



# 1st QUARTERLY REPORT 2021

**Sapphire Fibres Limited**

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## COMPANY INFORMATION

### BOARD OF DIRECTORS

#### Chairman

Mr. Yousuf Abdullah

#### Chief Executive

Mr. Shahid Abdullah

#### Director

Mr. Nadeem Abdullah

Mr. Amer Abdullah

Mr. Shayan Abdullah

Mr. Abdul Sattar

#### Independent Director

Mr. Tajammal Husain Bokharee

Mr. Nadeem Arshad Elahi

Dr. Marium Chughtai

#### Audit Committee

Mr. Nadeem Arshad Elahi – Chairman

Mr. Shayan Abdullah – Member

Mr. Yousuf Abdullah – Member

Mr. Tajammal Husain Bokhree – Member

#### Human Resource and

#### Remuneration Committee

Mr. Tajammal Husain Bokhree – Chairman

Mr. Yousuf Abdullah – Member

Mr. Shahid Abdullah – Member

Mr. Shayan Abdullah – Member

#### Chief Financial Officer

Mr. Jawwad Faisal

#### Secretary

Mr. Rameez Ghausi

#### Auditors

Shinewing Hameed Chaudhri & Company

Chartered Accountants

#### Tax Consultants

Yousuf Adil, Chartered Accountants

#### Legal Advisor

Hassan & Hassan Advocates

### Bankers

Askari Bank Limited

Allied Bank Limited

Bank Alfalah Limited

Bank AL Habib Limited

Habib Bank Limited

Habib Metropolitan Bank Limited

MCB Bank Limited

National Bank of Pakistan

Soneri Bank Limited

The Bank of Khyber

United Bank Limited

### Share Registrars

THK Associates (Pvt.) Limited, Plot No. 32-C, Jami

Commercial Street 2, D.H.A., Phase VII, Karachi- 75500, Pakistan

### Registered Office

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

### Mills

Spinning Units

10 KM, Sheikhpura Faisalabad Road, Kharianwala District Sheikhpura

26 KM, Sheikhpura Faisalabad Road, Ferozewattuan District Sheikhpura

### Fabric Knitting Unit

7 KM, Warburton Road, Ferozewattuan District Sheikhpura

### Fabric Dyeing and Denim Units

3.5 Km, Raiwind Manga Road, Raiwind



## Sapphire Fibres Limited

### DIRECTORS' REPORT

The Directors of your Company are pleased to present un-audited financial statements for the quarter ended 30 September 2021.

### Financial Highlights

	30 September	
	2021	2020
	Rupees in thousand	
Sales & services	9,216,215	5,610,116
Gross profit	1,869,426	678,970
Profit from operations	1,498,318	837,193
Other income	145,937	468,789
Profit before taxation	1,207,794	632,265
Provision for tax	99,816	79,228
<b>Profit after taxation</b>	<b>1,107,978</b>	<b>553,037</b>

During first quarter of the financial year, your company achieved sales of Rs.9.21 billion as compared to Rs.5.61 billion during corresponding period of last year; showing a considerable increase of 64.3%. The gross profit as a percentage of sales increased from last year's 12.1% to 20.3% during the period. Whereas, profit after tax increased to Rs.1,108 million against Rs.553 million during last year's corresponding period.

### Earnings per share

The company's earnings per share (EPS) were at Rs.53.60 as compared to Rs.26.75 for the same period of last year.

### Future outlook

Despite various challenges, your company has been able to achieve considerable growth in terms of sales and profitability. The management is focused on raw material procurement efficiency and operational excellence to ensure that the current positive trend of profitable growth may continue during remaining part of the financial year as well.

The directors appreciate sincere contribution and the hard work by staff and workers of the company.

Shayan Abdullah  
Director

For and on behalf of the Board

Shahid Abdullah  
Chief Executive

Lahore  
Dated: 29 October, 2021



## Sapphire Fibres Limited

### ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ مالیاتی گوشواروں پر اپنی رپورٹ پیش کرتے ہوئے خوش محسوس کرتے ہیں۔

### مالیاتی جھلکیاں

روپے ہزاروں میں

تفصیل	30 ستمبر 2021ء	30 ستمبر 2020ء
فروخت اور خدمات	9,216,215	5,610,116
مجموعی منافع	1,869,426	678,970
آپریشنز سے منافع	1,498,318	837,193
دیگر آمدن	145,937	468,789
ٹیکس سے پہلے منافع	1,207,794	632,265
ٹیکس کی فراہمی	99,816	79,228
ٹیکس کے بعد منافع	1,107,978	553,037

کمپنی نے گزشتہ سال کی اسی مدت میں 5.61 ملین روپے کے مقابلے مالی سال کی پہلی سہ ماہی کے دوران 9.21 ملین روپے فروخت حاصل کی جو 64.3 فیصد کا خاطر خواہ اضافہ ہے۔ فروخت فیصد کے طور پر مجموعی منافع گزشتہ سال کے 12.1 فیصد سے بڑھ کر رواں مدت کے دوران 20.3 فیصد ہو گیا۔ جبکہ کمپنی نے گزشتہ سال کی اسی مدت میں درج 553 ملین روپے کے مقابلے موجودہ سہ ماہی کے دوران 1,108 ملین روپے ٹیکس کے بعد منافع کمایا ہے۔

### فی حصص آمدنی

کمپنی کی موجودہ سہ ماہی کی فی شیئر آمدنی (EPS) 53.60 روپے ہے جو کہ پچھلے سال کی اسی مدت میں 26.75 روپے تھی۔

### مستقبل کا نقطہ نظر

متعدد مشکلات کے باوجود، آپ کی کمپنی فروخت اور منافع کے لحاظ سے قابل ذکر نمو حاصل کرنے کے قابل رہی ہے۔ انتظامیہ کی توجہ خام مال کی خریداری اور آپریشنل مہارت پر مرکوز ہے تاکہ اس بات کو یقینی بنایا جاسکے کہ منافع بخش نمو کا حالیہ مثبت رجحان مالی سال کے باقی عرصہ میں بھی جاری رہے۔

### اعتراف

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

منجانب بورڈ آف ڈائریکٹرز

Shamir Aslam

شامیان عبداللہ

ڈائریکٹر

Shamir Aslam

شاہد عبداللہ

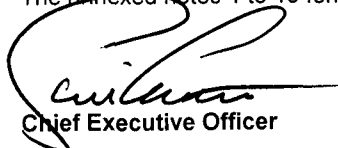
چیف ایگزیکٹو

لاہور: تاریخ: 29 اکتوبر 2021ء

**SAPPHIRE FIBRES LIMITED**  
**Condensed Interim Statement of Financial Position - Unaudited**  
**As at 30 September, 2021**

