,807	(3,076,486,752)	1,527,395,225

*Refer to note 3.2.

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Capital Reserves				Revenue Reserves				
	Share Capital	Share Premium	Fixed Assets Replacement	Unrealized Gain on available for sale investments	Unrealized Gain/(loss) on investments at fair value through OCI	Unrealized (Loss)/gain on forward foreign exchange contracts	General reserves	Unappropriated profit	Total Equity
Balance as at 01 July 2018 (Audited)	200,831,400	156,202,200	65,000,000	587,918,606	-	17,651,047	1,330,000,000	13,664,651,949	16,022,255,202
Effect of adoption of IFRS 9				(587,918,606)	587,918,606				-
Balance as at 01 July 2018 (Audited) (Restated)	200,831,400	156,202,200	65,000,000	-	587,918,606	17,651,047	1,330,000,000	13,664,651,949	16,022,255,202
Total comprehensive loss for the nine months period ended 31 March 2019									
Profit after taxation for the period	-	-	-	-	-	-	-	1,613,414,229	1,613,414,229
Other comprehensive loss for the period	-	-	-	-	(752,761,375)	(17,651,047)	-	-	(770,412,422)
	-	-	-	-	(752,761,375)	(17,651,047)	-	1,613,414,229	843,001,807
Transaction with owners									
Final dividend for the year ended 30 June 2018 @ Rs.16 per share	-	-	-	-	-	-	-	(321,330,240)	(321,330,240)
Balance as at 31 March 2019 (Un-audited)	200,831,400	156,202,200	65,000,000	-	(164,842,769)	-	1,330,000,000	14,956,735,938	16,543,926,769
Balance as at 01 July 2019 (Audited)	200,831,400	156,202,200	65,000,000	-	(1,264,743,649)	-	1,330,000,000	15,894,790,391	16,382,080,342
Total comprehensive income / (loss) for the nine months period ended 31 March 2020									
Profit after taxation for the period	-	-	-	-	-	-	-	1,413,376,722	1,413,376,722
Transfer of subsidiaries reserve on merger (note 6.1.1)	-	-	-	-	-	-	-	(108,799,583)	(108,799,583)
Other comprehensive loss for the period	-	-	-	-	(1,103,995,003)	(152,786,594)	-	-	(1,256,781,597)
	-	-	-	-	(1,103,995,003)	(152,786,594)	-	1,304,577,139	47,795,542
Transfer of gain on sale of investment at fair value through OCI to un-appropriated profit	-	-	-	-	(47,437,089)	-	-	47,437,089	-
Transaction with owners									
Right shares 1,606,651 issued at the rate of Rs.400 per share (Rs.10 par value and Rs.390 premium per share)	16,066,510	626,593,890	-	-	-	-	-	-	642,660,400
Final dividend for the year ended 30 June 2019 @ Rs. 26 per share	-	-	-	-	-	-	-	(522,161,640)	(522,161,640)
Balance as at 31 March 2020 (Un-audited)	216,897,910	782,796,090	65,000,000	-	(2,416,175,741)	(152,786,594)	1,330,000,000	16,724,642,979	16,550,374,644

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

		Nine Months Period Ended	
		31 March	
Note		2020	2019
		(Rupees)	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	11	234,889,263	(247,759,798)
Long term loans and deposits		4,303,009	(2,896,240)
Finance cost paid		(1,813,253,495)	(1,281,524,545)
Staff retirement benefits - gratuity paid		(62,109,374)	(53,146,886)
Taxes paid		(753,526,715)	(377,821,060)
		(2,624,586,575)	(1,715,388,731)
Net cash used in operating activities		(2,389,697,312)	(1,963,148,529)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,627,748,886)	(2,167,482,433)
Investment in subsidiary		(15,760,000)	(1,000,000,000)
Short term investment in equity instruments		(74,958,830)	-
Loans to subsidiaries		-	482,000,000
Proceeds from disposal of property, plant and equipment		170,416,461	155,586,191
Proceeds from sale of investments		171,018,521	-
Dividend received		285,843,265	480,837,046
Interest received		7,100,849	22,729,697
Rental income received		-	337,500
Net cash used in investing activities		(1,084,088,620)	(2,025,991,999)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		3,498,293,768	3,982,165,849
Proceeds from long term financing		1,272,554,000	989,292,000
Repayment of long term financing		(1,391,120,594)	(644,445,285)
Share issuance		642,660,400	-
Dividend paid		(522,283,379)	(320,826,012)
Net cash generated from financing activities		3,500,104,195	4,006,186,552
Net increase in cash and cash equivalents		26,318,263	17,046,024
Cash and cash equivalents at the beginning of the period		96,759,191	54,608,611
Transfer upon merger		7,692,237	-
Cash and cash equivalents at the end of the period		130,769,691	71,654,635
Cash and cash equivalents			
Cash and bank balances		130,769,691	98,546,150
Book overdrafts - unsecured		-	(26,891,515)
Cash and cash equivalents at the end of the period		130,769,691	71,654,635

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

1 LEGAL STATUS AND OPERATIONS

Sapphire Textile Mills Limited (the Company) was incorporated in Pakistan on 11 March 1969 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange.

The Company is principally engaged in manufacturing and sale of yarn, fabrics, home textile products, finishing, stitching and printing of fabrics. Following are the business units of the Company along with their respective locations:

BUSINESS UNIT	LOCATION
Production Plants	
Spinning	A-17, SITE, Kotri
Spinning	A-84, SITE Area, Nooriabad
Spinning	63/64-KM, Multan Road, Jumber Khurd, Chunian, District Kasur
Spinning	1.5-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Weaving and Yarn Dying	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Printing, Processing and Home Textile	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Stitching	1.5-KM Off, Defence Road, Bhubtian Chowk, Raiwind Road, Lahore
Registered Office	
Karachi	212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

- International Accounting Standards (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 The unconsolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2019.

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

2.4 The unconsolidated condensed interim financial statements have been prepared under the historical cost convention. These financial statements are prepared in Pak Rupees, which is the functional currency of the Company. Figures have been rounded off to the nearest Pak rupee unless otherwise stated.

2.5 These are separate financial statements, where the investment in subsidiaries and associates is shown at cost; consolidated financial statements are separately presented.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of unconsolidated condensed interim financial statements are consistent with those followed in the preparation of annual financial statements for the year ended 30 June 2019, except for the adoption of new standards which are effective for annual period beginning on 01 July 2019, as listed below. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3.1 New / Revised Standards, Interpretations and Amendments

IFRS 14	Regulatory Deferral Accounts
IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
IFRS 9	Prepayment Features with Negative Compensation — (Amendments)
IAS 28	Long-term Interests in Associates and Joint Ventures — (Amendments)
IAS 19	Plant Amendment, Curtailment or Settlement — (Amendments)
IFRS 3	Business Combinations - Previously held Interests in a joint operation — (Amendments)
IFRS 11	Joint Arrangements - Previously held Interests in a joint operation
IAS 12	Income Taxes - Income tax consequences of payments on financial instruments classified as equity
IAS 23	Borrowing Costs - Borrowing costs eligible for capitalization

Certain standards, amendments and interpretations to approved accounting standards are effective for the annual period beginning on or after 01 June 2019 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 this condensed interim financial information, except for the following:

Impact on adoption of IFRS 16

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Company is the lessor.

The Company adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

The adoption of IFRS 16 did not have material impact on the amounts recognized in the unconsolidated condensed interim statement of financial position, unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of cash flows or earnings per share as the Company does not have any operating lease contract which is not short term or of immaterial value.

- 3.2** "The Company has adopted IFRS 9, Financial Instruments while preparing its annual financial statements for the year ended 30 June 2019. However, for the comparative period presented in these condensed interim financial statements, the Securities and Exchange Commission of Pakistan (SECP) vide its notification dated 14 February 2019 had deferred the adoption of IFRS 9 particularly for that period. Therefore the condensed interim financial statements for the nine months ended 31 March 2019 did not include the impact of adoption of this standard.

Gain or (loss) on the Company's equity investments was previously classified under items to be reclassified to profit or loss in subsequent periods in the statement of comprehensive income, as required under the accounting framework prior to adoption of IFRS 9. Due to adoption of IFRS 9, such gains / (losses) are being classified as items not to be reclassified to profit or loss in subsequent periods.

Comparatives for the nine months ended 31 March 2020 have been restated in these financial statements to bring them in line with requirements of IFRS 9 for consistency in accounting for gain / (loss) on the investments at fair value through other comprehensive income throughout the period from 01 July 2018 to 30 June 2019 i.e. reclassification as items not to be reclassified to profit or loss in subsequent periods as required under IFRS 9."

