

Contents

Reliance Cotton Spinning Mills Limited
Un-Consolidated Condensed Financial Statements (Un-Audited)

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*Company Profile***Board of Directors**

| | |
|-------------------------|----------------------|
| Mr. Amer Abdullah | Chairman |
| Mr. Shayan Abdullah | Chief Executive |
| Mr. Shahid Abdullah | Director |
| Mr. Yousuf Abdullah | Director |
| Mr. Nabeel Abdullah | Director |
| Mrs. Madiha Saeed Nagra | Independent Director |
| Mr. Asif Elahi | Independent Director |

Audit Committee

| | |
|---------------------|----------|
| Mr. Asif Elahi | Chairman |
| Mr. Shahid Abdullah | Member |
| Mr. Nabeel Abdullah | Member |

**Human Resource
& Remuneration Committee**

| | |
|---------------------|----------|
| Mr. Asif Elahi | Chairman |
| Mr. Yousuf Abdullah | Member |
| Mr. Shayan Abdullah | Member |

Chief Financial Officer

Mr. Jawwad Faisal

Company Secretary

Mr. Nauman Iqbal

Auditors

E. Y Ford Rhodes,
Chartered Accountants

Tax Consultant

Yousuf Adil,
Chartered Accountants

Legal Advisor

Hassan & Hassan, Advocates

Bankers of the Company

Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Meezan Bank Limited
United Bank Limited

Share Registrar

Hameed Majeed Associates (Pvt.) Limited,
4th Floor, Karachi Chambers, Hasrat
Mohani Road, Karachi.

Geographical Presence:**Registered Office**

312, Cotton Exchange Building,
I.I. Chundrigar Road, Karachi

Mills

Feroze Wattoan,
District, Sheikhpura, Punjab.

Company Website

www.sapphire.com.pk/rcsml

Directors' Report

The Directors of the Company are pleased to present un-audited financial statements for the nine months ended 31 March, 2021.

Financial Highlights

| | March 31, | |
|------------------------|---------------------------|----------------|
| | 2021 | 2020 |
| | Rupees in thousand | |
| Sales & services | 5,416,696 | 4,731,274 |
| Gross profit | 1,023,822 | 730,757 |
| Profit before taxation | 683,564 | 274,310 |
| Taxation | (58,506) | (52,532) |
| Profit after taxation | <u>625,058</u> | <u>221,778</u> |

During the period under review, your company achieved sales of Rs. 5.417 billion compared to Rs. 4.731 billion during last year, an increase of 14.49%. The gross profit as a percentage of sales was 18.90% against 15.44% during last year. Whereas, the company earned profit after tax of Rs.625 million as against Rs.222 million during last year's corresponding period.

Earnings per share

The earnings per share (EPS) are at Rs. 60.73 as compared to Rs. 21.55 for the same period of last year.

Future outlook

The availability of COVID-19 vaccine has raised hopes of a turnaround in the pandemic in the remaining period of the year. However, cost of energy, shortage of cotton crop could reverse the export gains. The management is expecting sustainable profitability through adequate coverage of its raw materials through imports and diversified business segments.

The Directors appreciate the hard work and commendable services rendered by staff and workers of the Company.

For and on behalf of the Board

Lahore
Dated: 28 April, 2021

Shayan Abdullah **Shahid Abdullah**
Chief Executive Officer Director

ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2021ء کو ختم ہونے والی نو ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ مالیاتی گوشواروں پر اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی جھلکیاں

| روپے ہزاروں میں | | تفصیل |
|-----------------|---------------|--------------------|
| 31 مارچ 2021ء | 31 مارچ 2020ء | |
| 4,731,274 | 5,416,696 | فروخت اور خدمات |
| 730,757 | 1,023,822 | مجموعی منافع |
| 274,310 | 683,564 | ٹیکس سے پہلے منافع |
| (52,532) | (58,506) | ٹیکسیشن |
| 221,778 | 625,058 | ٹیکس کے بعد منافع |

کمپنی نے گزشتہ سال کی اسی مدت میں 4.731 بلین روپے کے مقابلے زیر جائزہ مدت کے دوران 5.417 بلین روپے فروخت حاصل کی، جو کہ 14.49% فیصد کا اضافہ ہے۔ مجموعی منافع گزشتہ سال کے 15.44% فیصد کے مقابلے فروخت کا 18.90% فیصد تھا۔ جبکہ، کمپنی نے گزشتہ سال کی اسی مدت میں درج 222 بلین روپے کے مقابلے موجودہ مدت کے دوران 625 بلین روپے ٹیکس کے بعد منافع کمایا ہے۔

فی حصص آمدنی

کمپنی کی موجودہ مدت کی فی شیئر آمدنی (EPS) 60.73 روپے ہے جو کہ پچھلے سال کی اسی مدت میں 21.55 روپے تھی۔

مستقبل کا نقطہ نظر

COVID-19 ویکسین کی دستیابی نے سال کے باقی عرصے میں وبائی بیماری میں تبدیلی کی امیدوں کو جنم دیا ہے۔ تاہم، توانائی کی لاگت، کپاس کی فصل کی قلت برآمدات نفع کو واپس لاسکتی ہے۔ انتظامیہ درآمد اور متنوع کاروباری سیکٹرز کے ذریعے اپنے خام مال کی مناسب کوریج کے ذریعے پائیدار منافع کی توقع کر رہی ہے۔

اعتراف

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی سخت محنت اور قابل ستائش خدمات کو سراہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

شاید عبداللہ
ڈائریکٹر

شایان عبداللہ
چیف ایگزیکٹو آفیسر

لاہور:

بتاریخ: 28 اپریل 2021ء

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021

| | | Un-Audited 31 March 2021 Rupees | Audited 30 June 2020 Rupees |
|---|------|--|--------------------------------------|
| | Note | | |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 6 | 2,304,758,638 | 2,051,140,337 |
| Long term investments | 7 | 91,569,645 | 89,069,645 |
| Long term deposits | | 8,987,690 | 8,987,690 |
| | | 2,405,315,973 | 2,149,197,672 |
| Current assets | | | |
| Stores and spare parts | | 60,866,068 | 49,505,453 |
| Stock-in-trade | | 3,171,853,032 | 2,699,519,145 |
| Trade debts | | 1,025,727,976 | 986,719,303 |
| Loans and advances | | 83,674,732 | 104,493,271 |
| Short term deposits and prepayments | | 519,346 | 221,491 |
| Other receivables | | 10,807,450 | 10,915,489 |
| Tax refunds due from the Government | | 345,919,776 | 364,500,551 |
| Short term investments | | 54,274,854 | 42,187,437 |
| Cash and bank balances | | 8,958,647 | 6,270,961 |
| | | 4,762,601,881 | 4,264,333,101 |
| TOTAL ASSETS | | 7,167,917,854 | 6,413,530,773 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized share capital | | | |
| 12,000,000 (30 June 2020: 12,000,000) ordinary shares of Rs. 10 each | | 120,000,000 | 120,000,000 |
| Issued, subscribed and paid up share capital | | 102,920,000 | 102,920,000 |
| Reserves | | | |
| | | 2,894,107,805 | 2,256,963,266 |
| | | 2,997,027,805 | 2,359,883,266 |
| Non-current liabilities | | | |
| Long term liabilities | 8 | 951,303,906 | 853,696,129 |
| Deferred liabilities | 9 | 64,331,763 | 62,585,160 |
| | | 1,015,635,669 | 916,281,289 |
| Current liabilities | | | |
| Trade and other payables | | 1,075,530,068 | 441,996,695 |
| Contract liabilities | | 36,141,403 | 8,170,916 |
| Unclaimed dividend | | 582,687 | 613,360 |
| Markup accrued | | 37,022,814 | 61,040,204 |
| Short term borrowings | 10 | 1,788,698,834 | 2,518,887,111 |
| Current portion of long term liabilities | | 133,060,161 | 19,354,499 |
| Provision for taxation | | 84,218,413 | 87,303,433 |
| | | 3,155,254,380 | 3,137,366,218 |
| TOTAL EQUITY AND LIABILITIES | | 7,167,917,854 | 6,413,530,773 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 11 | | |

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)