		Unaudited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>Assets</b>	<b>Note</b>		
<b>Non Current Assets</b>			
Property, plant and equipment	5	13,159,357,746	12,863,179,320
Investment property		31,750,000	31,750,000
Intangible assets		2,477,883	2,844,140
Long term investments	6	7,917,284,273	8,178,072,307
Long term loans		2,731,000	930,000
Long term deposits		28,606,645	28,606,645
		<b>21,142,207,547</b>	<b>21,105,382,412</b>
<b>Current Assets</b>			
Stores, spare parts and loose tools		632,468,736	466,689,452
Stock-in-trade		13,310,231,366	11,352,379,787
Trade debts		4,690,232,766	2,727,658,571
Loans and advances		454,683,535	144,542,468
Trade deposits and short term prepayments		12,139,901	7,990,921
Short term investments		2,758,035,465	2,977,735,568
Other receivables		1,045,891,511	902,010,831
Tax refunds due from Government		1,391,752,158	1,110,337,150
Cash and bank balances		68,237,495	64,993,047
		<b>24,363,672,933</b>	<b>19,754,337,795</b>
<b>Total Assets</b>		<b>45,505,880,480</b>	<b>40,859,720,207</b>
<b>Equity and Liabilities</b>			
<b>Share capital and reserves</b>			
Authorised capital			
35,000,000 ordinary shares of Rs.10 each		<b>350,000,000</b>	<b>350,000,000</b>
Issued, subscribed and paid-up capital			
20,671,875 ordinary shares of Rs.10 each		<b>206,718,750</b>	<b>206,718,750</b>
Reserves		<b>2,698,098,194</b>	<b>3,178,586,331</b>
Unappropriated profit		<b>16,638,152,181</b>	<b>15,530,173,708</b>
<b>Total equity</b>		<b>19,542,969,125</b>	<b>18,915,478,789</b>
<b>Non current liabilities</b>			
Long term liabilities		<b>5,218,941,616</b>	<b>5,205,402,463</b>
Deferred income - Government grant		<b>3,208,818</b>	<b>3,487,882</b>
Staff retirement benefit - gratuity		<b>355,407,044</b>	<b>341,556,615</b>
Deferred taxation		<b>124,480,375</b>	<b>123,054,208</b>
		<b>5,702,037,853</b>	<b>5,673,501,168</b>
<b>Current liabilities</b>			
Trade and other payables		<b>3,344,163,688</b>	<b>3,221,855,521</b>
Contract liabilities		<b>802,783,138</b>	<b>492,483,771</b>
Accrued mark-up / interest		<b>168,917,460</b>	<b>195,808,765</b>
Short term borrowings		<b>14,406,102,409</b>	<b>10,939,583,162</b>
Current portion of long term liabilities		<b>1,035,568,883</b>	<b>1,016,060,869</b>
Unclaimed dividend		<b>6,194,951</b>	<b>6,194,951</b>
Provision for taxation		<b>497,142,973</b>	<b>398,753,211</b>
		<b>20,260,873,502</b>	<b>16,270,740,250</b>
<b>Total liabilities</b>		<b>25,962,911,355</b>	<b>21,944,241,418</b>
<b>Contingencies and commitments</b>	7		
<b>Total equity and liabilities</b>		<b>45,505,880,480</b>	<b>40,859,720,207</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director


  
Chief Financial Officer

**SAPPHIRE FIBRES LIMITED**  
**Condensed Interim Statement of Profit or Loss - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

	Note	Three months period ended 30 September,	
		2021 Rupees	2020 Rupees
Sales		9,216,214,775	5,610,116,391
Cost of sales	8	7,346,788,905	4,931,146,120
<b>Gross profit</b>		<b>1,869,425,870</b>	<b>678,970,271</b>
Distribution cost		(362,850,377)	(186,891,387)
Administrative expenses		(95,280,061)	(93,966,966)
Other expenses		(58,914,656)	(29,707,205)
Other income		145,936,845	468,788,668
<b>Profit from operations</b>		<b>1,498,317,621</b>	<b>837,193,381</b>
Finance cost		(290,523,219)	(204,927,994)
<b>Profit before taxation</b>		<b>1,207,794,402</b>	<b>632,265,387</b>
<b>Taxation</b>			
- current		(98,389,762)	(77,613,598)
- deferred		(1,426,167)	(1,614,895)
		(99,815,929)	(79,228,493)
<b>Profit after taxation</b>		<b>1,107,978,473</b>	<b>553,036,894</b>
 <b>Earnings per share - basic and diluted</b>		 <b>53.60</b>	 <b>26.75</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**

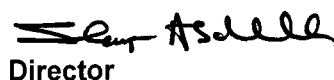
**SAPPHIRE FIBRES LIMITED****Condensed Interim Statement of Other Comprehensive Income - Unaudited****For the Three Months Period Ended 30 September, 2021**

	Three months period ended 30 September,	
	2021	2020
	Rupees	Rupees
<b>Profit after taxation</b>	<b>1,107,978,473</b>	<b>553,036,894</b>
<b>Other comprehensive income / (loss)</b>		
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>		
Unrealised gain / (loss) on remeasurement of investment at fair value through other comprehensive income		
- long term	(260,788,034)	458,366,019
- short term	(219,700,103)	525,300,842
Impact of deferred tax	-	25,176,390
	<b>(480,488,137)</b>	<b>1,008,843,251</b>
<b>Items that will be reclassified to statement of profit or loss subsequently</b>		
Unrealised gain on remeasurement of forward foreign exchange contracts	-	754,093
	-	754,093
	<b>(480,488,137)</b>	<b>1,009,597,344</b>
<b>Total comprehensive income for the period</b>	<b>627,490,336</b>	<b>1,562,634,238</b>

The annexed notes 1 to 10 form an integral part of these financial statements.



Chief Executive Officer



Director



Chief Financial Officer



**SAPPHIRE FIBRES LIMITED**  
**Condensed Interim Statement of Cash Flows - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

**CASH FLOW FROM OPERATING ACTIVITIES**

	Three months period ended 30 September,	
	2021	2020
	Rupees	Rupees
Profit for the period - before taxation	1,207,794,402	632,265,387
Adjustments for non-cash changes and other items:		
Depreciation	209,663,171	207,819,476
Amortisation	366,257	366,257
Staff retirement benefits - gratuity	31,500,000	28,950,000
Provision for workers' profit participation fund	58,314,656	28,952,847
Gain on disposal of operating fixed assets	(1,071,465)	(698,411)
Gain on sale of stores and spares	(114,698)	(590,915)
Dividend income	(120,400,845)	(454,263,980)
Finance cost	290,523,219	204,927,994
	468,780,295	15,463,268
	1,676,574,697	647,728,655