3.3 Operating segment disclosure

Disclosure of operating segments has been made in consolidated condensed interim financial statements of the Company.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of these unconsolidated condensed interim financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of these condensed interim financial statements are the same as those that were applied to the financial statements as at and for the year ended 30 June 2019.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2019.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Note	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	12,341,432,411	12,209,645,502
Capital work-in-progress	5.2	922,346,641	470,078,201
		13,263,779,052	12,679,723,703
5.1 Operating fixed assets			
Opening book value		12,209,645,502	11,023,834,392
Cost of additions during the period/year	5.1.1	1,169,453,875	2,581,268,695
Book value of disposals during the period/year		(114,710,707)	(237,218,795)
		1,054,743,168	2,344,049,900
Depreciation during the period/year		(922,956,259)	(1,158,238,790)
		131,786,909	1,185,811,110
Closing book value		12,341,432,411	12,209,645,502

5.1.1 The cost of additions and book value of disposals to operating fixed assets during the nine months period ended 31 March 2020 and year ended 30 June 2019 are as follows.

	(Un-Audited) 31 March 2020		(Audited) 30 June 2019	
	Addition Cost (Rupees)	Disposal Book Value (Rupees)	Addition Cost (Rupees)	Disposal Book Value (Rupees)
Land:				
Freehold	434,500	-	-	-
On Freehold land:				
Factory buildings	142,640,102	-	781,042,678	-
Labour, staff colony and others	48,381,956	-	90,622,353	-
Office buildings	-	-	17,449,500	-
On lease hold land:				
Factory buildings	913,750	-	7,268,313	-
Labour, staff colony and others	-	-	8,888,663	-
Plant & machinery	819,405,441	93,576,177	1,514,057,567	150,072,334
Electric installations	33,354,989	-	35,849,684	14,552
Fire Fighting equipment	2,629,700	-	6,567,902	-
Electric equipments	47,095,229	-	46,244,821	5,192
Computers	9,142,724	152,336	12,862,294	483,869
Office equipments	-	-	1,276,298	-
Mills equipments	8,449,010	-	8,939,703	-
Furniture & fixtures	36,799,203	-	10,157,249	-
Vehicles	20,207,271	20,982,194	40,041,670	86,642,848
	1,169,453,875	114,710,707	2,581,268,695	237,218,795

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Note	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
5.2 Capital work-in-progress			
Advance for land		57,000,000	84,500,000
Civil works and buildings		174,451,766	154,608,429
Plant and machinery		658,575,704	184,923,436
Electric equipments		11,590,668	-
Electric installations		6,543,314	44,904,336
Mill equipment		4,154,999	
Computers		587,600	642,000
Advance for vehicles		9,442,590	500,000
		922,346,641	470,078,201

6 LONG TERM INVESTMENTS

Related parties - at cost:

Subsidiaries	- un-listed	6.1	9,522,423,070	9,630,113,070
Associates	- listed		8,461,851	8,461,851
	- un-listed		467,514,425	467,514,425
			475,976,276	475,976,276
Other companies - Fair value through other comprehensive income		6.2	3,751,055,708	4,150,418,072
			13,749,455,054	14,256,507,418

		Note	(Un-audited) 31 March 2020	(Audited) 30 June 2019
6.1 Investments in subsidiary companies - unlisted				
	No. of Shares	Name of Company		
March 2020 (Unaudited)	June 2019 (Audited)			
228,228,737	228,228,737	Sapphire Wind Power Company Limited	2,282,287,370	2,282,287,370
-	10,000	Sapphire Tech (Private) Limited	100,000	100,000
		Less: Impairment charged	(100,000)	(100,000)
			-	-
-	1,000	Sapphire Solar (Private) Limited	10,000	10,000
		Less: Impairment charged	(10,000)	(10,000)
			-	-
200,000,000	200,000,000	Sapphire Retail Limited	2,000,000,000	2,000,000,000
475,051,500	475,051,500	Triconboston Consulting Corporation (Private) Limited	5,224,375,700	5,224,375,700
-	1,234,500	Sapphire Renewables Limited	-	123,450,000
673,780	-	Sapphire International Aps	15,760,000	-
			9,522,423,070	9,630,113,070

- 6.1.1** On 29 October 2019, the Board of Directors of the Company passed a resolution approving a Scheme of Amalgamation under Section 284 of the Companies Act, 2017, to amalgamate its wholly owned subsidiaries, Sapphire Solar (Private) Limited (SSPL), Sapphire Tech (Private) Limited (STPL) and Sapphire Renewables Limited (SRL) with and into the Company. As such, as of the Completion Date of 31 December 2019, the entire undertaking of SSPL, STPL and SRL stands merged with and into the Company. As a result the entire business of SSPL, STPL and SRL including its properties, assets, liabilities and rights and obligations vested into the Company. Since SSPL, STPL, SRL were group

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

companies under common control, the merger has been accounted for as a common control transaction. The acquired net assets of SSPL, STPL and SRL are included in the financial statements of the Company at the same carrying values as recorded in SSPL's, STPL's and SRL's own financial statements as on 31 December 2019. The results and the statement of financial position of SSPL, STPL and SRL are consolidated prospectively from the date of merger.

Under merger accounting, the carrying values of the assets and liabilities of the parties to the combination are as follows:

	Carrying value on the date of merger			Total
	SSPL	STPL	SRL	
	-----Rupees-----			
Assets				
Deposits and other	-	-	6,827,900	6,827,900
Cash at bank	22,618	90,690	7,578,929	7,692,237
Income tax recoverable	-	-	442,260	442,260
	22,618	90,690	14,849,089	14,962,397
Liabilities				
Accrued and other	80,170	140,170	-	220,340
Short term loans	2,500,662	138,738	-	2,639,400
Withholding sales tax	-	-	91,640	91,640
	2,580,832	278,908	91,640	2,951,380
Net assets acquired	(2,558,214)	(188,218)	14,757,449	12,011,017

Reconciliation of the net assets acquired to amount transferred to reserves is as follows:

	Amount (Rupees)
Net assets acquired	12,011,017
Less: Investment in subsidiaries	(123,450,000)
	(111,438,983)
Short term loan receivable - written off	2,639,400
Net loss transferred to reserves	(108,799,583)

6.1.2 The Company has incorporated a wholly owned subsidiary in Kolding, Denmark for the facilitation of its exports.

6.2	No. of Shares		Name of Company	2020	2019
	March 2020 (Unaudited)	June 2019 (Audited)		(Rupees) (Un-audited) 31 March	(Rupees) (Audited) 30 June
	Quoted				
	4,061,840	4,061,840	MCB Bank Limited	217,880,150	217,880,150
			Add: Adjustment arising from measurement at fair value	388,471,325	490,707,838
				606,351,475	708,587,988
	29,623,714	29,623,714	Habib Bank Limited	5,926,153,798	5,926,153,798
			Add: Adjustment arising from measurement at fair value	(2,868,097,801)	(2,570,971,950)
				3,058,055,997	3,355,181,848
	Unquoted				
	7,055,985	7,055,985	Novelty Enterprises (Private) Limited	86,148,236	86,148,236
	50,000	50,000	TCC Management Services (Private) Limited	500,000	500,000
				3,751,055,708	4,150,418,072

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

- 7 Current portion of long term financing aggregating Rs. 2,175,147,617 has been deferred by Financial Institutions for 12 months as per Company's request in accordance with relief measures of State Bank of Pakistan due to Corona Pandemic.

	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
Note		

8 CONTINGENCIES AND COMMITMENTS

Contingencies

- 8.1 Guarantees issued by banks on behalf of the Company 617,943,587 617,943,587
- 8.2 Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at 31 March 2020 the value of these cheques amounted to Rs.1,158.550 million (30 June 2019: Rs.720.484 million).

- 8.3 There is no change in status of the contingencies as disclosed in notes from 30.3 and 30.4 of the audited annual financial statements of the Company for the year ended 30 June 2019.