FOR THE NINE MONTHS ENDED MARCH 31, 2021

| | Note | Nine months ended | | Three months ended | |
|---|------|----------------------|-----------------|--------------------|-------------------|
| | | 31 March | 31 March | 31 March | 31 March |
| | | 2021 | 2020 | 2021 | 2020 |
| | | -----Rupees----- | | -----Rupees----- | |
| Sales - net | 12 | 5,416,695,870 | 4,731,274,415 | 1,931,908,712 | 1,591,093,353 |
| Cost of sales | 13 | (4,392,873,901) | (4,000,517,459) | (1,439,432,718) | (1,347,142,155) |
| Gross profit | | 1,023,821,969 | 730,756,956 | 492,475,994 | 243,951,198 |
| Distribution cost | | (95,416,015) | (79,361,278) | (38,039,824) | (25,649,827) |
| Administrative expenses | | (77,846,017) | (71,496,865) | (29,727,377) | (24,659,028) |
| Other income | | 16,240,862 | 21,070,602 | 3,642,607 | 2,101,239 |
| Other operating expenses | | (32,897,788) | (59,253,262) | (18,117,855) | (49,420,148) |
| | | (189,918,958) | (189,040,803) | (82,242,449) | (97,627,764) |
| Profit from operations | | 833,903,011 | 541,716,153 | 410,233,545 | 146,323,434 |
| Finance cost | | (150,339,141) | (267,406,366) | (45,146,609) | (85,593,872) |
| Profit before taxation | | 683,563,870 | 274,309,787 | 365,086,936 | 60,729,562 |
| Provision for taxation | | (58,505,898) | (52,531,669) | (20,847,684) | (20,940,600) |
| Profit for the period | | 625,057,972 | 221,778,118 | 344,239,252 | 39,788,962 |
| Earnings per share - basic and diluted | | 60.73 | 21.55 | 33.45 | 3.87 |

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

| | Nine months ended | | Three months ended | |
|--|--------------------------|------------------|---------------------------|------------------|
| | 31 March 2021 | 31 March 2020 | 31 March 2021 | 31 March 2020 |
| | Rupees | Rupees | Rupees | Rupees |
| Profit for the period | 625,057,972 | 221,778,118 | 625,057,972 | 39,788,962 |
| Other comprehensive income for the period: | | | | |
| Items that may not be reclassified to statement of profit or loss subsequently: | | | | |
| Fair value gain on investment in debt instruments designed as FVTOCI | - | (15,813,726) | - | (16,843,676) |
| Fair value gain on investment in equity instruments designated as FVTOCI | 12,086,567 | 9,462,427 | 2,088,618 | - |
| | 12,086,567 | (6,351,299) | 2,088,618 | (16,843,676) |
| Total comprehensive income for the period | 637,144,539 | 215,426,819 | 627,146,590 | 22,945,286 |

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited)

FOR THE NINE MONTHS ENDED MARCH 31, 2021

| | Un-Audited Nine months 31 March 2021 Rupees | Un-Audited Nine months 31 March 2020 Rupees |
|--|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 683,563,870 | 274,309,787 |
| Adjustments to reconcile profit before tax to net cash flows: | | |
| Depreciation on property, plant and equipment | 152,478,644 | 149,717,885 |
| Provision for employee benefits | 18,900,000 | 17,100,000 |
| Provision for GIDC | 19,576,482 | - |
| Gain on disposal of property, plant and equipment | (391,000) | (859,807) |
| Finance cost | 150,339,141 | 267,406,366 |
| Dividend income on short and long term investment | (7,258,720) | (7,361,337) |
| Operating cash flow before changes in working capital | 1,017,208,417 | 700,312,894 |
| Working capital changes | | |
| Decrease / (Increase) in current assets | | |
| Stores and spare parts | (11,360,615) | 15,669,742 |
| Stock-in-trade | (472,333,887) | (810,182,495) |
| Trade debts | (39,008,673) | (266,041,152) |
| Loans and advances | (32,306,924) | (4,396,980) |
| Short term deposits and prepayments | (297,855) | (872,819) |
| Other receivables | - | 6,469,049 |
| Increase in current liabilities | | |
| Trade and other payables | 724,596,135 | (68,523,146) |
| | 169,288,181 | (1,127,877,801) |
| Net working capital changes | 1,186,496,598 | (427,564,907) |
| Employee benefits paid | (17,912,772) | (11,018,476) |
| Finance cost paid | (174,356,531) | (265,006,586) |
| Sales tax paid | (24,283,815) | (21,888,157) |
| Income taxes paid | 34,398,284 | (45,118,140) |
| Rebate income received | 108,039 | - |
| | (182,046,795) | (343,031,359) |
| Net cash generated from / (used in) operating activities | 1,004,449,803 | (770,596,266) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Addition to property, plant and equipment | (407,130,946) | (146,761,072) |
| Proceeds from disposal of property, plant and equipment | 1,425,000 | 1,260,000 |
| Long term investments made | (2,500,000) | - |
| Proceeds from sale of investments | - | 9,200,000 |
| Dividend received | 7,258,720 | 7,361,337 |
| Net cash used in investing activities | (400,947,224) | (128,939,735) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long term finance obtained | 145,536,952 | 202,398,000 |
| Short term borrowings - net | (730,188,277) | 790,651,877 |
| Dividend paid | (30,673) | (82,223,407) |
| Repayment of long term loan | (16,132,895) | (4,997,937) |
| Net cash (used in) / generated from financing activities | (600,814,893) | 905,828,533 |
| Increase in cash and cash equivalents | 2,687,686 | 6,292,532 |
| Cash and cash equivalents at beginning of the period | 6,270,961 | 6,403,280 |
| Cash and cash equivalents at the end of the period | 8,958,647 | 12,695,812 |

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED MARCH 31, 2021

| Share capital | Capital Reserve | Revenue reserves | | Total reserves | Total |
|---------------|---|------------------|------------------------|----------------|-------|
| | Unrealized Gain/(loss) on investments at fair value through OCI | General reserve | Un-appropriated profit | | |

----- Rupees -----

Balance as at 01 July 2019 102,920,000 (17,692,283) 130,000,000 1,953,960,841 2,066,268,558 2,169,188,558

Total comprehensive income for the period:

Profit for the nine months ended March 31, 2020

Other comprehensive income

| | | | | | |
|---|-------------|---|-------------|-------------|-------------|
| - | - | - | 221,778,118 | 221,778,118 | 221,778,118 |
| - | (6,351,299) | - | - | (6,351,299) | (6,351,299) |
| - | (6,351,299) | - | 221,778,118 | 215,426,819 | 215,426,819 |

Total comprehensive income

Transactions with owners:

Final dividend for the year ended

30 June 2019 @ Rs. 8 per share

| | | | | | |
|---|---|---|--------------|--------------|--------------|
| - | - | - | (82,336,000) | (82,336,000) | (82,336,000) |
|---|---|---|--------------|--------------|--------------|

Balance as at 31 March 2020 - (Unaudited)

| | | | | | |
|-------------|--------------|-------------|---------------|---------------|---------------|
| 102,920,000 | (24,043,582) | 130,000,000 | 2,093,402,959 | 2,199,359,377 | 2,302,279,377 |
|-------------|--------------|-------------|---------------|---------------|---------------|

Balance as at 01 July 2020

102,920,000 (16,518,940) 130,000,000 2,143,482,206 2,256,963,266 2,359,883,266

Total comprehensive income for the period:

Profit for the nine months ended March 31, 2021

Other comprehensive income

| | | | | | |
|---|---|---|-------------|-------------|-------------|
| - | - | - | 625,057,972 | 625,057,972 | 625,057,972 |
| - | - | - | 12,086,567 | 12,086,567 | 12,086,567 |

Total comprehensive income

Balance as at March 31, 2021 - (Unaudited)

| | | | | | |
|-------------|--------------|-------------|---------------|---------------|---------------|
| 102,920,000 | (16,518,940) | 130,000,000 | 2,780,626,745 | 2,894,107,805 | 2,997,027,805 |
|-------------|--------------|-------------|---------------|---------------|---------------|

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

SELECTED EXPLANATORY NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS ENDED MARCH 31, 2021

1 LEGAL STATUS AND OPERATIONS

Reliance Cotton Spinning Mills Limited ("the Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on 16 June 1993 on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The registered office of the Company is situated at 312, Cotton Exchange Building, Karachi and mills are located at Warburton Road, Ferozewattoan, District Sheikhupura, Punjab.