**Working capital changes**

(Increase) / decrease in current assets		
Stores, spares and loose tools	(165,779,284)	60,286,598
Stock in trade	(1,957,851,579)	10,501,725
Trade debts	(1,962,574,195)	(1,538,230,827)
Loans and advances	(310,141,067)	(64,843,723)
Deposits, other receivables and sales tax	(86,331,741)	(101,587,463)
Increase in trade and other payables	489,912,235	627,667,405
	(3,992,765,631)	(1,006,206,285)
	(2,316,190,934)	(358,477,630)

**CASH OUTFLOW FROM OPERATING ACTIVITIES**

Staff retirement benefit paid	(17,649,571)	(15,326,393)
Finance cost paid	(317,414,524)	(257,431,307)
Taxes (paid) / refund received	(368,863,235)	106,078,299
Workers' profit participation fund paid	(119,661,295)	(50,000,000)
Long term loans and deposits	(1,801,000)	5,000
	(825,389,625)	(216,674,401)
	(3,141,580,559)	(575,152,031)

**Net cash used in operating activities**

**CASH FLOW FROM INVESTING ACTIVITIES**

Fixed capital expenditures	(507,225,131)	(196,982,554)
Long and short term investments - net	0	3,000
Sale proceeds of tangible fixed assets	2,454,999	1,000,000
Sale proceeds of stores and spares	1,643,535	1,088,592
Dividend received	146,151,153	436,337,412
	(356,975,444)	241,446,450

**Net cash (used in) / generated from investing activities**

**CASH FLOW FROM FINANCING ACTIVITIES**

Long term loans - Obtained	249,992,590	311,557,900
Long term loans - Repaid	(214,711,386)	(2,534,577)
Dividend paid	0	(3,407)
Short term borrowings - net	3,466,519,247	2,682,433
	3,501,800,451	311,702,349

**Net cash inflow from financing activities**

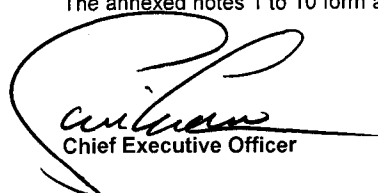
**Net increase / (decrease) in cash and cash equivalents**

**Cash and cash equivalents - at the beginning of the period**

**CASH AND CASH EQUIVALENTS - at the end of the period**

3,244,448	(22,003,232)
64,993,047	68,857,658
68,237,495	46,854,426

The annexed notes 1 to 10 form an integral part of these financial statements.

  
Chief Executive Officer

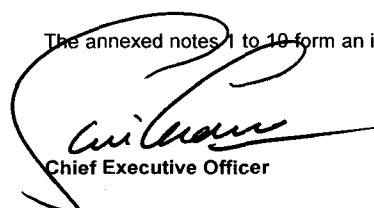
  
Director

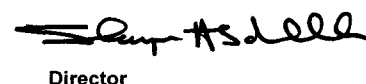
  
Chief Financial Officer

**SAPPHIRE FIBRES LIMITED**  
**Condensed Interim Statement of Changes in Equity - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

	Issued, subscribed and paid up capital	Reserves				Unappropriated profit	Total	
		Capital	General	Unrealised gain / (loss) on financial assets at fair value through other comprehensive income	Unrealised gain on hedging instruments			Sub-total
----- Rupees -----								
Balance as at 01 July, 2020	206,718,750	391,833,750	1,183,845,000	854,114,930	-	2,429,793,680	13,251,717,505	15,888,229,935
Total comprehensive income for the period ended 30 September, 2020								
Profit for the period	-	-	-	-	-	-	553,036,894	553,036,894
Other comprehensive income	-	-	-	1,008,843,251	754,093	1,009,597,344	-	1,009,597,344
	-	-	-	1,008,843,251	754,093	1,009,597,344	553,036,894	1,562,634,238
Balance as at 30 September, 2020	206,718,750	391,833,750	1,183,845,000	1,862,958,181	754,093	3,439,391,024	13,804,754,399	17,450,864,173
-----								
Balance as at 01 July, 2021	206,718,750	391,833,750	1,183,845,000	1,602,907,581	-	3,178,586,331	15,530,173,708	18,915,478,789
Total comprehensive income for the period ended 30 September, 2021								
Profit for the period	-	-	-	-	-	-	1,107,978,473	1,107,978,473
Other comprehensive loss	-	-	-	(480,488,137)	-	(480,488,137)	-	(480,488,137)
	-	-	-	(480,488,137)	-	(480,488,137)	1,107,978,473	627,490,336
Balance as at 30 September, 2021	206,718,750	391,833,750	1,183,845,000	1,122,419,444	-	2,698,098,194	16,638,152,181	19,542,969,125

The annexed notes 1 to 10 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**SAPPHIRE FIBRES LIMITED**  
**Notes to the Condensed Interim Financial Information - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

**1. LEGAL STATUS AND OPERATIONS**

Sapphire Fibres Limited (the Company) was incorporated in Pakistan on June 05, 1979 as a Public Company under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange. The Company is principally engaged in manufacturing and sale of yarn, fabrics and garments.

Geographical location and addresses of major business units including mills / plant of the Company are as under:

<b>Karachi</b> 316, Cotton Exchange Building, I.I Chundrigar Road	<b>Purpose</b> Registered office
<b>Lahore</b> 7 A- K, Main Boulevard, Gulberg 3.5 km, Manga Road, Riawand	Head office Production plant
<b>Shiekhupura</b> 10 km, Sheikhpura / Faisalabad Road, Kharianwala 26 km, Sheikhpura / Faisalabad Road, Feroze wattoan	Production plant Production plant

**2. BASIS OF PREPARATION**

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017 (the Act);
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Act.

Where provisions of and directives issued under the Act differ from the IFRS Standards, the provisions of and directives issued under the Act have been followed.

These condensed interim financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupees unless otherwise specified.

**3. SIGNIFICANT ACCOUNTING POLICIES**

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

#### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the annual audited financial statements for the year ended 30 June, 2021.

The company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June, 2021.