Commitments

Commitments in respect of:

- | | | | |
|------------------------------|-----|-----------------------------|-----------------------------|
| <p>- letter of credit</p> | 8.4 | <u>1,842,829,777</u> | 1,055,047,702 |
| <p>- capital expenditure</p> | 8.5 | <u>29,546,909</u> | 128,731,342 |
| | | <u><u>1,872,376,687</u></u> | <u><u>1,183,779,044</u></u> |
- 8.4 Confirmed letter of credit in respect of:
- | | | | |
|------------------------------|--|-----------------------------|-----------------------------|
| <p>- plant and machinery</p> | | <u>484,812,750</u> | 297,630,174 |
| <p>- raw material</p> | | <u>1,260,719,053</u> | 706,206,126 |
| <p>- stores and spares</p> | | <u>97,297,974</u> | 51,211,402 |
| | | <u><u>1,842,829,777</u></u> | <u><u>1,055,047,702</u></u> |
- 8.5 This includes commitments for payments to be made to various construction companies for the construction and extension on existing building at multiple plants of the Company.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

9 NET TURNOVER

Set out below is the disaggregation of the Company's revenue from contracts with customers:

	Export Sales		Local Sales		Total	
	31 March		31 March		31 March	
	2020	2019	2020	2019	2020	2019
----- Rupees -----						
Yarn	8,188,074,625	8,085,889,544	3,576,820,016	2,750,744,561	11,764,894,641	10,836,634,105
Fabric	7,725,086,843	7,783,073,796	905,109,707	738,988,296	8,630,196,550	8,522,062,092
Home textile products	4,939,975,179	3,890,675,120	88,975,094	85,445,885	5,028,950,273	3,976,121,005
Raw material	-	-	11,126,830	27,380,520	11,126,830	27,380,520
Waste	156,188,141	135,613,012	218,285,650	184,141,229	374,473,791	319,754,241
Processing income	-	-	1,333,225,242	1,737,355,138	1,333,225,242	1,737,355,138
	21,009,324,788	19,895,251,472	6,133,542,539	5,524,055,629	27,142,867,327	25,419,307,101
Export rebate					487,002,444	108,528,216
					27,629,869,771	25,527,835,317

9.1 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

	Note	(Un-Audited) Nine Months Period ended 31 March		(Un-Audited) Quarter ended 31 March	
		2020 (Rupees)	2019 (Rupees)	2020 (Rupees)	2019 (Rupees)
10 COST OF SALES					
Finished goods - Opening stock		1,491,189,252	850,821,494	1,757,100,920	1,534,407,819
Cost of goods manufactured	10.1	23,235,408,668	21,956,197,078	7,704,676,467	7,524,896,070
Cost of raw material sold		28,795,273	18,706,390	13,522,498	6,501,507
		24,755,393,193	22,825,724,962	9,475,299,885	9,065,805,396
Finished goods - Closing stock		(1,688,689,909)	(1,270,357,233)	(1,688,689,909)	(1,270,357,233)
		23,066,703,284	21,555,367,729	7,786,609,976	7,795,448,163
10.1 Cost of goods manufactured					
Work in process - opening stock		589,256,549	478,749,878	739,179,679	485,284,294
Raw material consumed		16,025,448,186	15,215,368,442	5,215,180,254	5,339,926,864
Overheads		7,265,644,726	6,794,229,756	2,395,257,327	2,231,835,910
		23,880,349,461	22,488,348,076	8,349,617,260	8,057,047,068
Work in process - closing stock		(644,940,793)	(532,150,998)	(644,940,793)	(532,150,998)
		23,235,408,668	21,956,197,078	7,704,676,467	7,524,896,070

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

11	CASH USED IN OPERATIONS	(Un-audited) 31 March	
		2020 (Rupees)	2019 (Rupees)
	Profit before taxation	1,649,434,009	1,856,496,069
	Adjustments for non-cash charges and other items:		
	Depreciation on operating fixed assets	922,956,259	847,566,100
	Amortization of intangible assets	393,706	1,056,111
	Interest income	(7,100,849)	(13,813,093)
	Loss on sale of property, plant and equipment	15,848,081	21,429,024
	Dividend income	(425,026,739)	(603,778,664)
	Provision for gratuity	91,843,988	80,116,834
	(Reversal of) / provision for stores, spares and loose tools	(9,073,666)	9,780,598
	Credit balance written back	-	(791,928)
	Debit balance written off	199,923	-
	Provision against doubtful sales tax refundable	25,463,554	-
	Finance cost	1,892,296,751	1,497,156,426
	Rental income	(450,000)	(450,000)
		2,507,351,008	1,838,271,408
	Operating cash flow before changes in working capital	4,156,785,017	3,694,767,477
	Changes in working capital		
	(Increase) / decrease in current assets		
	Stores, spares and loose tools	(104,096,836)	(57,098,555)
	Stock-in-trade	(3,023,390,619)	(3,643,578,432)
	Trade debts	(992,448,159)	(605,027,475)
	Loans and advances	(15,938,115)	33,438,741
	Trade deposits and short term prepayments	(31,992,283)	(18,655,258)
	Other receivables	(100,308,637)	(10,290,842)
		(4,268,174,649)	(4,301,211,821)
	Increase/ (decrease) in current liabilities		
	Trade and other payables	390,192,401	297,268,950
	Contract liabilities	(43,913,506)	61,415,596
		234,889,263	(247,759,798)

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies (due to common directorship), subsidiaries, directors and key management personnel. Transactions with related parties are as follows:

	(Un-audited) 31 March	
	2020 (Rupees)	2019 (Rupees)
Subsidiaries:		
Sales / processing	2,105,181,345	1,789,516,706
Investment made	15,760,000	1,000,000,000
Loans recovered	-	482,000,000
Expenses charged to	410,667	331,029
Mark-up charged to	-	12,822,179
Rental Income	450,000	450,000
Dividend received	-	279,999,998
Associates:		
Sales / processing	1,994,564,247	1,494,966,109
Purchases	135,405,207	311,581,302
Electricity / steam purchased	-	10,957,927
Expenses charged by	3,321,872	4,226,269
Expenses charged to	19,825,008	35,160,924
Mark-up charged by	52,311,681	34,708,353
Dividend received	62,546,540	32,501,100
Dividend paid	126,829,352	89,971,632
Loans obtained - net	475,459,545	175,459,386
Right shares issued	200,158,000	-
Other related parties:		
Contribution to provident fund	36,558,551	28,826,414
Loans (repaid to) / received from directors and others - net	(167,583,000)	167,583,000
Right shares issued	394,444,400	-
Donation	11,950,000	-
Remuneration to key management personnel	54,089,555	47,875,283

13 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the unconsolidated condensed interim statement of financial position comprise of balances as per the annual audited financial statements of the Company for the year ended 30 June 2019 and the Corresponding figures in the 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 comprise of balances comparable period of the immediately preceding financial year i.e. nine months period ended 31 March 2019.

**NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
14 FINANCIAL INSTRUMENTS		
14.1 Fair value of financial instruments		
FINANCIAL ASSETS		
Debt instruments at amortised cost		
Long term deposits	87,684,092	87,909,092
Trade debts	3,190,340,963	2,197,892,804
Loan to employees	47,265,918	51,343,927
Trade deposits	23,403,558	4,065,140
Other receivables	786,287,145	822,655,494
Bank balances	140,306,683	95,242,191
	<u>4,275,288,359</u>	<u>3,259,108,648</u>
Debt instruments at fair value through OCI		
Habib Bank Limited TFCs	49,000,000	-
Sales tax refund bonds	-	53,443,295
	<u>49,000,000</u>	<u>53,443,295</u>
Equity instruments at fair value through OCI		
Quoted equity shares	6,785,232,848	7,991,044,248
Unquoted equity shares	86,648,236	86,648,236
	<u>6,871,881,084</u>	<u>8,077,692,484</u>
Total current	<u>8,482,737,272</u>	<u>6,951,887,850</u>
Total non current	<u>2,713,432,171</u>	<u>4,438,356,577</u>
FINANCIAL LIABILITIES		
At amortized cost		
Trade and other payables	3,140,033,550	2,781,266,216
Accrued interest / mark-up	399,467,222	320,423,966
Unclaimed dividend	1,673,718	1,795,457
Secured bank loan	14,139,792,927	12,257,108,436
Short term finances from banks	11,295,802,303	9,560,916,620
Other current loans	-	237,843,000
	<u>28,976,769,720</u>	<u>25,159,353,695</u>
Total current	<u>16,879,764,186</u>	<u>12,580,025,836</u>
Total non current	<u>12,097,005,534</u>	<u>12,579,327,859</u>
14.2 Fair value of financial instruments		

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.

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

14.3 Fair value hierarchy

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair value.

The table below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1. Quoted market price (unadjusted) in an active market for identical instrument.