These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.

2 STATEMENT OF COMPLIANCE

2.1 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 Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

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

2.2 These unconsolidated condensed interim financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

3 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements are the separate unconsolidated condensed interim financial statements of the Company in which investments in subsidiary and associate are accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investees. Consolidated condensed interim financial statements of the Company are prepared separately.

The results of the Company, based on investments in associate accounted for under the equity method, are reflected in the consolidated condensed financial statements of the Company.

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.

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 2020.

During the period, the Supreme Court of Pakistan has upheld the Gas Infrastructure Development Cess Act, 2015 to be constitutional and intravires. The Supreme Court has allowed settlement of GIDC over a period of time. The Company has followed the relevant accounting standards and ICAP guidelines in this regard.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Standards, amendments or interpretations which became effective during the year

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended 30 June 2020, except as disclosed in note 4.2 and the amendments to standards and conceptual framework effective for annual period beginning on 01 January 2020, as listed below. The adoption of these amendments and conceptual framework did

not have an impact on these unconsolidated condensed interim financial statements. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- i) Amendments to IFRS 3: Definition of a Business
- ii) Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform
- iii) Amendments to IAS 1 and IAS 8: Definition of Material
- iv) Conceptual Framework for Financial Reporting issued on 29 March 2018
- v) Amendments to IFRS-16 Covid-19-Related Rent Concessions

4.2 Government Grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions shall be complied with. When the grant relates to an expense item, it is recognized as income on systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

5 ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The accounting policies and methods of computation adopted for preparation of these unconsolidated condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended 30 June 2020 except for Deferred Government Grant.

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

In preparing these unconsolidated condensed interim financial statements, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2020.

| | | Un-audited | Audited |
|--|-------------|----------------------|----------------------|
| | | 31 March | 30 June |
| | | 2021 | 2020 |
| | Note | Rupees | Rupees |
| 6 PROPERTY, PLANT AND EQUIPMENT | | | |
| Operating assets | 6.1 | 1,949,991,136 | 2,046,222,536 |
| Capital work in progress | 6.2 | 354,767,502 | 4,917,802 |
| | | 2,304,758,638 | 2,051,140,338 |
| 6.1 Operating assets | | | |
| Opening book value | | 2,046,222,536 | 1,885,076,693 |
| Additions during the period / year | | | |
| Buildings on freehold land (Factory) | | 2,912,233 | - |
| Office equipment | | 104,274 | - |
| Computers | | 218,759 | 126,000 |
| | | 3,235,266 | 126,000 |
| Transfer from capital work in progress | | | |
| Factory building | | - | 50,681,476 |
| Plant and machinery | | 49,918,980 | 283,870,709 |
| Vehicles | | 4,127,000 | 1,410,000 |
| Office equipment | | - | 1,256,948 |
| Electric installation | | - | 28,209,684 |
| | | 54,045,980 | 365,428,817 |
| Book value of assets disposed off during the period / year | | (1,034,000) | (739,625) |
| Depreciation charged during the period / year | | (152,478,644) | (203,669,349) |
| Closing book value | | 1,949,991,136 | 2,046,222,536 |

| | | Un-audited 31 March 2021 Rupees | Audited 30 June 2020 Rupees |
|------------|--|--|--------------------------------------|
| Note | | | |
| 6.2 | Capital work in progress | | |
| | Building - civil work | 17,897,444 | - |
| | Plant and machinery | 335,870,058 | 4,917,802 |
| | Vehicles | 1,000,000 | - |
| | | <u>354,767,502</u> | <u>4,917,802</u> |
| 7 | LONG TERM INVESTMENTS | | |
| | Investment in subsidiary - at cost: | | |
| | Un-quoted: | | |
| | RCSM Company (Private) Limited | 2,600,000 | 100,000 |
| | Investments in associates - at cost: | | |
| | Quoted: | | |
| | Sapphire Fibres Limited | 41,956,482 | 41,956,482 |
| | Sapphire Textile Mills Limited | 8,114,578 | 8,114,578 |
| | SFL Limited | 2,439,475 | 2,439,475 |
| | Un-quoted: | | |
| | Sapphire Finishing Mills Limited | 16,509,160 | 16,509,160 |
| | Sapphire Holding Limited | 524,950 | 524,950 |
| | Sapphire Power Generation Limited | 19,425,000 | 19,425,000 |
| | | <u>91,569,645</u> | <u>89,069,645</u> |
| 8 | LONG TERM LIABILITIES | | |
| | Long term finances | 8.1 1,004,159,198 | 873,050,628 |
| | GIDC payable | 8.3 82,565,582 | - |
| | | <u>1,086,724,780</u> | <u>873,050,628</u> |
| | Less: Current portion grouped under current liabilities | <u>(135,420,874)</u> | <u>(19,354,499)</u> |
| | | <u>951,303,906</u> | <u>(19,354,499)</u> |
| 8.1 | Long term finances | | |
| | As at the beginning of the period / year | 873,050,628 | 559,379,252 |
| | Availed during the period / year | 8.2 147,241,465 | 319,374,500 |
| | | <u>1,020,292,093</u> | <u>878,753,752</u> |
| | Paid during the period/ year | <u>(16,132,895)</u> | <u>(5,703,124)</u> |
| | | <u>1,004,159,198</u> | <u>873,050,628</u> |
| 8.2 | These loans were obtained from various banks under schemes of State Bank of Pakistan (SBP). The purpose of these loans were to finance / retire the letter of credit against textile machinery along with accessories out of total sanctioned limit of Rs. 1,400 million (30 June, 2020 : Rs: 1,400 million). These loans are secured against charge of Rs. 1,775 million (30 June 2020 Rs: 1,775 million) and carry an interest rate from 2.5% to 11.84% over all present and future plant and machinery of the Company. These loans are repayable in equal quarterly / semi-annual installments. | | |
| 8.3 | The Honorable Supreme Court of Pakistan (SCP) vide its judgement dated 13 August 2020 decided the appeal against the Company and declared the GIDC Act, 2015 to be constitutional and recoverable from the gas consumer. A review petition was filed against the judgement which was also dismissed. However, partial relief was granted and recovery period was extended to 48 months from 24 months. SCP in its detailed judgment stated that the cess under GIDC Act, 2015 is applicable only to those consumers of natural gas who on account of their industrial or commercial dealings had passed on GIDC burden to their end customers. | | |
| | The Company has filed a civil suit before the Honorable Sindh High Court (SHC) on the grounds that the Company has not passed on the impact of GIDC to end customers. SHC has granted stay order in the said suit and has restrained SNGPL from taking any coercive action against the Company. | | |

| | | Un-audited 31 March 2021 Rupees | Audited 30 June 2020 Rupees |
|-------------|--|--|--------------------------------------|
| 9 | DEFERRED LIABILITIES | | |
| | Deferred Government grant | 5,072,974 | - |
| | Staff retirement benefits - gratuity | 63,572,388 | 62,585,160 |
| | | 68,645,362 | 62,585,160 |
| | Less: Current portion of Government grant | (4,313,599) | - |
| | | 64,331,763 | 62,585,160 |
| 10 | SHORT TERM BORROWINGS | | |
| | From banking companies - secured | | |
| | Running finance | 710,198,834 | 2,292,027,993 |
| | Short term finance | 10.1 1,078,500,000 | 189,734,118 |
| | From related parties | | |
| | Loan from Directors | - | 15,705,000 |
| | Loan from associated companies | 10.2 - | 21,420,000 |
| | | - | 37,125,000 |
| | | 1,788,698,834 | 2,518,887,111 |
| 10.1 | During the period, the Company has obtained Rs. 1,348 million cash finance (30 June 2020 : 3,852 million) at the rate of mark-up ranging between 2.50% to 8.83 % (30 June 2020 2.35 % to 15.10%) per annum. | | |
| | | Un-audited 31 March 2021 Rupees | Audited 30 June 2020 Rupees |
| 10.2 | Associated Companies | | |
| | Galaxy Agencies (Pvt) Ltd. | - | 590,000 |
| | Sapphire Agencies (Pvt) Ltd. | - | 12,810,000 |
| | Nadeem Enterprises (Pvt) Ltd. | - | 480,000 |
| | Neelum Textile Mills (Pvt) Ltd. | - | 7,540,000 |
| | | - | 21,420,000 |
| 11 | CONTINGENCIES AND COMMITMENTS | | |
| 11.1 | Contingencies | | |
| | Guarantees have been issued by banks on behalf of the Company in the normal course of business | 203,990,298 | 203,990,298 |
| | Post dated cheques issued | 431,366,439 | 410,487,535 |
| | | 635,356,737 | 614,477,833 |
| 11.2 | Claims of input sales tax | | |
| | There has been no material change in the status of contingencies pointed in the financial statements for the year ended 30 June 2020. | | |
| | | Un-audited 31 March 2021 Rupees | Audited 30 June 2020 Rupees |
| 11.3 | Commitments | | |
| | Irrevocable letters of credit for import of: | | |
| | -Plant and machinery | 131,683,181 | 13,485,600 |
| | -Stores and spare parts | 1,716,744 | 10,703,385 |
| | -Raw material | 179,089,359 | 209,838,330 |
| | | 312,489,284 | 234,027,315 |