		Un-audited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating fixed assets	5.1	11,839,530,452	11,970,419,683
Capital work-in-progress	5.2	1,319,827,294	892,759,637
		<u>13,159,357,746</u>	<u>12,863,179,320</u>
<b>5.1 Operating fixed assets</b>			
Opening book value		11,970,419,683	10,875,747,534
Additions during the quarter / year			
- land (freehold)		-	830,652,133
- residential buildings and others on freehold land		-	5,541,384
- factory buildings on freehold land		1,712,650	190,204,256
- plant and machinery		68,397,645	998,911,782
- mills equipment		-	1,433,744
- electric installations		904,595	3,718,676
- computer hardware		584,860	3,713,855
- vehicles		2,653,000	38,404,505
- furniture and fixtures		5,904,724	852,499
		80,157,474	2,073,432,834
Book value of assets disposed-off during the quarter/year		(1,383,534)	(122,129,126)
Depreciation charge for the quarter/year		(209,663,171)	(856,631,559)
Closing book value		<u>11,839,530,452</u>	<u>11,970,419,683</u>
<b>5.2 Capital work-in-progress</b>			
Building		341,999,501	273,269,753
Plant and machinery		879,234,949	557,272,008
Advance payments:			
- land-freehold		24,554,700	24,554,700
- factory / office building		45,383,481	17,175,861
- electric installation		15,764,565	15,764,565
- vehicles		12,370,348	4,203,000
- computer software		519,750	519,750
		<u>1,319,827,294</u>	<u>892,759,637</u>

		Un-audited 30 September, 2021	Audited 30 June, 2021
6. LONG TERM INVESTMENTS	Note	Rupees	Rupees
Subsidiary Companies - at cost	6.1	3,574,808,316	3,574,808,316
Associated Companies - at cost	6.2	758,276,769	758,276,769
Others - equity instruments	6.3	3,537,199,188	3,797,987,222
- debt instruments	6.4	47,000,000	47,000,000
		<u>7,917,284,273</u>	<u>8,178,072,307</u>

6.1 The Company has pledged 172,446,420 shares of the Subsidiary Company- SECL with a financial institution under Share Pledge Agreement dated April 16, 2007 and Working Capital Support Agreement dated August 13, 2010 as security against financing facilities advanced to SECL.

6.2 This include 59,251,500 ordinary shares of Rs.10 each of Tricon Boston Consulting Corporation (Private) Limited (TBCCL). The Company has pledged these shares through an Onshore Security Trustee under Share Pledge Agreement dated May 08, 2017 as security against financing facilities advanced to TBCCL.

### 6.3 Equity Instruments - at FVTOCI

MCB Bank Limited - Quoted

18,213,195 (30 June, 2021: 18,213,195) ordinary shares of Rs.10 each - cost

Adjustment arising from re-measurement to fair value

896,451,123

1,848,095,232

2,744,546,355

896,451,123

2,014,563,834

2,911,014,957

Habib Bank Limited - Quoted

7,244,196 (30 June, 2021: 7,244,196) ordinary shares of Rs.10 each - cost

Adjustment arising from re-measurement to fair value

1,217,073,609

(424,920,776)

792,152,833

1,217,073,609

(330,601,344)

886,472,265

TCC Management Services (Pvt.) Limited - Unquoted

50,000 ordinary shares of Rs.10 each

500,000

3,537,199,188

500,000

3,797,987,222

		Un-audited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>6.4 Debt Instruments - at FVTOCI</b>	<b>Note</b>		
<b>Habib Bank Limited -</b>			
<b>term finance certificates (TFCs)</b>			
500 (2021: 500) Term finance certificates of Rs.100,000 each - cost		50,000,000	50,000,000
Adjustment arising from re-measurement to fair value		(3,000,000)	(3,000,000)
		<u>47,000,000</u>	<u>47,000,000</u>

## 7. CONTINGENCIES AND COMMITMENTS

7.1 Guarantees issued by banks to various Government institutions on behalf of the Company aggregate Rs.781.468 million (30 June, 2021: Rs.781.468 million).

7.2 Commitments in respect of :

- letters of credit for capital expenditure	<u>1,653,289,931</u>	<u>1,009,617,786</u>
- letters of credit for purchase of raw materials and stores, spare parts & chemicals	<u>3,797,829,108</u>	<u>1,709,336,309</u>
- capital expenditure other than letters of credit	<u>167,477,061</u>	<u>366,475,127</u>

## 8. COST OF SALES

	Note	Un-audited 30 September, 2021 Rupees	Un-audited 30 September, 2020 Rupees
Stocks - opening		1,678,631,040	1,263,603,319
Cost of goods manufactured	8.1	7,429,825,549	4,953,459,919
Cost of raw materials sold		6,543,836	41,050,885
		<u>9,115,000,425</u>	<u>6,258,114,123</u>
Stocks - closing		1,768,211,520	1,326,968,003
		<u>7,346,788,905</u>	<u>4,931,146,120</u>

### 8.1 Cost of goods manufactured

Work in process - opening	1,066,648,576	798,954,256
Raw materials consumed	5,743,027,744	3,499,509,813
Overheads	1,900,444,679	1,431,876,182
	<u>7,643,472,423</u>	<u>4,931,385,995</u>
	8,710,120,999	5,730,340,251
Work in process closing	1,280,295,450	776,880,332
	<u>7,429,825,549</u>	<u>4,953,459,919</u>

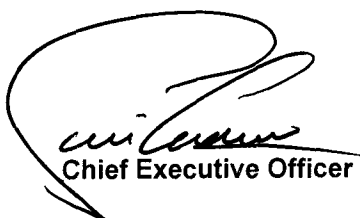
**9. RELATED PARTY TRANSACTIONS**

The Company has related party relationship with its Associated Companies, employee benefit plan, its directors and key management personnel. Transactions with related parties are carried-out on arm's length basis. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with associated companies during the period were as follows:

Relationship with the company	Name of transaction	Un-audited 30 September, 2021 Rupees	Un-audited 30 September, 2020 Rupees
I. Subsidiaries	Dividend received	-	433,173,900
	Loans provided	93,811,548	65,851,074
	Expenses charged to	-	386,698
	Mark-up charged	6,438,607	3,600,000
II. Associates	Sale of goods and services	64,274,131	78,424,297
	Purchase of goods and services	657,660,136	601,318,697
	Expenses charged to	2,147,822	1,861,302
	Expenses charged by	925,000	4,634,364
III. Other related parties	Contributions towards provident fund	14,693,548	7,132,195

**10. DATE OF AUTHORIZATION FOR ISSUE**

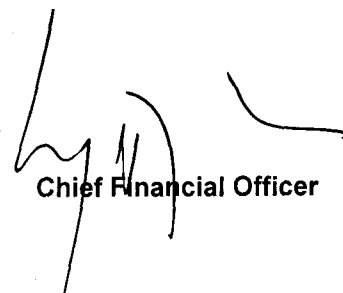
These financial statements were authorized for issue on 29 October, 2021 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer



## Sapphire Fibres Limited

### DIRECTORS' REPORT

The directors are pleased to present their report together with consolidated financial statements of Sapphire Fibres Limited and its subsidiaries.

Sapphire Electric Company Limited, Premier Cement Limited, Sapphire Cement Company Limited, Sapphire Hydro Limited, Sapphire Energy (Pvt.) Limited, Ignite Power (Private) Limited, Sapphire Mining Exploration (Private) Limited, Sapphire Building Materials Limited and Sapphire Power Limited for the period ended 30 September, 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).