Level 2. Inputs other than quoted price 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. Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The main level of inputs used by the Company for its financial assets are derived and evaluated as follows:

	Level 1 (Rupees)	Level 2 (Rupees)	Level 3 (Rupees)
As at 31 March 2020			
Assets carried at fair value			
Debt instruments at fair value through OCI	49,000,000	-	-
Equity instruments at fair value through OCI	6,785,232,848	-	86,648,236
	6,834,232,848	-	86,648,236
As at 30 June 2019			
Assets carried at fair value			
Debt instruments at fair value through OCI	-	53,443,295	-
Equity instruments at fair value through OCI	7,991,044,248	-	86,648,236
	7,991,044,248	53,443,295	86,648,236

15 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized by the Board of Directors of the Company and authorized for issue on April 28, 2020.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

Directors' Report to the Shareholders

On behalf of Board of Directors of Holding Company of **Sapphire Wind Power Company Limited, Sapphire Retail Limited, Triconboston Consulting Corporation (Private) Limited and Sapphire International APS** it is our pleasure to present Directors' Report with Un-Audited Consolidated Financial Statements for the nine months' period ended March 31, 2020.

Sapphire Wind Power Company Limited

The Company is 70% owned by Sapphire Textile Mills Ltd and 30% by Bank Alfalah Limited. The Company has set up a wind farm with capacity of 52.80 MW at Jhimpir which started Commercial operations in November 2015 – the project is operating following best industry practices and is yielding satisfactory results.

Sapphire Retail Limited

Sapphire Retail Limited is a wholly owned subsidiary of Sapphire Textile Mills Limited. The principal business of subsidiary is to operate "Sapphire brand" retail outlets for sale of textile and other products.

Tricon Boston Consulting Corporation (Private) Limited

Tricon Boston Consulting Corporation (Private) Limited is incorporated under the laws of Pakistan and operating 3 projects having capacity of 50 MW each in Jhimpir. All the three projects have successfully commenced commercial operation in September, 2018.

Sapphire International APS

Sapphire International APS a limited liability Company incorporated in Denmark is formed to strengthen exports of the Company.

On behalf of the Board

Lahore
Dated: April 28, 2020

NADEEM ABDULLAH
CHIEF EXECUTIVE

MOHAMMAD ABDULLAH
DIRECTOR

ڈائریکٹر رپورٹ برائے حصص یافتگان

سیفائز ونڈ پاور کمپنی لمیٹڈ، سیفائز ریٹیل لمیٹڈ، ٹرانسکون بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ، اور سیفائز انٹرنیشنل اے پی ایس کی ہولڈنگ کمپنی کے بورڈ آف ڈائریکٹرز نہایت مسرت کے ساتھ 31 مارچ 2020ء کو اختتام پذیر ہونے والی نو ماہی کی مشترکہ غیر آڈٹ شدہ مالی تفصیلات پیش کر رہے ہیں۔

سیفائز ونڈ پاور کمپنی لمیٹڈ

کمپنی 70 فیصد سیفائز ٹیکسٹائل ملز لمیٹڈ کی ملکیت اور 30 فیصد بینک الفلاح لمیٹڈ کی ملکیت ہے۔ کمپنی نے چھ ماہ میں 52.80 میگا واٹ گنجائش کے ونڈ فارم لگائے ہیں جنہوں نے نومبر 2015ء میں تجارتی سرگرمیاں شروع کر دی ہیں۔ پروجیکٹ بہترین صنعتی عمل انجام دے رہا ہے اور طینان بخش نتائج حاصل ہو رہے ہیں۔

سیفائز ریٹیل لمیٹڈ

سیفائز ریٹیل لمیٹڈ، سیفائز ٹیکسٹائل ملز لمیٹڈ کی مکمل ملکیت کی سبسیڈیری ہے۔ اس سبسیڈیری کا اہم کاروبار ٹیکسٹائل اور دیگر مصنوعات کی فروخت کیلئے ”سیفائز برانڈ“ ریٹیل آؤٹ لیٹس چلانا ہے۔

ٹرانسکون بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ

ٹرانسکون بوسٹن کنسلٹنگ کارپوریشن (پرائیویٹ) لمیٹڈ چھ ماہ سندھ میں پاکستانی قوانین کے تحت تشکیل پائی ہے اور 3X50 میگا واٹ ونڈ انرجی کے (3) پروجیکٹس چلا رہی ہے۔ تینوں پروجیکٹس کی تجارتی سرگرمیاں ستمبر 2018ء سے کامیابی کے ساتھ شروع ہو گئی ہیں۔

سیفائز انٹرنیشنل اے پی ایس

سیفائز انٹرنیشنل اے پی ایس لائسنسڈ لمیٹڈ کمپنی ہے جو کہ ڈنمارک میں وجود میں آئی، جس کا مقصد کمپنی کی برآمدات کو استحکام دینا ہے۔

بورڈ کی جانب سے

محمد عبداللہ
ڈائریکٹر

ندیم عبداللہ
چیف ایگزیکٹو

لاہور

مورخہ 28 اپریل 2020ء

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2020

		(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
	Note		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	66,750,469,499	67,853,221,445
Investment property		31,750,000	31,750,000
Intangible assets		459,227,925	457,922,727
Long term investments		4,988,675,388	5,392,557,086
Long term loans and advances		47,265,918	51,343,927
Long term deposits and prepayments		227,446,282	255,063,553
		72,504,835,012	74,041,858,738
CURRENT ASSETS			
Stores, spares and loose tools		759,345,027	639,876,314
Stock in trade		13,054,117,459	9,737,203,625
Trade debts		8,927,249,669	5,587,782,714
Loans and advances		179,829,542	137,705,316
Trade deposits and short term prepayments		137,848,504	58,776,966
Other receivables		1,075,079,548	2,946,182,241
Short term investments		3,169,825,376	4,030,717,707
Tax refunds due from Government		2,450,951,436	1,762,118,693
Cash and bank balances		5,491,873,716	4,414,025,673
		35,246,120,277	29,314,389,249
TOTAL ASSETS		107,750,955,289	103,356,247,987
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
35,000,000 ordinary shares of Rs.10 each		350,000,000	350,000,000
Issued, subscribed and paid-up capital		216,897,910	200,831,400
Reserves		20,590,295,399	17,938,008,345
Equity attributable to equity holders of the parent		20,807,193,309	18,138,839,745
Non-controlling interest		7,724,719,545	6,204,799,788
Total Equity		28,531,912,854	24,343,639,533
NON-CURRENT LIABILITIES			
Long term financing		54,452,576,935	55,768,661,310
Deferred liabilities		369,097,430	439,447,411
Lease liabilities		47,306,233	10,644,971
		54,868,980,598	56,218,753,692
CURRENT LIABILITIES			
Trade and other payables		5,870,707,043	5,089,972,393
Contract liabilities		809,990,399	850,602,812
Accrued Interest / mark-up		560,019,439	539,247,498
Unclaimed dividend		1,673,718	1,795,457
Short term borrowings		11,827,056,149	8,858,241,142
Current portion of long term financing	6	4,597,868,988	6,774,126,398
Current portion of lease liabilities		5,400,752	3,807,116
Provision for taxation		677,345,349	676,061,946
		24,350,061,837	22,793,854,762
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		107,750,955,289	103,356,247,987

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Note	Nine Months Period Ended		Quarter Ended	
		31 March		31 March	
		2020	2019	2020	2019
		(Rupees)	(Rupees)	(Rupees)	(Rupees)
Net turnover	8	40,663,962,522	34,110,139,890	12,955,124,019	12,633,860,556
Cost of sales	9	(28,236,944,939)	(26,072,458,093)	(9,573,162,792)	(9,748,535,078)
Gross profit		12,427,017,583	8,037,681,797	3,381,961,227	2,885,325,478
Distribution cost		(2,090,280,046)	(2,124,755,993)	(726,545,790)	(759,567,928)
Administrative expenses		(595,766,043)	(579,544,278)	(195,717,008)	(186,830,826)
Other operating expenses		(196,531,087)	(175,967,438)	(33,760,997)	(76,602,228)
Other income		519,615,587	604,344,794	231,111,997	181,818,421
		(2,362,961,589)	(2,275,922,915)	(724,911,798)	(841,182,561)
Profit from operations		10,064,055,994	5,761,758,882	2,657,049,429	2,044,142,917
Finance cost		(4,525,872,208)	(3,476,598,033)	(1,619,968,853)	(1,422,177,467)
		5,538,183,786	2,285,160,849	1,037,080,576	621,965,450
Share of profit of associated companies		85,467,227	103,876,041	36,890,524	50,894,867
Profit before taxation		5,623,651,013	2,389,036,890	1,073,971,100	672,860,317
Taxation					
Current					
- for the period		(387,012,717)	(265,760,474)	(138,336,708)	(71,348,341)
- prior year		(516,265)	834,128	-	-
Deferred		100,084,596	(5,254,487)	(3,427,798)	(5,151,987)
		(287,444,386)	(270,180,833)	(141,764,506)	(76,500,328)
Profit after taxation for the period		5,336,206,627	2,118,856,057	932,206,594	596,359,989
Attributable to:					
Equity holders of the parent		3,820,155,055	1,771,642,592	569,866,797	523,421,118
Non-controlling interest		1,516,051,572	347,213,465	362,339,797	72,938,871
		5,336,206,627	2,118,856,057	932,206,594	596,359,989
			Restated		Restated
Earnings per share - basic and diluted		179.02	83.97	26.27	24.81

