



**BUNNY'S<sup>®</sup>**

Quality is our Major Ingredient!



## VISION AND MISSION STATEMENT

### VISION

Make quality food for better life.

### MISSION

Product innovation with optimal quality, taste and nutrition. To create value, inspire moments and deliver wellness.

### COMPANY PROFILE

<b>Board of Directors</b>	Mrs. Saadia Omar Mr. Haroon Shafiq Chaudhry Mr. Omar Shafiq Chaudhry Miss. Maya Omar Miss Mahnoor Chaudhry Miss Mahnan Omar Mr. Rafi Uz Zaman Awan Mr. Rehan Mobin	Chairman Chief Executive Director  Director Director Director Director
<b>Audit Committee</b>	Mr. Rafi Uz Zaman Awan Miss Mahnoor Chaudhry Mrs. Saadia Omer	Chairman Member Member
<b>Chief Financial Officer</b>	Mr. Muhammad Shafique	
<b>Company Secretary</b>	Mr. Muhammad Zubair	
<b>Auditors</b>	Aslam Malik & Co. Chartered Accountants	
<b>Bankers</b>	Samba Bank Limited Bank Al Habib Limited Meezan Bank Limited PAIR Investment Bank Limited First Women Bank Limited Pak Libya Holding Company (Pvt.) Limited	
<b>Share Registrar</b>	F.D. Registrar Services (SMC-Pvt.) Limited 17 <sup>th</sup> Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000 Ph# 9921-35478192-93, Dir# 9221-32271905-6, Fax# 9221-32621233	
<b>Legal Advisor</b>	Ahmed & Qazi	
<b>Head Office</b>	105/A, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	
<b>Email</b>	<a href="mailto:bunnys@brain.net.pk">bunnys@brain.net.pk</a>	
<b>Website</b>	<a href="http://www.bunnys.com.pk">www.bunnys.com.pk</a>	

## DIRECTORS' REPORT

In the name of Allah the Most Merciful and the Most Benevolent.

On behalf of the Board of Directors of Bunny's Limited, we are pleased to present the Directors' Review Report for the 3<sup>rd</sup> quarter ended March 31, 2021.

### Overview

We are pleased to report that during the 3<sup>rd</sup> quarter of year 2020/2021, your company has made sale of more than PKR 1 billion which is highest in any quarter. A brief review of the financial results and operations of the Company for the 2<sup>nd</sup> quarter ended 31<sup>th</sup> December, 2020. This condensed interim financial information is presented in accordance with the requirements of Companies Act, 2017. The financial results during the 2<sup>nd</sup> quarter are as follows:

	Rs. (Million)	
	Quarter ended March 31, 2021	March 21, 2020
Sales – net	1,001.98	711.23
Gross profit	226.93	172.16
Operating profit	106.51	67.00
Profit after tax	50.62	24.91
Earnings per share (Rs.) – Basic	0.99	0.48
Earnings per share (Rs.) – Diluted	0.92	0.48

Your Company has achieved a record net sales growth of 41% compared to same period last year. Resultantly, profit after tax for the 3<sup>rd</sup> quarter has also increased by 103%, in comparison to the same period last year, which shows that during this quarter your company has significantly improved in managing its operations.

Your company has issued 30% bonus shares in March, 2021. Diluted earnings per share for the period is Rs. 0.92 as compared to Rs. 0.48 for similar period of the last year registering 92% increase from the same period last year.

### Expansion and Modernization Projects

To ensure its role as one of the industry leader, your Company is in a continuous process to update its plant and equipment with latest technology. This ensures sustainability of Company's operations in the most efficient and cost effective manner.



105/A, Quaid-E-Azam Industrial Estate, Kot Lakhpat, Lahore - Pakistan  
EMAIL [bunnys@brain.net.pk](mailto:bunnys@brain.net.pk) | UAN +92 42 111 44 2222 | [www.bunnys.com.pk](http://www.bunnys.com.pk)  
f t i /bunnyspakistan | BUNNY'S LIMITED - NTN No. 0803115-7





Fully automated bun and burger line is at its finalization stage and Company's Management is hopeful that this line will be operational by July, 2021.