#### **Sapphire Electric Company Limited:**

Sapphire Electric Company Limited was incorporated in Pakistan as a public unlisted company under Companies Ordinance, 1984 on 18 January, 2005. Sapphire Fibres Limited has holding of 68.11% (2021: 68.11%) share capital of the subsidiary.

The principal activity of the subsidiary company is to own, operate and maintain a combined cycle power station having net capacity of 212 MW.

#### **Premier Cement Limited:**

Premier Cement Limited (PCL) was incorporated in Pakistan as an unlisted public company limited by shares under Companies Ordinance 1984. SFL holds 100% shares of PCL as on 30 September 2021.

PCL intends to establish and install plant for manufacturing of all kinds of cement and its allied products.

#### **Sapphire Cement Company Limited:**

Sapphire Cement Company Limited (SCCL) was incorporated in Pakistan as an unlisted public company limited by shares under Companies Ordinance 1984 during the period. SFL holds 100% shares of SCCL as on 30 September 2021.

SCCL intends to establish and install plant for manufacturing of all kinds of cement and its allied products.

#### **Sapphire Hydro Limited**

Sapphire Hydro Limited (SHL) was incorporated in Pakistan as a public company limited by shares under the Companies Act, 2017 on September 07, 2017. The principal business of the subsidiary company shall be to construct, establish and setup a Hydro Electric Power generation project having a net capacity of 150 MW with potential of 682 GWh of annual energy generation at Sharmai, Khayber Pakhtunkhawa.

Sapphire Hydro Limited (SHL) is a wholly owned subsidiary of Sapphire Electric Company Limited which is a subsidiary of Sapphire Fibres Limited.

#### **Sapphire Energy (Private) Limited**

Sapphire Energy (Private) Limited (SEPL) was incorporated in Pakistan as a private company limited by shares under Companies Act 2017 on 11 December, 2017. SFL holds 100% shares of SEPL as on 30 September 2021.

SEPL intends to undertake, develop power projects and make equity investment, acquire or hold shares in companies involved in energy generation and operate a terminal for handling, regasification, storage, treatment and processing of all types of gases and all other related liquids, chemical & petroleum products.





## Sapphire Fibres Limited

### **Ignite Power (Private) Limited**

Ignite power (Private) Limited is a 60% owned subsidiary of Sapphire Energy (Private) Limited -SEPL which is a wholly owned subsidiary of the Parent Company and was incorporated in Pakistan as a public company limited by shares under the Companies Act, 2017 on July, 03, 2019. It intends to undertake, develop power projects including the use of solar energy systems and all other forms of energy and products or services associated therewith.

### **Sapphire Mining Exploration (Private) Limited (SMEL)**

Sapphire Mining Exploration (Private) Limited (SMEL) was incorporated in Pakistan as a private company limited by shares under the Companies Act, 2017 on August 25, 2020. Subject to necessary approvals, SMEL intends to establish and install plant for manufacturing of all kinds of cement and its allied products in Gilgit.

SMEL is a wholly owned subsidiary of Premier Cement Limited which is a subsidiary of Sapphire Fibres Limited.

### **Sapphire Building Materials Limited - SBML**

Sapphire Building Materials Limited (SBML) was incorporated in Pakistan as a company limited by shares under the Companies Act, 2017 on March 24, 2021. SBML intends to deal in allied products used in construction industry.

SBML is a wholly owned subsidiary of Premier Cement Limited which is a subsidiary of Sapphire Fibres Limited.


### **Sapphire Power limited – SPL**

Sapphire Power Limited (the Company) is a public unlisted company limited by shares incorporated in Pakistan on April 19, 2021 under the Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the company is to generate, purchase, import, transform, convert, distribute and supply electricity including the hydril and wind power system. The Company is a wholly owned subsidiary of Sapphire Fibres Limited ("the Holding Company").

For and on behalf of the Board of Directors



Shahid Abdullah  
Chief Executive



Shayan Abdullah  
Director

Lahore:

Dated: October 29, 2021



## Sapphire Fibres Limited

### ڈائریکٹرز رپورٹ

ڈائریکٹرز 30 ستمبر 2021 کو ختم ہونے والی مدت کے لئے سفار فائبرز لمیٹڈ اور اسکی ذیلی کمپنیوں سفار الیکٹرک کمپنی لمیٹڈ، پریمیر سینٹ لمیٹڈ، سفار سینٹ کمپنی لمیٹڈ، سفار ہائیڈرولم لیمٹڈ، سفار انرجی (پرائیویٹ) لمیٹڈ، اگنائٹ پاور (پرائیویٹ) لمیٹڈ، سفار مائننگ ایکسپلوریشن (پرائیویٹ) لمیٹڈ، سفار بلڈنگ میٹریلز لمیٹڈ اور سفار پاور لمیٹڈ کے اشتہال شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ کمپنی نے بین الاقوامی اکاؤنٹنگ معیار-27 (اشتمال شدہ اور الگ مالی گوشوارے) کی ضروریات کے مطابق اشتہال شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے منسلک کئے ہیں۔

#### سفار الیکٹرک کمپنی لمیٹڈ:

سفار الیکٹرک کمپنی لمیٹڈ (SECL) 18 جنوری 2005 کو کمپنیز آرڈیننس، 1984 کے تحت غیر مندرج پبلک کمپنی کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ سفار فائبرز لمیٹڈ ذیلی کمپنی کے 68.11% (2021: 68.11%) حصص کیپٹل کی مالک ہے۔  
ذیلی کمپنی کی اصل سرگرمی 212 میگا واٹ کی خالص صلاحیت کے حامل کمبائنڈ سائیکل پاور سٹیشن کی ملکیت، کو چلانا اور برقرار رکھنا ہے۔

#### پریمیر سینٹ لمیٹڈ:

پریمیر سینٹ لمیٹڈ (پی سی ایل) 26 جولائی 2016 کو کمپنیز آرڈیننس 1984 کے تحت ایک غیر مندرج پبلک کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ ایس ایف ایل 30 ستمبر 2021ء کے مطابق پی سی ایل کے 100% حصص کی مالک ہے۔  
پی سی ایل ہر قسم کے سینٹ اور اس کی متعلقہ مصنوعات بنانے کے لئے پلانٹ قائم اور نصب کرنے کا ارادہ رکھتی ہے۔

#### سفار سینٹ کمپنی لمیٹڈ:

سفار سینٹ کمپنی لمیٹڈ (ایس سی ایل) 28 اکتوبر 2016 کو کمپنیز آرڈیننس 1984 کے تحت ایک غیر مندرج پبلک کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ ایس ایف ایل 30 ستمبر 2021ء کے مطابق ایس سی ایل کے 100% حصص کی مالک ہے۔  
ایس سی ایل ہر قسم کے سینٹ اور اس کی متعلقہ مصنوعات بنانے کے لئے پلانٹ قائم اور نصب کرنے کا ارادہ رکھتی ہے۔