| 12 | SALES - NET | Nine months ended | | Three months ended | |
|----|------------------------|-------------------|---------------|--------------------|---------------|
| | | 31 March | 31 March | 31 March | 31 March |
| | | 2021 | 2020 | 2021 | 2020 |
| | |Rupees..... | |Rupees..... | |
| | Local: | | | | |
| | Yarn | 1,510,768,298 | 1,703,266,280 | 862,953,790 | 1,127,128,453 |
| | Waste | 47,093,679 | 49,285,232 | 13,677,657 | 11,639,323 |
| | | 1,557,861,977 | 1,752,551,512 | 1,557,861,977 | 1,138,767,776 |
| | Export: | | | | |
| | Yarn | 1,323,933,164 | 1,023,966,335 | 493,167,555 | 387,600,167 |
| | Yarn (indirect export) | 2,425,222,175 | 1,853,809,541 | 526,171,513 | 35,005,781 |
| | Waste | 105,908,190 | 100,947,027 | 34,413,033 | 29,719,629 |
| | | 3,855,063,529 | 2,978,722,903 | 1,053,752,101 | 452,325,577 |
| | | 5,412,925,506 | 4,731,274,415 | 1,930,383,548 | 1,591,093,353 |
| | Steam Income | 3,663,600 | - | 1,418,400 | - |
| | Processing Income | 106,764 | - | 106,764 | - |
| | | 5,416,695,870 | 4,731,274,415 | 1,931,908,712 | 1,591,093,353 |

13.1 Sales tax on local sales and indirect export sales is Rs. 519.835 million (Mar-2020: Rs. 502.375 million)

| 13 | COST OF SALES | Nine months ended | | Three months ended | |
|----|-----------------------------------|-------------------|---------------|--------------------|---------------|
| | | 31 March | 31 March | 31 March | 31 March |
| | | 2021 | 2020 | 2021 | 2020 |
| | |Rupees..... | |Rupees..... | |
| | Raw material consumed | 3,270,955,615 | 3,133,073,431 | 1,134,946,119 | 975,310,164 |
| | Packing material consumed | 70,082,866 | 64,501,158 | 26,423,532 | 21,790,810 |
| | Store and spare parts consumed | 105,948,755 | 76,377,787 | 37,642,777 | 25,737,437 |
| | Salaries, wages and benefits | 339,068,572 | 329,419,930 | 116,165,631 | 108,840,559 |
| | Fuel and power | 330,454,790 | 284,907,660 | 123,665,288 | 89,696,380 |
| | Insurance | 8,556,277 | 5,620,341 | 2,476,518 | 2,148,763 |
| | Repairs and maintenance | 6,221,041 | 9,601,446 | 1,154,100 | 1,124,916 |
| | Travelling and conveyance | 4,676,604 | 5,860,699 | 1,572,765 | 1,823,481 |
| | Other manufacturing overheads | 2,104,359 | 1,933,020 | 619,098 | 366,890 |
| | Depreciation | 148,704,514 | 145,028,584 | 49,920,162 | 49,027,813 |
| | | 4,286,773,393 | 4,056,324,056 | 1,494,585,990 | 1,275,867,213 |
| | Work in process | | | | |
| | At the beginning of period | 204,534,246 | 246,276,183 | 196,367,003 | 325,458,508 |
| | At the end of period | (224,577,694) | (218,325,486) | (224,577,694) | (218,325,486) |
| | | (20,043,448) | 27,950,697 | (28,210,691) | 107,133,022 |
| | Cost of goods manufactured | 4,266,729,945 | 4,084,274,753 | 1,466,375,299 | 1,383,000,235 |
| | Finished goods | | | | |
| | At the beginning of period | 432,548,884 | 292,164,901 | 279,462,346 | 340,064,115 |
| | Yarn purchased | | 2,879,342 | | 2,879,342 |
| | At the end of period | (306,404,928) | (378,801,537) | (306,404,927) | (378,801,537) |
| | | 126,143,956 | (83,757,294) | (26,942,581) | (35,858,080) |
| | | 4,392,873,901 | 4,000,517,459 | 1,439,432,718 | 1,347,142,155 |

14 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary and other related group companies, Directors of the Company, key management personnel and post employment benefit plans. The Company in the normal course of business enters into transactions with various related parties.

The transactions with related parties during the period generally consist of sales and purchases.

Nature and description of related party transactions during the period along with monetary values are as follows:

| Nature of Relationship | Nature of Transaction | Nine month ended | |
|-------------------------------|--|------------------|------------------|
| | | 31 March 2021 | 31 March 2020 |
| | |Rupees..... | |
| (i) Subsidiaries | Shares allotted | 2,500,000 | |
| (ii) Associated companies | Sales of finished goods, raw material / stores and spare parts | 519,255,072 | 501,252,820 |
| | Purchases of; | | |
| | Finished goods, raw material / stores | 50,659,145 | 21,210,485 |
| | Services obtained | - | 4,175,816 |
| | Dividend received | 5,550,000 | 6,257,138 |
| | Dividend paid | 23,675 | 53,742,368 |
| | Shared expenses paid | 8,013,548 | 12,300,442 |
| | Shared expenses received | 3,852,557 | 21,970 |
| | Loan repaid | 37,125,000 | 6,067,000 |
| (iii) Chief Executive officer | Remuneration and other benefits | 10,800,000 | 10,800,000 |
| (iv) Executives | Remuneration and other benefits | 30,077,040 | 18,086,020 |

Transactions with related parties are carried out at agreed terms in the normal course of business.

15 DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue 28 April, 2021.

16 GENERAL

Figures have been rounded off to the nearest rupee.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

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Reliance Cotton Spinning Mills Limited
Consolidated Condensed Financial Statements (Un-Audited)

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Directors' Report

The directors are pleased to present their report together with consolidated financial statements of Reliance Cotton Spinning Mills Limited and its subsidiary RCSM Company (Pvt.) Limited for the period year ended March 31, 2021. The Company has annexed consolidated financial statements along with its separate financial statements in accordance with the requirements of the International Accounting Standard-27 (Consolidated and Separate Financial Statements)

RCSM Company (Pvt.) Limited

Reliance Cotton Spinning Mills Limited ("The Holding Company") and its wholly owned subsidiary RCSM Company (Pvt.) Limited collectively referred to as 'the Group' was incorporated in Pakistan under the Companies Ordinance, 1984. The wholly owned subsidiary was incorporated on November 08, 2017.

RCSM Company (Pvt.) Limited is incorporated in Pakistan as private limited by share wholly owned by Reliance Cotton Spinning Mills Limited under the Companies Ordinance, 1984 on November 08, 2017.

The principal activity of the subsidiary is to take or otherwise acquire and hold shares in any other company but not to act as an investment company.