### Credit ratings

The long-term entity rating of the Company is A- and short-term entity rating have been maintained at A-2 by VIS Credit Rating Company Limited (VIS). These ratings denote a very low expectation of credit risk emanating from a very strong capacity for timely payment of financial commitments.

### Contingencies and Commitments

There has been no major changes in commitments affecting financial position of the Company's affairs between the balance sheet date and the date of this report.

### Acknowledgments

We thank our various stakeholders including the shareholders, bankers and others in the faith imposed in the Company that helped significant growth over last year. We look forward to this unwavering support and confidence from these stakeholders to help the Company grow further and expand its product portfolio.

We would also like to thank the Pakistan Stock Exchange Limited, the Securities & Exchange Commission of Pakistan and the Central Depository Company of Pakistan Limited for their continued support and cooperation towards the Company. We hope that this support would continue in the future.

We also acknowledge the efforts of our dedicated and talented human resource for the hard work they put in to help realize the outstanding operational growth. We expect continued efforts from our employees to attain higher goals going forward.

The Board also wishes to place on record its gratitude for the co-operation extended by Government of Pakistan and strategic partners including its customers and suppliers.

For and on behalf of the Board of Directors

  
Director  
Lahore  
April 29, 2021



105/A, Quaid-E-Azam Industrial Estate, Kot Lakhpat, Lahore - Pakistan  
EMAIL [bunnys@brain.net.pk](mailto:bunnys@brain.net.pk) | UAN +92 42 111 44 2222 | [www.bunnys.com.pk](http://www.bunnys.com.pk)  
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**BUNNY'S LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**AS AT MARCH 31, 2021**

	Note	March 31, 2021	Audited June 30, 2020
		Rupees	
<b>ASSETS</b>			<b>Audited</b>
<b>Non-current assets</b>			
Property, plant and equipment	4	2,087,290,587	1,897,667,189
Intangible assets	5	70,243,067	70,255,380
Long term security deposits		7,447,338	7,147,338
		<b>2,164,980,992</b>	<b>1,975,069,907</b>
<b>Current assets</b>			
Stores, spares and loose tools		15,234,780	15,103,041
Stock-in-trade	6	310,161,116	273,734,710
Trade debts - unsecured		322,457,138	270,067,974
Advances, deposits and prepayments		167,010,485	142,472,317
Cash and bank balances	7	55,236,425	426,512
		<b>870,099,944</b>	<b>701,804,554</b>
<b>Total assets</b>		<b>3,035,080,936</b>	<b>2,676,874,461</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and reserves</b>			
Authorized share capital		<b>1,000,000,000</b>	<b>540,000,000</b>
100,000,000 Ordinary shares of Rs.10/- each .			
Issued, subscribed and paid up share capital	8	668,052,700	513,886,690
Capital reserves	9	461,850,397	461,850,397
Un-appropriated profits		624,052,287	625,911,925
		<b>1,753,955,384</b>	<b>1,601,649,012</b>
<b>Non-current liabilities</b>			
Long term finances - secured	10	261,656,007	312,188,812
Deferred grant		2,780,114	6,610,401
Lease liabilities	11	67,830,387	12,355,471
Deferred income		653,694	2,614,781
Long term advances - unsecured		9,667,323	10,274,923
Deferred liabilities	12	229,349,490	229,956,156
		<b>571,937,017</b>	<b>574,000,544</b>
<b>Current liabilities</b>			
Trade and other payables	13	264,110,939	167,632,339
Contract liability		8,329,380	11,435,483
Unclaimed dividend		765,699	765,699
Accrued mark-up on secured loans		10,153,927	13,024,687
Short term borrowings	14	180,315,341	113,615,212
Current portion of long term finances and leases - secured		210,480,327	174,235,703
Provision for taxation - net		35,032,922	20,515,782
		<b>709,188,535</b>	<b>501,224,905</b>
<b>Contingencies and commitments</b>	15		
<b>Total equity and liabilities</b>		<b>3,035,080,936</b>	<b>2,676,874,461</b>