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited) **FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Nine Months Period Ended 31 March		Quarter Ended 31 March	
	2020 (Rupees)	2019 (Rupees)	2020 (Rupees)	2019 (Rupees)
Profit after taxation for the period	5,336,206,627	2,118,856,057	932,206,594	596,359,989
Other comprehensive income:				
Items to be reclassified to profit or loss in subsequent period:				
Forward foreign currency contracts				
Unrealized loss on remeasurement of forward foreign currency contracts	(152,786,594)	-	(173,625,733)	-
Reclassification adjustments relating to loss realized on settlement of forward foreign currency contracts	-	(17,651,047)	-	-
Unrealized loss on hedging instruments - associates	(1,288,914)	-	(1,308,573)	-
Unrealized gain / (loss) on remeasurement of forward foreign currency contracts - associates		33,829	-	(4,236)
	(154,075,508)	(17,617,218)	(174,934,306)	(4,236)
Exchange difference on translation of foreign operations	(6,607,588)	26,077,697	16,082,589	(1,015,689)
Loss on debt instruments at fair value through other comprehensive income	(1,000,000)	-	(375,000)	-
Items not be reclassified to profit or loss in subsequent years:				
Net (loss) / gain on equity instruments at fair value through other comprehensive income	(1,150,432,092)	(752,761,375)*	(2,973,791,823)	1,027,060,340*
Net (loss) / gain on equity instruments at fair value through other comprehensive income - associates	(10,233,854)	(7,055,236)	(28,434,738)	7,492,667
Gain on disposal of investments at fair value through OCI	47,437,089	-	11,507,781	-
	(1,113,228,857)	(759,816,611)	(2,990,718,780)	1,034,553,007
Share of decrease in reserves of associated companies under equity method	-	(1,051,910)	-	(23,060)
Other comprehensive (loss) / income for the period	(1,274,911,953)	(752,408,042)	(3,149,945,497)	1,033,510,022
Total comprehensive income / (loss) for the period	4,061,294,674	1,366,448,015	(2,217,738,903)	1,629,870,011
Attributable to:				
Equity holders of the parent	2,545,243,102	1,019,234,550	(2,580,078,700)	1,556,931,140
Non- controlling interest	1,516,051,572	347,213,465	362,339,797	72,938,871
	4,061,294,674	1,366,448,015	(2,217,738,903)	1,629,870,011

*Refer to note 3.3.

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Capital Reserves					Revenue Reserves			Non-Controlling Interest	Total	Total Equity
	Share Capital	Share Premium	Fixed Assets Replacement	Unrealized Gain on available investments	Unrealized Gain/(loss) on investments at fair value through OCI	Unrealized (loss)/Gain on translation of foreign operation	Unrealized (Loss)/gain on forward foreign exchange contracts	General reserves	Unappropriated profit		
Balance as at 01 July 2018 (Audited)	200,831,400	156,202,200	65,000,000	589,844,100	-	23,454,928	17,804,164	1,330,000,000	14,245,497,876	16,628,634,668	21,711,334,487
Effect of adoption of IFRS 9 by parent company	-	-	-	(589,844,100)	589,844,100	-	-	-	-	-	-
Balance as at 01 July 2019 (restated)	200,831,400	156,202,200	65,000,000	-	589,844,100	23,454,928	17,804,164	1,330,000,000	14,245,497,876	16,628,634,668	21,711,334,487
Total comprehensive income for the nine month period ended 31 March 2019											
Profit after taxation for the period	-	-	-	-	-	-	-	-	1,771,642,592	1,771,642,592	2,118,856,057
Other comprehensive (loss) / income for the period	-	-	-	-	(17,617,218)	26,077,697	(759,816,611)	-	-	(751,356,132)	(751,356,132)
Share of decrease in reserves of associated companies under equity method	-	-	-	-	(17,617,218)	26,077,697	(759,816,611)	-	1,771,642,592	1,020,286,460	1,367,498,925
	-	-	-	-	-	-	-	-	(1,051,910)	(1,051,910)	(1,051,910)
Transaction with owners											
Final dividend for the year ended 30 June 2018 @ Rs.16 per share	-	-	-	-	-	-	-	-	(321,330,240)	(321,330,240)	(321,330,240)
Interim dividend @ Rs.1.23 per share-SNPCL	-	-	-	-	-	-	-	-	-	-	(120,000,002)
Balance as at 31 March 2019 (Un-audited)	200,831,400	156,202,200	65,000,000	-	572,226,882	49,532,625	(742,012,447)	1,330,000,000	15,694,758,918	17,326,538,978	22,636,452,680
Balance as at 01 July 2019 (Audited)	200,831,400	156,202,200	65,000,000	-	(1,281,758,979)	88,768,725	341,217	1,330,000,000	17,579,455,182	18,138,839,745	24,343,639,533
Effect of change in accounting policy due to adoption of IFRS-16 TBCL & SWPCL	-	-	-	-	-	-	-	-	7,893,675	7,893,675	11,761,860
Balance as at July 01, 2019 (restated)	200,831,400	156,202,200	65,000,000	-	(1,281,758,979)	88,768,725	341,217	1,330,000,000	17,587,348,857	18,146,733,420	24,355,401,393
Total comprehensive income for the nine months period ended 31 March 2020											
Profit after taxation for the period	-	-	-	-	-	-	-	-	3,820,155,055	3,820,155,055	5,336,206,627
Other comprehensive loss for the period	-	-	-	-	(154,075,508)	(6,607,588)	(1,114,228,857)	-	-	(1,274,911,953)	(1,274,911,953)
Share of decrease in reserves of associated companies under equity method	-	-	-	-	(154,075,508)	(6,607,588)	(1,114,228,857)	-	3,820,155,055	2,545,243,102	4,061,294,674
Transfer of gain on sale of investment at fair value through OCI to un-appropriated profit	-	-	-	-	-	-	-	-	(5,281,973)	(5,281,973)	(5,281,973)
Transaction with owners											
Right shares 1,606,651 issued at the rate of Rs.400 per share (Rs.10 par value and Rs.390 premium per share)	16,066,510	626,593,890	-	-	-	-	-	-	47,437,089	-	-
Final dividend for the year ended June 30, 2019 @ Rs. 26 per share	-	-	-	-	-	-	-	-	(522,161,640)	(522,161,640)	(522,161,640)
Balance as at 31 March 2020 (Un-audited)	216,897,910	782,796,090	65,000,000	-	(1,483,271,576)	82,161,137	-1,113,887,640	1,330,000,000	20,927,497,988	20,807,193,309	28,531,972,854

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited) **FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

	Note	Nine Months Period Ended	
		31 March	
		2020	2019
		(Rupees)	(Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	10	8,447,231,649	4,537,457,345
Long term loans, advances and deposits		31,695,280	(765,339)
Finance cost paid		(4,296,118,648)	(3,184,097,990)
Staff retirement benefits - gratuity paid		(62,109,374)	(53,146,886)
Taxes paid		(1,160,299,616)	(178,699,687)
		(5,486,832,358)	(3,416,709,902)
Net cash generated from operating activities		2,960,399,291	1,120,747,443
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(1,541,346,003)	(7,258,894,528)
Purchase of intangibles		(3,170,960)	(347,400)
Investments in equity investments		(74,958,830)	-
Investment in subsidiary		(15,760,000)	-
Investments in associates		62,523,860	32,481,325
Proceeds from disposal of property, plant and equipment		184,188,414	144,789,430
Proceeds from sale of investments		171,018,521	-
Dividend received		223,319,406	168,355,723
Interest received		96,497,121	100,759,479
Net cash used in investing activities		(897,688,471)	(6,812,855,971)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		2,968,815,007	4,114,589,684
Proceeds from long term financing		1,422,554,000	8,788,792,800
Repayment of long term financing		(5,495,329,910)	(2,861,653,230)
Repayment of lease liabilities - net		(8,971,132)	(23,997,749)
Dividend paid		(522,283,379)	(440,826,014)
Right shares issued		642,660,400	-
Net cash (used in) / generated from financing activities		(992,555,014)	9,576,905,491
Net increase in cash and cash equivalents		1,070,155,806	3,884,796,963
Cash and cash equivalents at the beginning of the period		4,414,025,673	4,616,880,419
Transfer upon merger		7,692,237	-
Cash and cash equivalents at the end of the period		5,491,873,716	8,501,677,382
Cash and cash equivalents			
Cash and bank balances		5,491,873,716	8,528,568,897
Book overdrafts - unsecured		-	(26,891,515)
Cash and cash equivalents at the end of the period		5,491,873,716	8,501,677,382

The annexed notes from 1 to 15 form an integral part of these consolidated condensed interim financial statements.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

1 LEGAL STATUS AND OPERATIONS

Sapphire Textile Mills Limited (the Holding Company) was incorporated in Pakistan on 11 March 1969 as a public limited company under the Companies Act, 1913 (now the Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange.