For and on behalf of the Board

Lahore
April 28, 2021

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

ڈائریکٹرز رپورٹ

ڈائریکٹرز 31 مارچ 2021 کو ختم ہونے والی نو ماہی کے لئے ریلیانس کاٹن سپننگ ملز لمیٹڈ اور اسکی ذیلی کمپنی RCSM (پرائیویٹ) لمیٹڈ کے غیر نظر ثانی شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ کمپنی نے بین الاقوامی اکاؤنٹنگ معیار-27 (استعمال شدہ اور الگ مالی گوشوارے) کی ضروریات کے مطابق غیر نظر ثانی شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے منسلک کئے ہیں۔

RCSM کمپنی (پرائیویٹ) لمیٹڈ:

RCSM کمپنی (پرائیویٹ) لمیٹڈ (ہولڈنگ کمپنی) اور اس کی مکمل ملکیتی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈ جو مجموعی طور پر ایک "گروپ" کہلاتا ہے کمپنیز آرڈیننس، 1984 کے تحت پاکستان میں قائم ہوا۔ مکمل ملکیتی ذیلی کمپنی 8 نومبر 2017ء کو قائم ہوئی تھی۔

RCSM کمپنی (پرائیویٹ) لمیٹڈ کمپنیز آرڈیننس، 1984 کے تحت 08 نومبر 2017 کو ریلیانس کاٹن سپننگ ملز لمیٹڈ کی مکمل ملکیتی شیئرز کے ذریعے ایک پبلک لمیٹڈ کی حیثیت سے پاکستان میں قائم ہوئی۔

ذیلی کمپنی کا بنیادی کاروبار کسی دیگر کمپنی کے حصص لینا یا دوسری صورت میں خریدنا اور ہولڈ کرنا، لیکن سرمایہ کاری کمپنی کے طور پر کام کرنا نہیں ہے۔

منجانب بورڈ آف ڈائریکٹرز

شایان عبداللہ
چیف ایگزیکٹو آفیسر

شاہد عبداللہ
ڈائریکٹر

لاہور:

بتاریخ: 28 اپریل 2021ء

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT MARCH 31, 2021

| | | Un-Audited March 2021 Rupees | Audited 30 June, 2020 Rupees |
|--|------|---------------------------------------|---------------------------------------|
| | Note | | |
| ASSETS | | | |
| NON-CURRENT ASSETS | | | |
| Property, plant and equipment | 7 | 2,304,758,638 | 2,051,140,337 |
| Long term investments | 8 | 1,012,623,549 | 886,248,151 |
| Long term deposits | | 8,987,690 | 8,987,690 |
| | | 3,326,369,877 | 2,946,376,178 |
| CURRENT ASSETS | | | |
| Stores and spare parts | | 60,866,068 | 49,505,453 |
| Stock-in-trade | | 3,171,853,032 | 2,699,519,145 |
| Trade debts | | 1,025,727,976 | 986,719,303 |
| Loans and advances | | 83,674,732 | 104,493,271 |
| Short term deposits and prepayments | | 519,346 | 221,491 |
| Other receivables | | 10,807,450 | 10,915,489 |
| Tax refunds due from the Government | | 345,919,776 | 364,500,551 |
| Other financial assets | | 54,274,854 | 42,187,437 |
| Cash and bank balances | | 11,422,222 | 6,325,506 |
| | | 4,765,065,456 | 4,264,387,646 |
| | | 8,091,435,333 | 7,210,763,824 |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized capital | | | |
| 12,000,000 (June 30, 2020: 12,000,000) | | 120,000,000 | 120,000,000 |
| ordinary shares of Rs. 10 each | | | |
| Issued, subscribed and paid up capital | | 102,920,000 | 102,920,000 |
| Reserves | | 3,712,015,019 | 2,963,497,171 |
| | | 3,814,935,019 | 3,066,417,171 |
| NON-CURRENT LIABILITIES | | | |
| Long term financing | 9 | 951,303,906 | 853,696,129 |
| Deferred liabilities | 10 | 169,804,623 | 153,139,706 |
| | | 1,121,108,529 | 1,006,835,835 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 1,075,667,473 | 442,141,295 |
| Contract liabilities | | 36,141,403 | 8,170,916 |
| Unclaimed dividend | | 582,687 | 613,360 |
| Markup accrued | | 37,022,814 | 61,040,204 |
| Short term borrowings | 11 | 1,788,698,834 | 2,518,887,111 |
| Current portion of long term financing | | 133,060,161 | 19,354,499 |
| Provision for taxation | | 84,218,413 | 87,303,433 |
| | | 3,155,391,785 | 3,137,510,818 |
| CONTINGENCIES AND COMMITMENTS | | | |
| | 12 | 8,091,435,333 | 7,210,763,824 |

The annexed notes from 1 to 17 form an integral part of these financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-audited)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

| | Note | Nine months ended | | Three months ended | |
|---|------|---------------------------|---------------------------|---------------------------|--------------------------|
| | | 31 March | 31 March | 31 March | 31 March |
| | | 2021 | 2020 | 2021 | 2020 |
| | | -----Rupees----- | | -----Rupees----- | |
| Sales - net | 13 | 5,416,695,870 | 4,731,274,415 | 1,931,908,712 | 1,591,093,353 |
| Cost of sales | 14 | <u>(4,392,873,901)</u> | <u>(4,000,517,459)</u> | <u>(1,439,432,718)</u> | <u>(1,347,142,156)</u> |
| Gross profit | | 1,023,821,969 | 730,756,956 | 492,475,994 | 243,951,197 |
| Distribution cost | | <u>(95,416,015)</u> | <u>(79,361,278)</u> | <u>(38,039,824)</u> | <u>(25,649,827)</u> |
| Administrative expenses | | <u>(77,846,017)</u> | <u>(71,496,865)</u> | <u>(29,727,377)</u> | <u>(24,638,454)</u> |
| Other income | | <u>10,690,862</u> | <u>16,178,533</u> | <u>3,642,607</u> | <u>2,101,239</u> |
| Other operating expenses | | <u>(32,981,563)</u> | <u>(59,296,902)</u> | <u>(18,117,855)</u> | <u>(49,463,788)</u> |
| | | <u>(195,552,733)</u> | <u>(193,976,512)</u> | <u>(82,242,449)</u> | <u>(97,650,830)</u> |
| Operating profit before finance cost | | 828,269,236 | 536,780,444 | 410,233,545 | 146,300,367 |
| Finance cost | | <u>(150,339,141)</u> | <u>(267,406,366)</u> | <u>(45,146,609)</u> | <u>(85,593,837)</u> |
| Share of profit of associates | | <u>108,512,236</u> | <u>110,764,059</u> | <u>60,916,273</u> | <u>32,267,301</u> |
| Profit before taxation | | 786,442,331 | 380,138,137 | 426,003,209 | 92,973,831 |
| Provision for taxation | | <u>(73,424,212)</u> | <u>(56,185,749)</u> | <u>(20,847,684)</u> | <u>(14,143,664)</u> |
| Profit for the period | | <u>713,018,119</u> | <u>323,952,388</u> | <u>405,155,525</u> | <u>78,830,167</u> |
| Earnings per share - | | | | | |
| | | <u>69.28</u> | <u>31.48</u> | <u>39.37</u> | <u>7.66</u> |

The annexed notes from 1 to 17 form an integral part of these financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE NINE MONTHS ENDED MARCH 31, 2021

| | Nine months ended | | Three months ended | |
|--|--------------------------|-----------------------|---------------------------|-----------------------|
| | March 2021 | March 2020 | March 2021 | March 2020 |
| | Rupees | Rupees | Rupees | Rupees |
| Profit for the year | 713,018,119 | 323,952,388 | 405,155,525 | 78,830,167 |
| Other comprehensive income: | | | | |
| Item that may not be reclassified subsequently to statement of profit or loss | | | | |
| Share in associates' unrealized loss on available sale investment - net | 24,533,247 | (21,735,696) | (19,100,158) | (70,414,402) |
| Unrealized gain on investment in equity instruments designated as FVTOCI | 12,086,567 | (6,351,299) | 2,088,618 | (15,803,276) |
| Loss in deemed disposal | - | (24,603,198) | - | - |
| | 36,619,814 | (52,690,193) | (17,011,540) | (86,217,678) |
| Share in associate's unrealized gain on hedging instruments | 1,816,644 | (4,104,276) | 1,542,190 | (3,931,358) |
| Total comprehensive income for the period | 751,454,577 | 267,157,919 | 389,686,175 | (11,318,869) |