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

  
Chief Executive

  
Director

  
Chief Financial Officer



## BUNNY'S LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2021

	Quarter ended		Nine months ended	
Note	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- Rupees -----			
Revenue - net	1,001,977,727	711,227,247	2,605,395,875	2,140,406,962
Cost of sales	(775,044,588)	(539,072,050)	(1,926,300,525)	(1,570,249,469)
<b>Gross profit</b>	<b>226,933,139</b>	<b>172,155,197</b>	<b>679,095,350</b>	<b>570,157,493</b>
<b>Operating expenses</b>				
Administrative and general	41,179,097	39,968,417	135,285,532	115,791,666
Selling and distribution	79,248,963	65,185,315	270,940,979	240,424,428
	(120,428,060)	(105,153,732)	(406,226,511)	(356,216,094)
<b>Operating profit</b>	<b>106,505,080</b>	<b>67,001,464</b>	<b>272,868,840</b>	<b>213,941,399</b>
Other operating expenses	(3,900,421)	(12,586,852)	(12,053,859)	(7,999,740)
Other income	106,345	1,961,086	1,506,977	3,922,172
Finance cost	(35,275,247)	(25,195,906)	(75,101,572)	(74,079,416)
	(39,069,323)	(35,821,672)	(85,648,454)	(78,156,985)
<b>Profit before taxation</b>	<b>67,435,757</b>	<b>31,179,792</b>	<b>187,220,386</b>	<b>135,784,414</b>
Taxation	(16,811,888)	(6,274,002)	(34,914,014)	(32,403,724)
<b>Profit after taxation</b>	<b>50,623,870</b>	<b>24,905,790</b>	<b>152,306,372</b>	<b>103,380,690</b>
Other Comprehensive Income for the period	-	-	-	-
<b>Total Comprehensive Income for the period</b>	<b>50,623,870</b>	<b>24,905,790</b>	<b>152,306,372</b>	<b>103,380,690</b>
<b>Earning per share - basic</b>	<b>0.99</b>	<b>0.48</b>	<b>2.96</b>	<b>2.01</b>
<b>Earning per share - diluted</b>	<b>0.92</b>	<b>0.48</b>	<b>2.76</b>	<b>2.01</b>

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


  
Chief Executive


  
Director



  
Chief Financial Officer

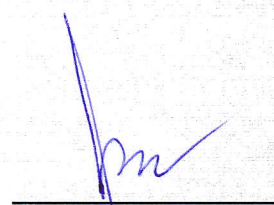
**BUNNY'S LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2021**

	Note	March 31, 2021	March 31, 2020
		----- Rupees -----	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	17	307,817,194	206,564,160
Financial charges paid		(77,972,332)	(73,800,473)
Income tax paid		(18,674,228)	(1,495,681)
Staff gratuity paid		(16,333,539)	(7,843,272)
Workers' (profit) participation fund paid		(9,258,235)	(7,913,652)
Net increase in long term advances		(607,600)	(909,255)
Net increase in security deposits		(300,000)	(450,000)
		(123,145,934)	(92,412,333)
<b>Net cash generated from operating activities</b>		<b>184,671,261</b>	<b>114,151,827</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>			
Sale proceeds from disposal of fixed assets		3,369,600	1,210,000
Fixed capital expenditure		(235,209,787)	(158,008,010)
<b>Net cash used in investing activities</b>		<b>(231,840,187)</b>	<b>(156,798,010)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>			
Proceeds less repayment of long term loans		26,379,672	(34,027,774)
Proceeds less repayment of lease liabilities		8,899,038	40,521,564
Net increase in short term finances		66,700,129	60,715,731
<b>Net cash generated from financing activities</b>		<b>101,978,840</b>	<b>67,209,521</b>
Net Increase in cash and cash equivalents		54,809,914	24,563,338
Cash and cash equivalents at the beginning of the period		426,512	15,581,185
<b>Cash and cash equivalents at end of the period</b>		<b>55,236,425</b>	<b>40,144,523</b>

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

  
 Chief Executive

  
 Director

  
 Chief Financial Officer




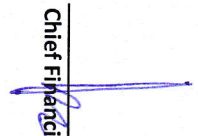
**BUNNY'S LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2021**