#### سفار ہائیڈرولم لیمٹڈ:

سفار ہائیڈرولم لیمٹڈ (SHL) 07 ستمبر 2017 کو کمپنیز ایکٹ 2017ء کے تحت پبلک کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ ذیلی کمپنی کا اصل کاروبار شرمی، خیبر پختونخواہ میں 682 GWh کی سالانہ بجلی کی پیداوار کی پونپشل کے ساتھ 150 میگا واٹ کی خالص صلاحیت کا حامل ایک ہائیڈرو الیکٹرک پاور جنریشن منصوبہ تعمیر، قائم اور چلانا ہوگا۔  
سفار ہائیڈرولم لیمٹڈ (ایس ایچ ایل) پیرنٹ کمپنی سفار فائبرز لمیٹڈ کی ذیلی کمپنی سفار الیکٹرک کمپنی لمیٹڈ کی ایک مکمل ملکیتی ذیلی کمپنی ہے۔

#### سفار انرجی (پرائیویٹ) لمیٹڈ:

سفار انرجی (پرائیویٹ) لمیٹڈ (ایس ای پی ایل) 11 دسمبر 2017 کو کمپنیز ایکٹ 2017ء کے تحت ایک پرائیویٹ کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ ایس ایف ایل 30 ستمبر 2021ء کے مطابق ایس ای پی ایل کے 100% حصص کی مالک ہے۔

SEPL بجلی پیدا کرنے اور تمام قسم کی گیسوں اور تمام دیگر متعلقہ مائع، کیمیکل اور پٹرولیم مصنوعات کی ہینڈلنگ، ری گیس فیکشن، اسٹوریج، ٹریڈنگ اور پروسیسنگ کے لئے ایک ٹرینل چلانے میں مصروف کمپنیوں میں توانائی کے منصوبوں میں حصہ لینے، شرکت کرنے اور سرمایہ کاری کرنے یا حصص حاصل کرنے کا ارادہ رکھتی ہے۔

#### اگنائٹ پاور (پرائیویٹ) لمیٹڈ:

اگنائٹ پاور (پرائیویٹ) لمیٹڈ (آئی پی ایل) پیرنٹ کمپنی سفار فائبرز لمیٹڈ کی ذیلی کمپنی سفار انرجی پرائیویٹ لمیٹڈ کی 60% ملکیتی ذیلی کمپنی ہے۔ اگنائٹ پاور (پرائیویٹ) لمیٹڈ (آئی پی ایل) 03 جولائی 2019 کو کمپنیز ایکٹ 2017ء کے تحت ایک پبلک کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ سول انرجی سسٹم کے استعمال اور توانائی کی تمام دیگر شکلوں اور مصنوعات یا اس سے متعلقہ خدمات سمیت پاور پروجیکٹس حاصل، ترقی دینے کا ارادہ رکھتی ہے۔



## Sapphire Fibres Limited

سفار مائنگ ایکسپلوریشن (پرائیویٹ) لمیٹڈ (SMEL):

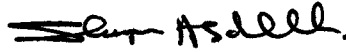
سفار مائنگ ایکسپلوریشن (پرائیویٹ) لمیٹڈ (ایس ایم ای ایل) 25 اگست 2020 کو کمپنیز ایکٹ 2017 کے تحت ایک پرائیویٹ کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ ضروری منظوریوں کے حوالہ سے، ایس ایم ای ایل گلگت میں تمام اقسام کے سیمنٹ اور اس کی متعلقہ مصنوعات کی تیاری کے لئے پلانٹ قائم اور نصب کرنے کا ارادہ رکھتی ہے۔ ایس ایم ای ایل سفار فائبرز لمیٹڈ کی ذیلی کمپنی پریمر سیمنٹ لمیٹڈ کی مکمل ملکیتی ذیلی کمپنی ہے۔

سفار بلڈنگ میٹریلز لمیٹڈ (SBML):

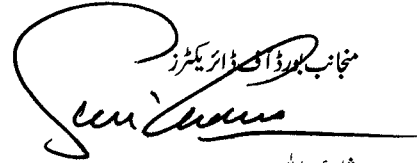
سفار بلڈنگ میٹریلز لمیٹڈ (ایس بی ایم ایل) 24 مارچ 2021 کو کمپنیز ایکٹ 2017 کے تحت ایک کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ ایس بی ایم ایل تعمیراتی صنعت میں استعمال ہونے والی متعلقہ مصنوعات میں ڈیل کرنے کا ارادہ رکھتی ہے۔ ایس بی ایم ایل سفار فائبرز لمیٹڈ کی ذیلی کمپنی پریمر سیمنٹ لمیٹڈ کی مکمل ملکیتی ذیلی کمپنی ہے۔

سفار پاور لمیٹڈ (SPL):

سفار پاور لمیٹڈ (کمپنی) 19 اپریل 2021 کو کمپنیز آرڈیننس 1984 (ایکٹ 2017) کے تحت ایک پبلک غیر مندرج کمپنی لمیٹڈ کے طور پر شراکت سے پاکستان میں قائم ہوئی۔ کمپنی کی اصل سرگرمی ہائیڈرو پاور سنٹر سمیت بجلی کی پیداوار، خریداری، درآمد، ٹرانسفارم، کنورٹ، تقسیم اور سپلائی کرنا ہے۔ کمپنی سفار فائبرز لمیٹڈ (ہولڈنگ کمپنی) کی مکمل ملکیتی ذیلی کمپنی ہے۔



شاید عبداللہ  
ڈائریکٹر



شاید عبداللہ  
چیف ایگزیکٹو  
لاہور

تاریخ: 29 اکتوبر 2021ء

**Sapphire Fibres Limited and its Subsidiaries**  
**Condensed Interim Consolidated Statement of Financial Position - Unaudited**  
**As at 30 September, 2021**