The Holding Company is principally engaged in manufacturing and sale of yarn, fabrics, home textile products, finishing, stitching and printing of fabrics. Following are the business units of the Holding Company along with their respective locations:

BUSINESS UNIT	LOCATION
Production Plants	
Spinning	A-17, SITE, Kotri
Spinning	A-84, SITE Area, Nooriabad
Spinning	63/64-KM, Multan Road, Jumbler Khurd, Chunian, District Kasur
Spinning	1.5-KM, Warburton Road, Feroze Wattoan, Sheikhpura.
Weaving and Yarn Dying	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Printing, Processing and Home Textile	2-KM, Warburtan Road, Feroze Wattoan, Sheikhpura.
Stitching	1.5-KM Off, Defence Road, Bhubtian Chowk, Raiwind Road, Lahore.

Registered Office

Karachi	212, Cotton Exchange Building, I. I. Chundrigar Road, Karachi
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1.1 The Group consists of:

-Sapphire Textile Mills Limited (the Holding Company)

Subsidiary Companies	% of shareholding
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(i) Sapphire Retail Limited (SRL)	100 %
(ii) Sapphire International ApS	100 %
(iii) Sapphire Wind Power Company Limited (SWPCL)	70 %
(iv) Tricon Boston Consulting Corporation (Private) Limited (TBCL)	57.125 %

(i) Sapphire Retail Limited (SRL) was incorporated in Pakistan as an unlisted public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 11 June 2014. Its registered office is situated at 7 A/K Main Boulevard, Gulberg-II, Lahore. SRL is principally engaged in carrying out manufacturing of textile products by processing the textile goods in outside manufacturing facilities and to operate retail outlets to sell the same in Pakistan and abroad through E-store.

(ii) Sapphire International APS a limited liability Company incorporated in Denmark is formed to strengthen exports of the Group.

(iii) Sapphire Wind Power Company Limited (SWPCL) was incorporated in Pakistan as an unlisted public company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 27 December 2006. Its registered office is located at 212, Cotton Exchange Building, I.I. Chundrigar Road, Karachi and the it's wind power plant has been set up at Jhimpir, District Thatta, Sindh on land that is leased to the it by Alternative Energy Development Board ('AEDB'), Government of Pakistan.

SWPCL's principal objective is to carry on the business of supplying general electric power and to setup and operate wind power generation projects to generate, accumulate, distribute and supply electricity.

It has set up a wind power station of 52.80 MW gross capacity at the above mentioned location and achieved Commercial Operations Date ('COD') on November 22, 2015. It has an Energy Purchase Agreement ('EPA') with its sole customer, Central Power Purchasing Agency Guarantee Limited ('CPPAGL') for twenty years which commenced from the COD on 05 May 2017.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

- (iv) Triconboston Consulting Corporation (Private) Limited (TBCL) was incorporated in Pakistan as a private Company limited by shares under the Companies Ordinance, 1984 (now the Companies Act, 2017) on 13 August 2012. Its principle objective is to carry on the business of supplying general electric power and to setup and operate wind power generation projects to generate, accumulate, distribute and supply electricity. Its registered office is located at 7/A- K, Main Boulevard, Gulberg II, Lahore, Punjab.

TBCL has set up three wind power station of each 49.735 MW gross capacity at Deh, Kohistan 7/1 Tapo Jhimpir, Taluka and District Thatta in the province of Sindh. Measuring 3,852 acres. It has achieved Commercial Operations Date ('COD') on August 16, 2018, 14 September 2018 and 11 September 2018 by Project A, B and C respectively (collectively defined as 'Projects'). It has also signed three Energy Purchase Agreement ('EPA') with its sole customer for its Projects, Central Power Purchaser Agency (Guarantee) Limited ('CPPA-G') for twenty years which commenced from the COD.

- 1.2 On 29 October 2019, the Board of Directors of the Holding Company passed a resolution approving a Scheme of Amalgamation under Section 284 of the Companies Act, 2017, to amalgamate its wholly owned subsidiaries, Sapphire Solar (Private) Limited (SSPL), Sapphire Tech (Private) Limited (STPL) and Sapphire Renewables Limited (SRL) with and into the Holding Company. As such, as of the Completion Date of 31 December 2019, the entire undertaking of SSPL, STPL and SRL stands merged with and into the Holding Company. As a result the entire business of SSPL, STPL and SRL including its properties, assets, liabilities and rights and obligations vested into the Holding Company. Since SSPL, STPL, SRL were group companies under common control, the merger has been accounted for as a common control transaction. The acquired net assets of SSPL, STPL and SRL are included in the financial statements of the Holding Company at the same carrying values as recorded in SSPL's, STPL's and SRL's own financial statements as on 31 December 2019.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim consolidated financial information of the Group has 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 Standards (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 The consolidated condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Group for the year ended 30 June 2019.
- 2.3 These consolidated condensed interim financial statements have been prepared under the historical cost convention except for measurement of certain financial assets and financial liabilities at fair value.

2.4 Functional and presentation currency

This consolidated condensed interim financial statements are presented in Pakistan Rupees which is also the Group's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

3 Significant accounting policies

The accounting policies adopted in the preparation of consolidated condensed interim financial statements are consistent with those followed in the preparation of annual financial statements for the year ended 30 June 2019, except for the adoption of new standards which are effective for annual period beginning on 01 July 2019, as listed below. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

3.1 New / Revised Standards, Interpretations and Amendments

IFRS 14	Regulatory Deferral Accounts
IFRS 16	Leases
IFRIC 23	Uncertainty over Income Tax Treatments
IFRS 9	Prepayment Features with Negative Compensation — (Amendments)
IAS 28	Long-term Interests in Associates and Joint Ventures — (Amendments)
IAS 19	Plant Amendment, Curtailment or Settlement — (Amendments)
IFRS 3	Business Combinations - Previously held Interests in a joint operation — (Amendments)
IFRS 11	Joint Arrangements - Previously held Interests in a joint operation
IAS 12	Income Taxes - Income tax consequences of payments on financial instruments classified as equity
IAS 23	Borrowing Costs - Borrowing costs eligible for capitalization

Certain standards, amendments and interpretations to approved accounting standards are effective for the annual period beginning on or after 01 June 2019 but are considered not to be relevant or to have any significant effect on the Groups's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in this condensed interim financial information, except for the following:

3.2 Impact on adoption of IFRS 16 "Leases":

IFRS 16 supersedes IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model.

Lessor accounting under IFRS 16 is substantially unchanged under IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have an impact for leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 July 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. The Group also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets').

SECP through SRO 986(I)/2019 dated September 2, 2019 has granted exemption from the requirements of IFRS 16 to all companies that have executed their power purchase agreements before January 1, 2019. The exemption is limited to the extent of power purchase agreements only.

3.3 The Group has adopted IFRS 9, Financial Instruments while preparing its annual financial statements for the year ended 30 June 2019. However, for the comparative period presented in these consolidated condensed interim financial statements, the Securities and Exchange Commission of Pakistan (SECP) vide its notification dated 14 February 2019 had deferred the adoption of IFRS 9 particularly for that period. Therefore the consolidated condensed interim financial statements for the nine months ended 31 March 2019 did not include the impact of adoption of this standard.

Gain or (loss) on the group's equity investments was previously classified under items to be reclassified to profit or loss in subsequent periods in the statement of comprehensive income, as required under the accounting framework prior to adoption of IFRS 9. Due to adoption of IFRS 9, such gains / (losses) are being classified as items not to be reclassified to profit or loss in subsequent periods.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

Comparatives for the nine months ended 31 March 2020 have been restated in these financial statements to bring them in line with requirements of IFRS 9 for consistency in accounting for gain / (loss) on the investments at fair value through other comprehensive income throughout the period from 01 July 2018 to 30 June 2019 i.e. reclassification as items not to be reclassified to profit or loss in subsequent periods as required under IFRS 9.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim consolidated financial information is in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this condensed interim consolidated financial information are the same as those that were applied to the consolidated financial statements as at and for the year ended June 30, 2019.