The annexed notes from 1 to 17 form an integral part of these financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (Un-audited) **FOR THE NINE MONTHS ENDED MARCH 31, 2021**

| | Un-Audited Nine months March 2021 Rupees | Un-Audited Nine months March 2020 Rupees |
|---|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 786,442,331 | 380,138,137 |
| Adjustments for: | | |
| Depreciation on property, plant and equipment | 152,478,644 | 149,717,885 |
| Provision for employee benefits | 18,900,000 | 17,100,000 |
| Provision for GIDC | 19,576,482 | - |
| Gain on disposal of property, plant and equipment | (391,000) | (859,807) |
| Finance cost | 150,339,141 | 267,406,366 |
| Dividend income on short and long term investment | (1,708,720) | (2,469,268) |
| Share of profit from associates | (108,512,236) | (110,764,059) |
| | 1,017,124,642 | 700,269,254 |
| Working capital changes | | |
| Decrease / (Increase) in current assets | | |
| Stores and spare parts | (11,360,615) | 3,697,600 |
| Stock-in-trade | (472,333,887) | (1,341,538,755) |
| Trade debts | (39,008,673) | (266,041,152) |
| Loans and advances | (32,306,924) | (4,396,980) |
| Short term deposits and prepayments | (297,855) | (872,819) |
| Other receivables | - | 6,469,049 |
| Decrease in current liabilities | | |
| Trade and other payables | 724,588,940 | 516,986,072 |
| | 169,280,986 | (1,085,696,985) |
| Cash (used in) / generated from operations | 1,186,405,628 | (385,427,731) |
| | | |
| Dividend paid | - | (82,223,407) |
| Employee benefits paid | (17,912,772) | (11,018,476) |
| Finance cost paid | (174,356,531) | (265,006,586) |
| Sales tax (paid) / refunded | (24,283,815) | (21,888,157) |
| Income taxes paid | 34,398,284 | (45,118,140) |
| Rebate income received | 108,039 | - |
| | (182,046,795) | (425,254,766) |
| Net cash (used in) / generated from operating activities | 1,004,358,833 | (810,682,497) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Addition to property, plant and equipment | (407,130,946) | (188,918,283) |
| Proceeds from disposal of property, plant and equipment | 1,425,000 | 1,260,000 |
| Proceeds from sale of investments | - | 9,200,000 |
| Dividend received | 7,258,720 | 7,361,337 |
| Net cash (used in) / generated from investing activities | (398,447,224) | (171,096,946) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long term finance obtained | 145,536,952 | 202,398,000 |
| Short term borrowings - net | (730,188,277) | 790,651,877 |
| Repayment of long term loan | (16,132,895) | (4,997,937) |
| Dividend paid | (30,673) | - |
| Net cash (used in) / generated from financing activities | (600,814,893) | 988,051,940 |
| Net increase in cash and cash equivalents | 5,096,716 | 6,272,497 |
| Cash and cash equivalents at beginning of the period | 6,325,506 | 6,477,850 |
| Cash and cash equivalents at the end of the period | 11,422,222 | 12,750,347 |

The annexed notes from 1 to 17 form an integral part of these financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS ENDED MARCH 31, 2021

| | Share capital | Un-appropriated profit | Revenue reserves | | Capital reserve | | | | Sub-total | Total |
|---|---------------|------------------------|------------------|---|--|--|--|--|---------------|---------------|
| | | | General reserve | Unrealized gain/(loss) on remeasurement of available for sale investments - net | Share in associates' unrealized gain on available for sale investments - net | Share in associate's unrealized gain/(loss) on hedging instruments | Share in associate's remeasurement nt of post retirement benefits obligation | Share of items directly recognized in equity by associates | | |
| Balance as at July 01, 2019 | 102,920,000 | 2,569,332,955 | 118,353,673 | (29,338,610) | 28,723,510 | 551,683 | (1,344,718) | 9,336,821 | 2,695,615,314 | 2,798,535,314 |
| Profit for the nine months ended March 31, 2020 | - | 323,952,388 | - | - | - | - | - | - | 323,952,388 | 323,952,388 |
| Other comprehensive income | - | - | - | (6,351,299) | (24,603,198) | (4,104,276) | (21,735,696) | - | (56,794,469) | (56,794,469) |
| Total comprehensive income | - | 323,952,388 | - | (6,351,299) | (24,603,198) | (4,104,276) | (21,735,696) | - | 267,157,919 | 267,157,919 |
| Effects of items directly recognized in equity by associates | | | | | | | | 4,117,245 | 4,117,245 | 4,117,245 |
| Transactions with Owners : | | | | | | | | | | |
| Final dividend for the year ended Jun 30, 2019 @ Rs.8 per share | | (82,336,000) | | | | | | | (82,336,000) | (82,336,000) |
| Balance as at March 31, 2020 | 102,920,000 | 2,810,949,343 | 118,353,673 | (35,689,909) | 4,120,312 | (3,552,593) | (23,080,414) | 13,454,066 | 2,884,554,478 | 2,987,474,478 |
| Balance as at July 01, 2020 | 102,920,000 | 2,879,828,079 | 118,353,673 | (52,949,166) | 7,156,975 | (1,772,887) | (1,420,529) | 14,301,046 | 2,963,497,171 | 3,066,417,171 |
| Profit for the nine months ended March 31, 2021 | - | 713,018,119 | - | - | - | - | - | - | 713,018,119 | 713,018,119 |
| Other comprehensive income | - | - | - | 12,086,567 | 24,533,247 | - | - | 1,816,644 | 38,436,458 | 38,436,458 |
| Total comprehensive income | - | 713,018,119 | - | 12,086,567 | 24,533,247 | - | - | 1,816,644 | 751,454,577 | 751,454,577 |
| Effects of items directly recognized in equity by associates | | | | | | | | (2,936,729) | (2,936,729) | (2,936,729) |
| Balance as at March 31, 2021 | 102,920,000 | 3,592,846,198 | 118,353,673 | (40,862,619) | 31,690,222 | (1,772,887) | (1,420,529) | 13,180,961 | 3,712,015,019 | 3,814,935,019 |

The annexed notes from 1 to 17 form an integral part of these financial statements.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS ENDED MARCH 31, 2021

1 LEGAL STATUS AND OPERATIONS

- 1.1** Reliance Cotton Spinning Mills Limited ("the Parent Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Parent Company was listed on June 16, 1993 on Pakistan Stock Exchange limited. The principal activity of the Parent Company is manufacturing and sale of yarn. The registered office of the Parent Company and Subsidiary Company is situated at 312, Cotton Exchange Building, Karachi and mills of Parent Company are located at Warburton Road, Ferozewattoan, District Sheikhupura, Punjab.

RCSM Company (Private) Limited - the Subsidiary Company (Holding-100%)

RCSM Company (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) on November 8, 2017.

The principal activity of the subsidiary is to take or otherwise acquire and hold shares in any other company but not to act as an investment company.

- 1.2** These consolidated financial statements are presented in Pakistani Rupees, which is the Holding Company's functional and presentation currency.

2 STATEMENT OF COMPLIANCE

- 2.1** These consolidated 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 Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017; and

-Provisions of and directives issued under the Companies Act, 2017.

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

- 2.2** These consolidated condensed interim financial statements are un-audited and are being submitted to shareholders, as required by Section 237 of the Act and the Listed Companies (Code of Corporate Governance) Regulations, 2019.

3 BASIS OF PREPARATION

These consolidated condensed interim financial statements are the separate unconsolidated condensed interim financial statements of the Group in which investments in subsidiary and associate are accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investees. Consolidated condensed interim financial statements of the Parent are prepared separately.

The results of the Group, based on investments in associate accounted for under the equity method, are reflected in the consolidated condensed financial statements of the Company.

The consolidated 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 Group. Figures have been rounded off to the nearest Pak rupee unless otherwise stated.

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 Company for the year ended 30 June 2020.

During the period, the Supreme Court of Pakistan has upheld the Gas Infrastructure Development Cess Act, 2015 to be constitutional and intravires. The Supreme Court has allowed settlement of GIDC over a period of time. The Parent Company has followed the relevant accounting standards and ICAP guidelines in this regard.

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 Standards, amendments or interpretations which became effective during the year

The accounting policies and methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended 30 June 2020, except as disclosed in note 4.2 and the amendments to standards and conceptual framework effective for annual period beginning on 01 January 2020, as listed below. The adoption of these amendments and conceptual framework did not have an impact on these unconsolidated condensed interim financial statements. The Company has not early-adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

- i) Amendments to IFRS 3: Definition of a Business
- ii) Amendments to IFRS 7, IFRS 9 and IAS 39: Interest Rate Benchmark Reform
- iii) Amendments to IAS 1 and IAS 8: Definition of Material
- iv) Conceptual Framework for Financial Reporting issued on 29 March 2018
- v) Amendments to IFRS-16 Covid-19-Related Rent Concessions

4.2 Government Grants

Government grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions shall be complied with. When the grant relates to an expense item, it is recognized as income on systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

5 ACCOUNTING POLICIES AND CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The accounting policies and methods of computation adopted for preparation of these consolidated condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended 30 June 2020 except for Deferred Government Grant.