		Un-Audited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>Assets</b>	<b>Note</b>		
<b>Non Current Assets</b>			
Property, plant and equipment	6	25,043,956,610	24,882,544,287
Investment property		31,750,000	31,750,000
Intangible assets		8,090,787	8,457,044
Long term investments	7	5,552,311,038	5,633,980,396
Long term loans		7,731,000	6,455,000
Long term deposits		31,206,445	31,406,445
		<b>30,675,045,880</b>	<b>30,594,593,172</b>
<b>Current Assets</b>			
Stores, spare parts and loose tools		632,468,736	466,689,452
Stock-in-trade		13,529,066,651	11,628,834,739
Trade debts		18,012,342,587	15,463,264,229
Loans and advances		743,002,588	389,420,341
Trade deposits and short term prepayments		12,139,901	52,542,883
Short term investments		2,767,035,465	2,977,735,568
Other receivables		1,677,027,689	1,192,268,488
Tax refunds due from Government		1,406,483,757	1,566,060,547
Cash and bank balances		850,557,499	518,979,417
		<b>39,630,124,873</b>	<b>34,255,795,664</b>
<b>Total Assets</b>		<b>70,305,170,753</b>	<b>64,850,388,836</b>
<b>Equity and Liabilities</b>			
<b>Share Capital and Reserves</b>			
Authorised capital			
35,000,000 ordinary shares of Rs.10 each		350,000,000	350,000,000
Issued, subscribed and paid-up capital			
20,671,875 ordinary shares of Rs.10 each		206,718,750	206,718,750
Reserves		2,875,271,752	3,359,267,129
Unappropriated profit		27,319,749,617	25,714,887,539
Equity attributable to shareholders of the Parent Company		30,401,740,119	29,280,873,418
Non-controlling interest		6,034,068,134	5,877,689,063
<b>Total equity</b>		<b>36,435,808,253</b>	<b>35,158,562,481</b>
<b>Non current liabilities</b>			
Long term liabilities		5,218,941,616	5,205,402,463
Deferred income - Government grant		3,208,818	3,487,882
Staff retirement benefit - gratuity		355,407,044	341,556,615
Deferred taxation		125,013,982	131,030,214
		<b>5,702,571,460</b>	<b>5,681,477,174</b>
<b>Current liabilities</b>			
Trade and other payables		4,667,858,911	4,902,664,949
Contract liabilities		802,783,138	492,483,771
Accrued mark-up / interest		228,443,664	235,856,893
Short term borrowings		20,928,037,117	16,957,573,134
Current portion of long term finances		1,035,568,883	1,016,060,869
Unclaimed dividend		6,194,951	6,194,951
Provision for taxation		497,904,376	399,514,614
		<b>28,166,791,040</b>	<b>24,010,349,181</b>
<b>Contingencies and commitments</b>	8		
<b>Total equity and liabilities</b>		<b>70,305,170,753</b>	<b>64,850,388,836</b>

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.

  
Chief Executive Officer


  
Director

  
Chief Financial Officer

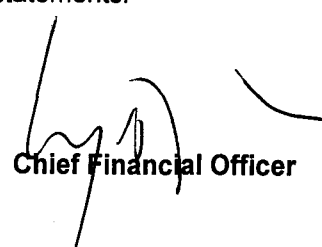
**Sapphire Fibres Limited and its Subsidiaries**  
**Condensed Interim Consolidated Statement of Profit or Loss - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

		Three months period ended 30 September,	
		2021 Rupees	2020 Rupees
	Note		
Sales		15,279,808,272	9,768,224,206
Cost of sales	9	12,806,432,540	7,885,148,240
<b>Gross profit</b>		<b>2,473,375,732</b>	<b>1,883,075,966</b>
Distribution cost		368,826,183	186,891,387
Administrative expenses		124,568,561	120,478,067
Other expenses		58,914,656	35,011,624
Other income		(175,187,003)	(35,128,251)
		<b>377,122,397</b>	<b>307,252,827</b>
<b>Profit from operations</b>		<b>2,096,253,335</b>	<b>1,575,823,139</b>
Finance cost		416,382,479	314,574,037
		<b>1,679,870,856</b>	<b>1,261,249,102</b>
Share of profit of associates		182,625,686	99,769,687
<b>Profit before taxation</b>		<b>1,862,496,542</b>	<b>1,361,018,789</b>
<b>Taxation</b>			
Current		98,389,762	77,746,498
Deferred		2,865,861	1,451,309
		<b>101,255,623</b>	<b>79,197,807</b>
<b>Profit after taxation</b>		<b>1,761,240,919</b>	<b>1,281,820,982</b>
<b>Attributable to:</b>			
- Shareholders of the Parent Company		1,604,861,848	940,212,182
- Non-controlling interest		156,379,071	341,608,800
		<b>1,761,240,919</b>	<b>1,281,820,982</b>
<b>Earnings per share - attributable to the shareholders of the Parent Company</b>		<b>77.64</b>	<b>45.48</b>

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.

  
**Chief Executive Officer**

  
**Director**

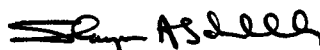
  
**Chief Financial Officer**

**Sapphire Fibres Limited and its Subsidiaries**  
**Condensed Interim Consolidated Statement of Other Comprehensive Income - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

	<b>Three months period ended</b>	
	<b>30 September,</b>	
	<b>2021</b>	<b>2020</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>Profit after taxation</b>	<b>1,761,240,919</b>	<b>1,281,820,982</b>
<b>Other comprehensive income / (loss)</b>		
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>		
Unrealised gain / (loss) on remeasurement of investment at fair value through other comprehensive income		
- long term	(260,788,034)	458,366,019
- short term	(219,700,103)	525,300,842
Impact of deferred tax	-	25,176,390
Share of fair value profit / (loss) on re-measurement of available-for-sale investments of Associated Companies	(3,431,095)	8,514,505
	<b>(483,919,232)</b>	<b>1,017,357,756</b>
<b>Items that will be reclassified to statement of profit or loss subsequently</b>		
Unrealised gain on remeasurement of forward foreign exchange contracts	-	754,093
Share of unrealised profit on remeasurement of hedging instrument of Associated Companies	(76,145)	34,225
	<b>(76,145)</b>	<b>788,318</b>
<b>Total comprehensive gain for the period</b>	<b>1,277,245,542</b>	<b>2,299,967,056</b>
<b>Attributable to:</b>		
- Shareholders of the Parent Company	<b>1,120,866,471</b>	<b>1,958,358,256</b>
- Non-controlling Interest	<b>156,379,071</b>	<b>341,608,800</b>
	<b>1,277,245,542</b>	<b>2,299,967,056</b>

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**

**Sapphire Fibres Limited and its Subsidiaries**  
**Condensed Interim Consolidated Statement of Cash Flows - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