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements as at and for the year ended 30 June 2019.

	Note	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	65,252,794,706	66,878,177,418
Capital work-in-progress	5.3	1,365,520,152	905,827,771
Right of use asset	5.4	62,938,385	-
Major spare parts and stand-by equipment		69,216,256	69,216,256
		66,750,469,499	67,853,221,445
5.1 Operating fixed assets			
Opening book value		66,878,177,418	23,194,555,400
Cost of additions during the period / year	5.2	1,234,216,681	35,810,587,466
Exchange loss capitalised during the period / year		498,287,683	11,624,833,607
Book value of disposals during the period / year	5.2	(132,794,322)	(299,444,061)
		1,599,710,042	47,135,977,012
Depreciation during the period/year		(3,225,092,754)	(3,452,354,994)
		(1,625,382,712)	43,683,622,018
Closing book value		65,252,794,706	66,878,177,418

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

- 5.2** The cost of additions and book value of disposals to operating fixed assets during the nine months period ended 31 March 2020 and year ended 30 June 2019 are as follows.

	(Un-Audited) 31 March 2020		(Audited) 30 June 2019	
	Addition Cost	Disposal Book value	Addition Cost	Disposal Book value
	----- Rupees -----		----- Rupees -----	
Land:				
Freehold	434,500	-	-	-
On Freehold land:				
Factory buildings	142,640,102	-	462,077,461	-
Labour, staff colony and others	48,381,956	-	80,226,232	-
Office buildings	-	-	17,449,500	-
On lease hold land:				
Factory buildings	2,561,308	-	1,275,552,540	-
Labour, staff colony and others	-	-	19,284,784	-
Building improvements			186,006,762	16,413,624
Plant & machinery	819,405,441	93,576,177	33,331,492,197	150,072,334
Electric installations	33,354,989	-	35,849,684	14,552
Fire Fighting equipment	2,629,700	-	6,567,902	-
Electric equipments	64,220,171	-	164,230,339	10,940,210
Computers	18,624,496	1,023,714	43,941,807	1,358,565
Office equipments	371,080	19,905	3,513,271	25,304
Mills equipments	8,449,010	-	8,939,703	-
Furniture & fixtures	63,202,259	-	106,831,761	1,142,745
Vehicles - owned	25,991,669	28,857,776	58,116,623	87,806,738
Vehicles - leased	3,950,000	9,316,750	10,506,900	31,669,989
	1,234,216,681	132,794,322	35,810,587,466	299,444,061

	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
5.3 Capital work-in-progress		
Advance for land	57,000,000	84,500,000
Freehold land and building	443,173,511	435,749,570
Civil works and buildings	174,451,766	154,608,429
Plant and machinery	658,575,704	184,923,436
Electric installations	6,543,314	44,904,336
Electric equipment	11,590,668	-
Mills equipment	4,154,999	-
Computers	587,600	642,000
Advance for vehicles	9,442,590	500,000
	1,365,520,152	905,827,771

5.4 Right of use asset

This represents right-of-use asset relating to land obtained from the AEDB and Govt. of Sindh, Land Utilization department, through Deputy Commissioner Thatta. It is being depreciated over the lease term.

- 6** Current portion of long term financing aggregating Rs. 2,347,897,617 has been deferred by Financial Institutions for 12 months as per Group's request in accordance with relief measures of State Bank of Pakistan due to Corona Pandemic.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

	Note	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
7 CONTINGENCIES AND COMMITMENTS			
Contingencies			
Guarantees issued by banks on behalf of the Group		623,769,587	624,093,587
7.1 Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at 31 March 2020 the value of these cheques amounted to Rs.1,158.550 million (30 June 2019: Rs.720.484 million).			
7.2 There is no change in status of the contingencies as disclosed in note 32.3 to 32.5 and 32.7 to 32.11 of the audited annual consolidated financial statements of the Group for the year ended 30 June 2019.			
7.3 Irrevocable letter of credit of USD 1.17 million equivalent to Rs 195.10 million (30 June 2019: USD 1.17 million equivalent to Rs 192.47 million) in favour of CitiBank, N.A. as per the terms of the Finance Agreement dated March 31, 2014.			
Commitments			
Commitment in respect of confirmed letter of credit	7.4	3,732,240,911	1,441,047,702
Commitment in respect of capital expenditure	7.5	29,546,909	128,731,342
		3,761,787,820	1,569,779,044
7.4 Confirmed letter of credit in respect of:			
- plant and machinery		990,407,020	297,630,174
- raw material and accessories		2,700,383,666	1,092,206,126
- stores and spares		41,450,225	51,211,402
		3,732,240,911	1,441,047,702
7.5 This includes commitments for payments to be made for to various construction companies for the construction and extension on existing building at multiple plants of the Holding Company.			

8 NET TURNOVER

Set out below is the disaggregation of the Group's revenue from contracts with customers:

	Export Sales		Local Sales		Total	
	31 March		31 March		31 March	
	2020	2019	2020	2019	2020	2019
	Rupees					
Yarn	8,154,848,360	8,085,889,544	3,576,820,016	2,750,685,661	11,731,668,376	10,836,575,205
Fabric	7,934,151,322	7,783,073,796	710,247,889	636,855,942	8,644,399,211	8,419,929,738
Clothing items	-	-	5,609,256,173	6,518,396,597	5,609,256,173	6,518,396,597
Home textile products	4,842,439,662	3,899,985,962	98,765,841	141,892,679	4,941,205,503	4,041,878,641
Raw material	-	-	11,126,830	27,380,520	11,126,830	27,380,520
Accessories	-	-	141,387,849	230,116,360	141,387,849	230,116,360
Waste	156,188,141	135,613,012	214,421,460	184,141,229	370,609,601	319,754,241
Processing income	-	-	108,405,773	118,958,059	108,405,773	118,958,059
Power Generation	-	-	9,656,960,862	5,231,850,100	9,656,960,862	5,231,850,100
	21,087,627,485	19,904,562,314	20,127,392,693	15,840,277,147	41,215,020,179	35,744,839,461
Export rebate					487,002,444	108,528,216
Less: Discounts to customers					(1,038,060,101)	(1,743,227,787)
					40,663,962,522	34,110,139,890

8.1 Revenue is recognized at point in time as per the terms and conditions of underlying contracts with customers.

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

Note	(Un-audited) Nine Months Period Ended 31 March		(Un-audited) Quarter Ended 31 March	
	2020	2019	2020	2019
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
9 COST OF SALES				
Finished goods - Opening stock	2,230,290,145	1,267,695,380	2,816,198,811	2,785,522,095
Cost of goods manufactured	27,893,712,868	27,146,984,583	9,112,851,273	9,538,348,159
Finished goods - Closing stock	(2,900,089,046)	(2,662,754,589)	(2,900,089,046)	(2,662,754,589)
Cost of sales - owned manufactured	27,223,913,967	25,751,925,374	9,028,961,038	9,661,115,665
Cost of raw material sold	28,795,273	18,706,390	13,522,498	6,501,507
Cost of sales - purchased for resale	984,235,699	301,826,329	530,679,256	80,917,906
	28,236,944,939	26,072,458,093	9,573,162,792	9,748,535,078
9.1 Cost of Goods Manufactured				
Work in process - opening stock	1,705,135,329	1,686,535,501	1,559,168,839	1,949,479,954
Raw materials consumed	15,254,950,740	15,314,399,038	4,975,242,637	5,338,293,093
Overheads	12,538,891,200	12,082,251,924	4,183,704,198	4,186,776,992
	29,498,977,269	29,083,186,463	10,718,115,674	11,474,550,039
Work in process - closing stock	(1,605,264,401)	(1,936,201,880)	(1,605,264,401)	(1,936,201,880)
	27,893,712,868	27,146,984,583	9,112,851,273	9,538,348,159