Particulars	Note	Capital Reserves			Revenue Reserve	Total Equity
		Share Capital	Capital maintenance reserve	Share premium reserve	Total	
Balance as at July 01, 2019 (Audited)		513,886,690	412,136,727	49,713,670	461,850,397	500,304,643
Profit for the period		-	-	-	-	103,380,690
<b>Balance as at March 31, 2020</b>		<b>513,886,690</b>	<b>412,136,727</b>	<b>49,713,670</b>	<b>461,850,397</b>	<b>603,685,333</b>
Balance as at July 01, 2020 (Audited)		513,886,690	412,136,727	49,713,670	461,850,397	625,911,925
Profit for the period		-	-	-	-	152,306,372
Bonus shares issued during the period		154,166,010				(154,166,010)
<b>Balance as at March 31, 2021</b>		<b>668,052,700</b>	<b>412,136,727</b>	<b>49,713,670</b>	<b>461,850,397</b>	<b>624,052,287</b>
						<b>1,753,955,384</b>

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

  
 Chief Executive

  
 Director

  
 Chief Financial Officer



## STATUS AND NATURE OF BUSINESS

Bunni's Limited (the Company) was incorporated in Pakistan as a private limited Company on October 22, 1980 under the repealed Companies Act 1913 (now Companies Act, 2017) and was later on converted into a Public Listed Company. The Company is principally engaged in manufacturing of bakery and other food products. The registered office and manufacturing facility of the Company is situated at 105/A Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore.

## BASIS OF PREPARATION

This condensed interim financial information are unaudited and 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 34, 'Interim Financial Reporting', issued by 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.

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

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended June 30, 2020.

## ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements for the year ended June 30, 2020.

There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on or after July 1, 2021. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

BUNNY'S LIMITED  
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)  
FOR THE QUARTER ENDED MARCH 31, 2021

4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets  
Capital work in progress

Note  
4.1  
4.2

Audited  
March 31, 2021 June 30, 2020  
Rupees  
1,837,356,366 1,754,334,474  
249,934,221 143,332,715  
2,087,290,587 1,897,667,189

4.1. Operating fixed assets

Cost

Balance as at July 01, 2020  
Additions during the period  
Disposal during the period  
Balance as at March 31, 2021  
Balance as at July 01, 2019  
Additions during the year  
Disposals during the year  
Balance as at June 30, 2020

	Owned Assets						Leased Assets		Total Assets
	Land - freehold	Building on freehold land	Plant and machinery	Electric installation and appliances	Office equipment	Furniture and fixtures	Motor vehicles	Total Owned	
5,10,000,000	631,627,922	1,070,885,921	18,293,987	19,804,457	10,002,725	48,233,847	2,328,948,859	50,000,000	72,926,508
-	17,133,211	67,493,765	382,170	1,994,536	776,658	2,346,541	90,126,881	-	38,481,400
-	-	(10,107,892)	-	-	-	-	(10,107,892)	-	-
5,10,000,000	648,761,133	1,128,371,794	18,676,157	21,798,993	10,779,383	50,580,388	2,408,967,848	50,000,000	111,408,308
5,10,000,000	625,339,847	963,273,250	15,892,528	17,795,836	9,964,225	49,490,347	2,212,756,033	50,000,000	67,840,508
-	6,288,075	107,112,671	1,401,459	3,607,621	38,500	156,500	119,204,826	-	7,814,000
-	-	-	-	(1,599,000)	-	(1,413,000)	(3,012,000)	-	(2,728,000)
5,10,000,000	631,627,922	1,070,885,921	18,293,987	19,804,457	10,002,725	48,233,847	2,328,948,859	50,000,000	72,926,508
-	-	-	-	-	-	-	-	-	-

Depreciation

Balance as at July 01, 2020  
Charge for the period  
Depreciation on Disposals  
Balance as at March 31, 2021  
Balance as at July 01, 2019  
Charge for the year  
Disposals during the year  
Balance as at June 30, 2020