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

In preparing these consolidated condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 30 June 2020.

6 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Directors of the Company that makes strategic decisions. On the basis of its internal reporting structure, the Company considers itself to be a single reportable segment. All non-current assets of the Company are located in Pakistan and 100% of the revenue is derived from the process of spinning.

| | | | Un-audited 31 March 2021 Rupees | Audited June 30, 2020 Rupees |
|------------|---|-------------|--|---------------------------------------|
| 7 | PROPERTY, PLANT AND EQUIPMENT | Note | | |
| | Operating assets | 7.1 | 1,949,991,136 | 2,046,222,536 |
| | Capital work in progress | 7.2 | 354,767,502 | 4,917,802 |
| | | | 2,304,758,638 | 2,051,140,338 |
| 7.1 | Operating assets | | | |
| | Opening book value | | 2,046,222,536 | 1,885,076,693 |
| | Additions during the period / year | | | |
| | Buildings on freehold land (Factory) | | 2,912,233 | - |
| | Office equipment | | 104,274 | - |
| | Computers | | 218,759 | 126,000 |
| | | | 3,235,266 | 126,000 |
| | Transfer from capital work in progress | | | |
| | Factory building | | - | 50,681,476 |
| | Plant and machinery | | 49,918,980 | 283,870,709 |
| | Vehicles | | 4,127,000 | 1,410,000 |
| | Office equipment | | - | 1,256,948 |
| | Electric installation | | - | 28,209,684 |
| | | | 54,045,980 | 365,428,817 |
| | Book value of assets disposed off during the period / year | | (1,034,000) | (739,625) |
| | Depreciation charged during the period /year | | (152,478,644) | (203,669,349) |
| | Closing book value | | 1,949,991,136 | 2,046,222,536 |
| 7.2 | Capital work in progress | | | |
| | Building - civil work | | 17,897,444 | - |
| | Plant and machinery | | 335,870,058 | 4,917,802 |
| | Vehicle | | 1,000,000 | - |
| | | | 354,767,502 | 4,917,802 |
| 8 | LONG TERM INVESTMENTS | | | |
| | Investments in associates - at equity method: | | | |
| | Quoted: | | | |
| | Sapphire Fibres Limited | 8.2 | 534,651,037 | 470,616,318 |
| | Sapphire Textile Mills Limited | 8.3 | 127,001,591 | 103,574,611 |
| | SFL Limited | 8.4 | 94,010,278 | 82,016,549 |
| | Un-quoted: | | | |
| | Sapphire Finishing Mills Limited | 8.5 | 161,382,787 | 138,345,341 |
| | Sapphire Holding Limited | 8.6 | 48,929,588 | 43,317,654 |
| | Sapphire Power Generation Limited | 8.7 | 46,648,268 | 48,377,678 |
| | | | 1,012,623,549 | 886,248,151 |
| 8.1 | The existence of significant influence by the Group is evidenced by the representation on the board of directors of associated companies. | | | |

| | | Un-audited | Audited |
|--|-------|----------------------|---------------------|
| | | 31 March | June 30, |
| | | 2021 | 2020 |
| Note | | Rupees | Rupees |
| 8.2 Investment in Sapphire Fibres Limited | | | |
| 393,697 (June 30, 2019: 393,697) ordinary shares of Rs. 10 each - cost | | 41,956,482 | 41,956,482 |
| Share of post acquisition profit items directly recognized in equity | | 492,694,555 | 431,809,412 |
| Dividend received | | - | (3,149,576) |
| | | <u>534,651,037</u> | <u>470,616,318</u> |
| 8.3 Investment in Sapphire Textile Mills Limited | | | |
| 100,223 (June 30, 2019: 100,223) ordinary shares of Rs. 10 each - cost | | 8,114,578 | 8,114,578 |
| Share of post acquisition profit and items directly recognized in equity | | 118,887,013 | 98,065,831 |
| Dividend received | | | (2,605,798) |
| | | <u>127,001,591</u> | <u>103,574,611</u> |
| 8.4 Investment in SFL Limited | | | |
| 401,570 (June 30, 2019: 401,570) ordinary shares of Rs. 10 each - cost | | 2,439,475 | 2,439,475 |
| Share of post acquisition profit | | 91,570,803 | 79,577,074 |
| | | <u>94,010,278</u> | <u>82,016,549</u> |
| 8.5 Investment in Sapphire Finishing Mills Limited | | | |
| 1,556,000 (June 30, 2019: 1,556,000) ordinary shares of Rs. 10 each - cost | | 16,509,160 | 16,509,160 |
| Share of post acquisition profit and items directly recognized in equity | | 144,873,627 | 121,836,181 |
| | | <u>161,382,787</u> | <u>138,345,341</u> |
| 8.6 Investment in Sapphire Holding Limited | | | |
| 100,223 (June 30, 2019: 100,223) ordinary shares of Rs. 10 each - cost | | 524,950 | 524,950 |
| Share of post acquisition profit | | 48,404,638 | 42,792,704 |
| | | <u>48,929,588</u> | <u>43,317,654</u> |
| 8.7 Investment in Sapphire Power Generation Limited | | | |
| 555,000 (June 30, 2019: 555,000) ordinary shares of Rs. 10 each - cost | | 19,425,000 | 19,425,000 |
| Share of post acquisition profit | | 32,773,268 | 28,952,678 |
| Dividend Paid by SPGL | | (5,550,000) | - |
| | | <u>46,648,268</u> | <u>48,377,678</u> |
| 9 LONG TERM LIABILITIES | | | |
| Long term finances | | 1,004,159,198 | 873,050,628 |
| GIDC payable | 9.2 | 82,565,582 | - |
| | | <u>1,086,724,780</u> | <u>873,050,628</u> |
| Less: Current portion grouped under current liabilities | | (135,420,874) | (19,354,499) |
| | | <u>951,303,906</u> | <u>(19,354,499)</u> |
| 9.1 Long term finances | | | |
| As at the beginning of the period / year | | 873,050,628 | 559,379,252 |
| Availed during the period / year | 9.1.1 | 147,241,465 | 319,374,500 |
| | | <u>1,020,292,093</u> | <u>878,753,752</u> |
| Paid during the period/ year | | (16,132,895) | (5,703,124) |
| | | <u>1,004,159,198</u> | <u>873,050,628</u> |

- 9.1.1** These loans were obtained from various banks under schemes of State Bank of Pakistan (SBP). The purpose of these loans were to finance / retire the letter of credit against textile machinery along with accessories out of total sanctioned limit of Rs. 1,400 million (30 June, 2020 : Rs: 1,400 million). These loans are secured against charge of Rs. 1,775 million (30 June 2020 Rs: 1,775 million) and carry an interest rate from 2.5% to 11.84% over all present and future plant and machinery of the Company. These loans are repayable in equal quarterly / semi-annual installments.

The Honorable Supreme Court of Pakistan (SCP) vide its judgement dated 13 August 2020 decided the appeal against the Company and declared the GIDC Act, 2015 to be constitutional and recoverable from the gas consumer. A review petition was filed against the judgement which was also dismissed. However, partial relief was granted and recovery period was extended to 48 months from 24 months. SCP in its detailed judgment stated that the cess under GIDC Act, 2015 is applicable only to those consumers of natural gas who on account of their industrial or commercial dealings had passed on GIDC burden to their end customers.

- 9.2** The Company has filed a civil suit before the Honorable Sindh High Court (SHC) on the grounds that the Company has not passed on the impact of GIDC to end customers. SHC has granted stay order in the said suit and has restrained SNGPL from taking any coercive action against the Company.