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

10 CASH GENERATED FROM OPERATIONS

	(Un-audited) Nine Months Period Ended 31 March	
	2020	2019
	(Rupees)	(Rupees)
Profit before taxation and share of profit of associates	5,538,183,786	2,285,160,849
Adjustments for non-cash items:		
Depreciation on operating fixed assets	3,225,092,745	2,557,763,000
Amortization of intangible assets	1,865,762	5,763,075
Interest income	(96,002,326)	(100,759,479)
Loss on sale of property, plant and equipment	14,133,173	24,632,313
Dividend income	(362,502,879)	(291,297,341)
Provision for gratuity	91,843,988	80,116,834
(Reversal of) / provision for stores, spares and loose tools	(9,073,666)	9,780,598
Credit balances written-back	-	(791,928)
Debit balances written off	7,409,255	-
Loss in deemed disposal	2,421,193	-
Amortization of transaction cost	46,213,911	39,305,348
Provision against doubtful sales tax refundable	25,463,554	-
Finance cost	4,316,890,589	3,437,292,685
	7,263,755,299	5,761,805,105
Operating cash flow before changes in working capital	12,801,939,085	8,046,965,954
Changes in working capital		
(Increase) / decrease in current assets		
Stores, spare and loose tools	(110,395,047)	(59,008,482)
Stock-in-trade	(3,316,913,834)	(4,832,097,578)
Trade debts	(3,339,466,954)	(940,230,628)
Loans and advances	(42,124,226)	11,145,561
Trade deposits and short term prepayments	(79,071,538)	(26,398,309)
Other receivables	1,936,854,852	(798,730,317)
	(4,951,116,747)	(6,645,319,753)
Increase / (decrease) in current liabilities		
Trade and other payables	637,021,723	3,074,395,548
Contract liabilities	(40,612,412)	61,415,596
	8,447,231,649	4,537,457,345

**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020**

11 RELATED PARTY DISCLOSURES

The related parties comprise of associated companies (due to common directorship), directors and key management personnel. Transactions with related parties are as follows:

		(Un-audited) 31 March	
		2020	2019
		(Rupees)	(Rupees)
(i) Associates	Nature of transactions		
	Sales / processing	1,994,564,247	1,494,966,109
	Purchases	135,405,207	318,699,852
	Purchase of electricity / steam	-	10,957,927
	Expenses charged to the Company	3,321,872	35,160,924
	Expenses charged by the Company	19,825,008	4,226,269
	Mark-up charged by the Company	52,311,681	34,708,353
	Dividend paid	62,546,540	89,971,632
	Dividend received	126,829,352	32,501,100
	Loans - net	475,459,545	175,451,965
	Right shares issued	200,158,000	-
(ii) Others	Contribution to provident fund	40,196,892	41,803,201
	Remuneration to key management personnel	160,177,629	152,713,069
	Loan from directors and related parties	(167,583,000)	167,583,000
	Share issued	394,444,400	-
	Donation	11,950,000	-

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

12 SEGMENT ANALYSIS

12.1 SEGMENT RESULTS

Spinning	Weaving	Processing, printing, Home Textile and Textile Retail	Power Generation	Total
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----- Rupees -----

For the nine months period ended 31 March 2020 (Un-audited)

Revenue - external customers	11,992,868,535	8,460,713,294	10,553,419,830	9,656,960,863	40,663,962,522
Inter - segment sales	3,823,051,271	1,442,524,033	223,858,453	-	5,489,433,757
Segment results	1,292,913,309	1,506,150,880	805,785,783	6,136,121,522	9,740,971,494

For the nine months period ended 31 March 2019 (Un-audited)

Revenue - external customers	11,028,177,671	8,565,029,786	9,285,082,332	5,231,850,101	34,110,139,890
Inter - segment sales	3,443,409,001	1,080,106,417	252,449,783	-	4,775,965,201
Segment results	1,077,307,177	1,154,720,530	454,195,675	2,647,158,144	5,333,381,526

	(Un-audited) 31 March	
	2020 (Rupees)	2019 (Rupees)
Reconciliation of operating results with profit after tax is as follows:		
Total results for reportable segments	9,740,971,494	5,333,381,526
Other operating expenses	(196,531,087)	(175,967,438)
Other income	519,615,587	604,344,794
Finance cost	(4,525,872,208)	(3,476,598,033)
Share of profit of associated companies	85,467,227	103,876,041
Profit before taxation	5,623,651,013	2,389,036,890
Taxation	(287,444,386)	(270,180,833)
Profit for the period	5,336,206,627	2,118,856,057

12.2 SEGMENT ASSETS AND LIABILITIES

Spinning	Weaving	Processing, printing, Home Textile and Textile Retail	Power Generation	Total
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----- Rupees -----

As at 31 March 2020 (Un-audited)

Segment assets	14,548,657,856	4,926,777,012	11,903,463,347	64,196,547,391	95,575,445,606
Segment Liabilities	23,689,308,150	2,532,373,149	8,024,596,510	43,748,560,120	77,994,837,930

As at 30 June 2019 (Audited)

Segment assets	11,820,053,480	4,594,319,755	10,011,348,139	62,309,278,158	88,734,999,532
Segment Liabilities	20,631,414,203	2,626,065,688	6,264,377,710	48,031,280,061	77,553,137,662

	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
Reconciliation of segment assets and liabilities with total assets and liabilities in the condensed interim consolidated statement of financial position is as follows:		
Total for reportable segments assets	95,575,445,606	88,734,999,532
Unallocated assets	12,175,509,683	14,621,248,455
Total assets as per statement of financial position	107,750,955,289	103,356,247,987
Total for reportable segments liabilities	77,994,837,930	77,553,137,662
Unallocated liabilities	1,224,204,505	1,459,470,792
Total liabilities as per statement of financial position	79,219,042,435	79,012,608,454

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

13 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', corresponding figures in the condensed interim consolidated statement of financial position comprise of balances as per the annual audited consolidated financial statements of the Group for the year ended 30 June 2019 and the Corresponding figures in the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows comprise of balances comparable period of the immediately preceding financial year i.e. nine months period ended 31 March 2019.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no such significant re-arrangements have been made in this condensed interim financial information.

14 FINANCIAL INSTRUMENTS

14.1 Fair value of financial instruments

	(Un-audited) 31 March 2020 (Rupees)	(Audited) 30 June 2019 (Rupees)
FINANCIAL ASSETS		
Debt instruments at amortised cost		
Long term deposits	227,446,282	239,969,798
Trade debts	8,927,249,669	5,587,782,714
Loan to employees	71,556,815	78,281,393
Trade deposits	44,848,308	9,462,040
Other receivables	910,537,680	2,846,938,094
Bank balances	5,491,873,716	4,414,025,673
	15,673,512,470	13,176,459,712
Debt instruments at fair value through OCI		
Habib Bank Limited TFCs	49,000,000	-
Sales tax refund bonds	-	53,443,295
	49,000,000	53,443,295
Equity instruments at fair value through OCI		
Quoted equity shares	6,785,232,848	7,991,044,248
Unquoted equity shares	86,648,236	86,648,236
	6,871,881,084	8,077,692,484
Total current	19,672,059,988	16,776,020,893
Total non current	2,922,333,566	4,531,574,598
FINANCIAL LIABILITIES		
At amortized cost		
Trade and other payables	5,105,696,590	4,211,351,512
Accrued interest / mark-up	560,019,439	539,247,498
Unclaimed dividend	1,673,718	1,795,457
Secured bank loan	54,452,576,935	55,768,661,310
Lease liabilities	47,306,233	10,644,971
Short term borrowings	16,430,325,889	15,398,331,656
Other current loans	-	237,843,000
	76,597,598,804	76,167,875,404
Total current	22,097,715,636	20,388,569,123
Total non current	54,499,883,168	55,779,306,281

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2020

14.2 Fair value of financial instruments

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.

14.3 Fair value hierarchy

The carrying value of all financial assets and liabilities reflected in the financial statements approximate their fair value.

The table below analyse financial instruments carried at fair value, by valuation method. The different levels have been defined as follows :

Level 1. Quoted market price (unadjusted) in an active market for identical instrument.

Level 2. Inputs other than quoted price 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. Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The main level of inputs used by the Group for its financial assets are derived and evaluated as follows:

	Level 1 (Rupees)	Level 2 (Rupees)	Level 3 (Rupees)
As at 31 March 2020			
Assets carried at fair value			
Debt instruments at fair value through OCI	49,000,000	-	-
Equity instruments at fair value through OCI	6,871,881,084	-	86,648,236
	<u>6,920,881,084</u>	-	<u>86,648,236</u>
As at 30 June 2019			
Assets carried at fair value			
Debt instruments at fair value through OCI	-	53,443,295	-
Equity instruments at fair value through OCI	7,991,044,248	-	86,648,236
	<u>7,991,044,248</u>	<u>53,443,295</u>	<u>86,648,236</u>

15 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 28 April 2020.

Nadeem Abdullah
Chief Executive

Abdul Sattar
Chief Financial Officer

Mohammad Abdullah
Director