200,762,913	398,598,985	7,237,526	12,686,514	5,124,939	37,721,720	662,132,597	6,943,702	28,464,994	697,541,293
-	18,075,181	567,154	1,292,077	273,014	1,227,203	32,527,503	1,076,407	7,332,296	40,936,207
-	(5,457,710)	-	-	-	-	(5,457,710)	-	-	(5,457,710)
211,855,786	411,216,456	7,804,680	13,978,591	5,397,953	38,948,923	689,202,390	8,020,109	35,797,290	733,019,790
-	178,386,318	365,355,004	6,056,562	11,340,641	4,584,230	36,420,502	602,143,257	4,677,581	17,999,560
-	22,376,595	33,243,981	1,180,964	2,597,082	540,709	2,625,417	62,564,808	2,266,121	11,072,433
-	-	-	(1,251,209)	-	-	(1,324,259)	(2,575,468)	-	(607,399)
200,762,913	398,598,985	7,237,526	12,686,514	5,124,939	37,721,720	662,132,597	6,943,702	28,464,994	697,541,293
5%	5%	10%	30%	10%	20%	5%	20%	20%	20%
530,000,000	436,905,347	717,155,338	10,871,477	7,820,402	5,381,430	11,631,465	1,719,765,458	41,979,891	75,611,018
530,000,000	430,865,009	672,286,936	11,056,461	7,117,943	4,877,786	10,512,128	1,666,816,263	43,056,298	44,461,914

4.2. Depreciation charged for the year has been allocated as under:

Cost of sales  
Administrative and general expenses  
Selling and distribution

4.3. Capital work in progress

Opening balance  
Additions during the year  
Transfers (Plant and machinery)  
Closing balance

143,332,715 80,866,195  
106,601,506 62,466,520  
- -  
249,934,221 143,332,715

4.4. Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address  
85,86,87 & 105 Quid-e-Azam Industrial Estate, Kot Lakhpat, Lahore  
Usage of immovable property  
Production unit  
Total Area (in Kana)  
21.4  
Appro. Covered Area  
(in sq. ft.)  
50,510





**BUNNY'S LIMITED**  
**CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2021**

	Note	March 31, 2021	Audited June 30, 2020
		----- Rupees -----	
<b>11 LEASE LIABILITIES</b>			
The amount of future minimum lease payments along with their present value and the period during which they fall due are as under:			
Present value of minimum lease payments		46,171,483	37,272,445
Less: Current portion shown under current liabilities		21,658,904	(24,916,974)
		<u>67,830,387</u>	<u>12,355,471</u>
Payable within one year		(21,658,904)	24,916,974
Payable after one year		<u>67,830,387</u>	<u>12,355,471</u>
		<u>46,171,483</u>	<u>37,272,445</u>
<b>11.1</b>	The Company entered into lease agreements with financial institutions to acquire vehicles. The liabilities under the lease agreements are payable in equal monthly installments and are subject to finance charges at the rates ranging from 6 months KIBOR + 2.5% to 3.95% and 22% per annum (June 30, 2020 : 6 months KIBOR + 2.5% to 3.95% and 22% per annum). The lease liabilities are secured against security deposits, post dated cheques, personal guarantee of all the directors of the Company and also secured against financed vehicles.		
<b>12 DEFERRED LIABILITIES</b>			
Deferred taxation	12.1	187,421,765	188,194,892
Staff retirement benefits - gratuity	12.2	41,927,725	41,761,264
		<u>229,349,490</u>	<u>229,956,156</u>
<b>12.1 Deferred taxation</b>			
Opening deferred tax liability		188,194,892	173,747,614
Deferred tax reversed/(charged) to profit or loss		(773,128)	14,447,278
Closing deferred tax liability		<u>187,421,765</u>	<u>188,194,892</u>
<b>12.2 STAFF RETIREMENT BENEFITS - GRATUITY</b>			
Opening Balance		41,761,264	33,495,479
Current service cost		16,500,000	22,926,181
Benefits paid		(16,333,539)	(14,660,396)
Closing Balance		<u>41,927,725</u>	<u>41,761,264</u>
<b>13 TRADE AND OTHER PAYABLES</b>			
Trade Creditors - unsecured		182,563,623	93,181,338
Accrued expenses		68,672,554	62,243,806
Workers' welfare fund		2,986,399	2,948,961
Workers' (profit) participation fund	13.1	9,888,363	9,258,234
		<u>264,110,939</u>	<u>167,632,339</u>
<b>13.1 Workers' (profit) participation fund</b>			
Opening balance		9,258,234	7,913,652
Allocation for the period		9,888,363	9,258,234
		<u>19,146,598</u>	<u>17,171,886</u>
Less: Payment made during the period		(9,258,235)	(7,913,652)
		<u>9,888,363</u>	<u>9,258,234</u>
<b>14 SHORT TERM BORROWINGS</b>			
Running finance		180,315,341	113,615,212
		<u>180,315,341</u>	<u>113,615,212</u>
<b>15 CONTINGENCIES AND COMMITMENTS</b>			
<b>15.1</b>	Letter of guarantee amounting to Rs 2.552 million (2020: Rs.2.552 million) has been issued in favor of Sui Northern Gas Pipeline Limited. There are no other known contingencies as at balance sheet date.		
<b>15.2</b>	There are no major commitments outstanding as at balance sheet date.		