The Company has already recorded a provision for GIDC (included in trade and other payables in the preceding year). The amount has now been classified as long term liabilities at its present value, by discounting future estimated cash flows using risk free rate of return. This resulted in income of Rs. 13.922 million which has been netted off against cost of sales.

| 10 | DEFERRED LIABILITIES | Un-audited | Audited |
|-----------|---|---------------------------|----------------|
| | | 31 March | 30 June |
| | | 2021 | 2020 |
| | | Rupees | Rupees |
| | Deferred Government grant | 5,072,974 | - |
| | Staff retirement benefits - gratuity | 63,572,388 | 62,585,160 |
| | | 68,645,362 | 62,585,160 |
| | Less: Current portion of Government grant | (4,313,599) | - |
| | | 64,331,763 | 62,585,160 |
| 11 | SHORT TERM BORROWINGS | | |
| | From banking companies - secured | | |
| | Running finance | 805,116,807 | 2,292,027,993 |
| | Short term finance | 11.1 1,148,500,000 | 189,734,118 |
| | From related parties | | |
| | Loan from Directors | - | 15,705,000 |
| | Loan from associated companies | 11.2 - | 21,420,000 |
| | | 37,125,000 | 37,125,000 |
| | | 1,990,741,807 | 2,518,887,111 |

- 11.1** During the period, the Company has obtained Rs. 1,348 million cash finance (30 June 2020 : 3,852 million) at the rate of mark-up ranging between 2.50% to 8.83 % (30 June 2020 2.35 % to 15.10%) per annum.

| | Un-audited | Audited |
|----------------------------------|-------------------|-------------------|
| | 31 March | 30 June |
| | 2021 | 2020 |
| | Rupees | Rupees |
| 11.2 Associated Companies | | |
| Galaxy Agencies (Pvt) Ltd. | - | 590,000 |
| Sapphire Agencies (Pvt) Ltd. | - | 12,810,000 |
| Nadeem Enterprises (Pvt) Ltd. | - | 480,000 |
| Neelum Textile Mills (Pvt) Ltd. | - | 7,540,000 |
| | - | 21,420,000 |

12 CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

Guarantees have been issued by banks on behalf of the Company in the normal course of business

| | | |
|---------------------------|--------------------|--------------------|
| | 203,990,298 | 203,990,298 |
| Post dated cheques issued | 431,366,439 | 410,487,535 |
| | 635,356,737 | 614,477,833 |

12.2 Claims of Input Sales Tax

There has been no material change in the status of contingencies pointed in the financial statements for the year ended 30 June 2020.

| | Un-audited | Audited |
|--|--------------------|--------------------|
| | March | 30 June |
| | 2021 | 2020 |
| | Rupees | Rupees |
| 12.3 Commitments | | |
| Irrevocable letters of credit for import of: | | |
| -Plant and machinery | 131,683,181 | 13,485,600 |
| -Stores and spare parts | 1,716,744 | 10,703,385 |
| -Raw material | 179,089,359 | 209,838,330 |
| | 312,489,284 | 234,027,315 |

| 13 | SALES - NET | Nine months ended | | Three months ended | |
|----|------------------------|-------------------|---------------|--------------------|---------------|
| | | 31 March | 31 March | 31 December | 31 December |
| | | 2021 | 2020 | 2020 | 2019 |
| | |Rupees..... | |Rupees..... | |
| | Local: | | | | |
| | Yarn | 1,510,768,298 | 1,703,266,280 | 862,953,790 | 1,127,128,453 |
| | Waste | 47,093,679 | 49,285,232 | 13,677,657 | 11,639,323 |
| | | 1,557,861,977 | 1,752,551,512 | 876,631,447 | 1,138,767,776 |
| | Export: | | | | |
| | Yarn | 1,323,933,164 | 1,023,966,335 | 493,167,555 | 387,600,167 |
| | Yarn (indirect export) | 2,425,222,175 | 1,853,809,541 | 526,171,513 | 35,005,781 |
| | Waste | 105,908,190 | 100,947,027 | 34,413,033 | 29,719,629 |
| | | 3,855,063,529 | 2,978,722,903 | 1,053,752,101 | 452,325,577 |
| | | 5,412,925,506 | 4,731,274,415 | 1,930,383,548 | 1,591,093,353 |
| | Steam Income | 3,663,600 | - | 1,418,400 | - |
| | Processing Income | 106,764 | - | 106,764 | - |
| | | 5,416,695,870 | 4,731,274,415 | 1,931,908,712 | 1,591,093,353 |

13.1 Sales tax on local sales and indirect export sales is Rs. 519.835 million (Mar-2020: Rs. 502.375 million)

| 14 | COST OF SALES | Nine months ended | | Three months ended | |
|----|--------------------------------|-------------------|---------------|--------------------|---------------|
| | | 31 March | 31 March | 31 March | 31 March |
| | | 2021 | 2020 | 2021 | 2020 |
| | |Rupees..... | |Rupees..... | |
| | Raw material consumed | 3,270,955,615 | 3,133,073,431 | 1,134,946,119 | 975,310,164 |
| | Packing material consumed | 70,082,866 | 64,501,158 | 26,423,532 | 21,790,810 |
| | Store and spare parts consumed | 105,948,755 | 76,377,787 | 37,642,777 | 25,737,437 |
| | Salaries, wages and benefits | 339,068,572 | 329,419,930 | 116,165,631 | 108,840,559 |
| | Fuel and power | 330,454,790 | 284,907,660 | 123,665,288 | 89,696,380 |
| | Insurance | 8,556,277 | 5,620,341 | 2,476,518 | 2,148,763 |
| | Repairs and maintenance | 6,221,041 | 9,601,446 | 1,154,100 | 1,124,916 |
| | Travelling and conveyance | 4,676,604 | 5,860,699 | 1,572,765 | 1,823,481 |
| | Other manufacturing overheads | 2,104,359 | 1,933,020 | 619,098 | 366,890 |
| | Depreciation | 148,704,514 | 145,028,584 | 49,920,162 | 49,027,813 |
| | | 4,286,773,393 | 4,056,324,056 | 1,494,585,990 | 1,275,867,213 |
| | Work in process | | | | |
| | At the beginning of period | 204,534,246 | 246,276,183 | 196,367,003 | 325,458,508 |
| | At the end of period | (224,577,694) | (218,325,486) | (224,577,694) | (218,325,486) |
| | | (20,043,448) | 27,950,697 | (28,210,691) | 107,133,022 |
| | Cost of goods manufactured | 4,266,729,945 | 4,084,274,753 | 1,466,375,299 | 1,383,000,235 |
| | Finished goods | | | | |
| | At the beginning of period | 432,548,884 | 292,164,901 | 279,462,346 | 340,064,115 |
| | At the end of period | (306,404,928) | (378,801,537) | (306,404,927) | (378,801,537) |
| | | 126,143,956 | (83,757,294) | (26,942,581) | (35,858,080) |
| | | 4,392,873,901 | 4,000,517,459 | 1,439,432,718 | 1,347,142,155 |

15 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary and other related group companies, directors of the Company, key management personnel and post employment benefit plans. The Company in the normal course of business enters into transactions with various related parties.

The transactions with related parties during the period generally consist of sales and purchases.

Nature and description of related party transactions during the period along with monetary values are as follows:

| Nature of Relationship | Nature of Transaction | Nine month ended | |
|-------------------------|--|------------------|-------------|
| | | 31 March | 31 March |
| | | 2021 | 2020 |
| | |Rupees..... | |
| Associated companies | | | |
| | Sales of finished goods, raw material / stores and spare parts | 519,255,072 | 501,252,820 |
| | Purchases of; | | |
| | Finished goods, raw material / | 50,659,145 | 21,210,485 |
| | Services obtained | - | 4,175,816 |
| | Dividend received | 5,550,000 | 6,257,138 |
| | Dividend paid | 23,675 | 53,742,368 |
| | Shared expenses paid | 8,013,548 | 12,300,442 |
| | Shared expenses received | 3,852,557 | 21,970 |
| | Loan repaid | 37,125,000 | 6,067,000 |
| Chief Executive officer | Remuneration and other benefits | 10,800,000 | 10,800,000 |
| Executives | Remuneration and other benefits | 30,077,040 | 18,086,020 |

Transactions with related parties are carried out at agreed terms in the normal course of business.

16 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue April 28, 2021.

17 GENERAL

Figures have been rounded off to the nearest rupee.

Shayan Abdullah
Chief Executive Officer

Shahid Abdullah
Director

Jawwad Faisal
Chief Financial Officer