**UNNNY'S LIMITED**  
**CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)**  
**OR THE QUARTER ENDED MARCH 31, 2021**

		March 31, 2021	March 31, 2020
		----- Rupees -----	
<b>16 EARNING PER SHARE - BASIC</b>			
Net profit after taxation	Rupees	152,306,372	103,380,690
Number of shares outstanding during the period	Numbers	51,388,669	51,388,669
Earning per share	Rupees	2.96	2.01
<b>EARNING PER SHARE - DILUTED</b>			
Net profit after taxation	Rupees	152,306,372	103,380,690
Weighted average number of shares outstanding during the period	Numbers	55,242,819	51,388,669
Earning per share	Rupees	2.76	2.01
<b>17 CASH GENERATED FROM OPERATIONS</b>			
Profit before taxation		187,220,386	135,784,414
Adjustments for:			
Depreciation		40,936,207	55,670,728
Financial charges		75,101,572	74,079,416
Provision for workers' (profit) participation fund		9,888,363	6,993,099
Provision for workers' welfare fund		2,986,399	2,662,439
Provision for gratuity		16,500,000	15,000,000
Deferred income		(1,961,086)	(3,922,172)
Loss / (gain) on sale of fixed asset		1,140,182	(1,655,798)
Amortization of intangible assets		12,314	15,392
		144,603,951	148,843,105
<b>Operating profit before working capital changes</b>		331,824,337	284,627,519
Effect on cash flows due to working capital changes			
(Increase)/ decrease in current assets:			
Stores, spares and loose tools		(131,739)	462,441
Stock-in-trade		(36,426,406)	7,955,292
Trade debts - unsecured		(52,389,164)	(40,717,273)
Advances, deposits and prepayments		(24,538,168)	(14,369,624)
(Decrease)/ increase in trade and other payables		86,372,231	(31,394,195)
Contract liabilities		3,106,103	-
		(24,007,142)	(78,063,359)
<b>Cash generated from operations</b>		307,817,194	206,564,160

**18 FINANCIAL RISK MANAGEMENT**

**18.1 Financial risk factors**

The Company's activities expose it to a variety of financial risk including capital risk, credit risk, liquidity risk and market risk. There have been no changes in the risk management policies during the period, consequently this condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements.

**18.2 Fair value of financial assets and liabilities**

The carrying value of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair values.

**19 TRANSACTION WITH ASSOCIATED UNDERTAKINGS**

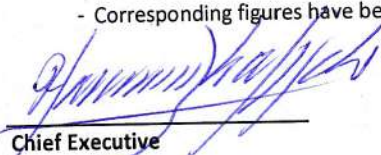
The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carried out transactions with related parties. There are no other significant related party transactions.

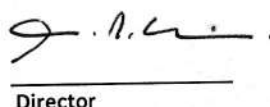
**20 DATE OF AUTHORIZATION FOR ISSUE**

This condensed financial information was authorized for issue by the board of directors of the Company on **29 APR 2021**.

**21 GENERAL**

- The figures have been rounded off to the nearest rupee.
- Corresponding figures have been re-classified / re-arranged for the purpose of comparison and better presentation.

  
Chief Executive

  
Director

  
Chief Financial Officer