	Three months period ended 30 September,	
	2021 Rupees	2020 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	1,679,870,856	1,261,249,102
Adjustments for non-cash changes and other items:		
Depreciation	358,086,094	358,703,654
Amortisation	366,257	366,257
Staff retirement benefits - gratuity	31,500,000	28,950,000
Provision for workers' profit participation fund	58,314,656	28,952,847
Gain on disposal of operating fixed assets	(1,071,465)	(698,411)
Gain on sale of stores & spares	(114,698)	(590,915)
Dividend, interest and other income	(123,934,412)	(17,491,321)
Exchange fluctuation loss	-	5,304,419
Finance cost	416,382,479	311,478,098
	739,528,911	714,974,628
Cash inflow from operating activities before working capital changes	2,419,399,767	1,976,223,730
(Increase) in current assets		
Stores, spares and loose tools	(165,779,284)	(6,262,518)
Stock in trade	(1,900,231,912)	(32,566,963)
Trade debts	(2,549,078,358)	(2,133,237,875)
Loans and advances	(346,580,519)	(64,843,723)
Deposits, other receivables and sales tax	(86,659,628)	(123,188,004)
Increase in trade and other payables	188,894,336	471,634,569
	(4,859,435,365)	(1,888,464,514)
Cash outflow from operating activities	(2,440,035,598)	87,759,216
Staff retirement benefit paid	(17,649,571)	(15,326,393)
Finance cost paid	(443,552,139)	(417,571,369)
Tax (paid) / Taxes refund received	(297,951,579)	106,804,997
Workers' profit participation fund paid	(119,661,295)	(50,000,000)
Long term loans and deposits-net	(1,801,000)	5,000
	(880,615,584)	(376,087,765)
Net Cash outflow from operating activities	(3,320,651,182)	(288,328,549)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditures	(520,881,951)	(232,805,782)
Long and short term investments-net	(3,500,000)	3,000
Sale proceeds of operating fixed assets	2,454,999	2,280,627
Sale proceeds of stores & spares	1,643,535	1,088,592
Dividend, interest and other income received	146,256,355	436,454,840
Net cash (outflow) / inflow from investing activities	(374,027,062)	207,021,277
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term finances - obtained	249,992,590	311,557,900
Long term finances - repaid	(214,711,386)	(590,242,434)
Dividend paid	-	(636,035,443)
Short term borrowings - net	3,990,975,122	760,121,361
Net cash inflow / (outflow) from financing activities	4,026,256,326	(154,598,616)
Net decrease in cash and cash equivalents	331,578,082	(235,905,888)
Cash and cash equivalents - at the beginning of the period	518,979,417	813,632,124
CASH AND CASH EQUIVALENTS - at the end of the period	850,557,499	577,726,236

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

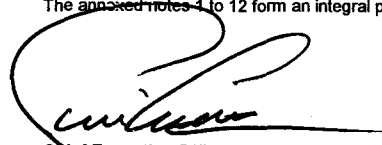
  
Director

  
Chief Financial Officer


**Sapphire Fibres Limited and its Subsidiaries**  
**Condensed Interim Consolidated Statement of Changes in Equity - Unaudited**  
**For the Three Months Period Ended 30 September, 2021**

	Issued, subscribed and paid-up capital	Capital		Reserves				Unappropriated profit	Total	Non Controlling Interest
		Share premium	Maintenance reserve	General	Unrealised gain on financial assets at fair value through other comprehensive income	Unrealised gain on hedging instruments	Sub-total			
Rupees										
Balance as at 01 July, 2020	206,718,750	391,833,750	154,710,148	1,183,845,000	836,743,345	257,889	2,567,390,132	21,937,736,251	24,711,845,133	5,273,421,703
Final dividend for the year ended June,2021	-	-	-	-	-	-	-	-	-	(202,830,616)
Total comprehensive income for the period ended 30 September, 2020										
Profit for the period	-	-	-	-	-	-	-	940,212,182	940,212,182	341,608,800
Other comprehensive income	-	-	-	-	1,017,357,756	788,318	1,018,146,074	-	1,018,146,074	-
	-	-	-	-	1,017,357,756	788,318	1,018,146,074	940,212,182	1,958,358,256	341,608,800
Transfer to maintenance reserve	-	-	8,679,768	-	-	-	8,679,768	(8,679,768)	-	-
Effect of items directly credited in equity by associates	-	-	-	-	-	-	-	41,190	41,190	-
Balance as at 30 September, 2020	206,718,750	391,833,750	163,389,916	1,183,845,000	1,854,101,101	1,046,207	3,594,215,974	22,869,309,855	26,670,244,579	5,412,199,887
Balance as at 01 July, 2021	206,718,750	391,833,750	190,833,377	1,183,845,000	1,592,511,269	243,733	3,359,267,125	25,714,887,539	29,280,873,418	5,877,689,063
Total comprehensive income for the period ended 30 September, 2021										
Profit for the period	-	-	-	-	-	-	-	1,604,861,848	1,604,861,848	156,379,071
Other comprehensive loss	-	-	-	-	(483,919,232)	(76,145)	(483,995,377)	-	(483,995,377)	-
	-	-	-	-	(483,919,232)	(76,145)	(483,995,377)	1,604,861,848	1,120,866,471	156,379,071
Effect of items directly credited in equity by associates	-	-	-	-	-	-	-	230	230	-
Balance as at 30 September, 2021	206,718,750	391,833,750	190,833,377	1,183,845,000	1,108,592,037	167,588	2,875,271,752	27,319,749,617	30,401,740,119	6,034,068,134

The annexed notes 1 to 12 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



**SAPPHIRE FIBRES LIMITED AND ITS SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Un-audited)**  
**FOR THE PERIOD ENDED 30 SEPTEMBER, 2021**

**1. LEGAL STATUS AND OPERATIONS**

The Group consists of following parent and subsidiary companies.

**The Parent Company**

**- Sapphire Fibres Limited**

The Parent Company was incorporated in Pakistan on June 05, 1979 as a public limited company and its shares are quoted on Pakistan Stock Exchange. The Parent Company is principally engaged in manufacture and sale of yarn, fabrics and garments. The registered office of the Parent Company is located at 316, Cotton Exchange Building, Karachi while its mills and head office are located in Lahore and Sheikhpura districts.

**The Subsidiary Companies**

**- Sapphire Electric Company Limited - SECL**

SECL was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 ( now the Companies Act, 2017 ) on January 18, 2005. The principal activity of the Subsidiary Company is to build, own, operate and maintain a combined cycle power station having a net capacity of 212 MW at Muridke, District Sheikhpura, Punjab. The registered office of the Subsidiary Company is located at 7-A/K, Main Boulevard, Gulberg II, Lahore. The Subsidiary Company has a Power Purchase Agreement (PPA) with its sole customer, National Transmission and Dispatch Company Limited (NTDC) for thirty years which commenced from October 05, 2010.

**- Premier Cement Limited - PCL**

PCL is a wholly owned subsidiary and was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 ( now the Companies Act, 2017 ), on July 26, 2016. The registered office of the Subsidiary Company is located at 7 - A/K, Main Boulevard, Gulberg - II, Lahore. The principal activity of subsidiary company is to manufacture and sale of cement and allied products. The Subsidiary Company obtained license from Directorate General Mines and Minerals, Khyber Pakhtunkhwa for setting up cement plant in D.I Khan district. The subsidiary company is in setup phase and has not yet commenced commercial operations.

**- Sapphire Cement Company Limited - SCCL**

SCCL is a wholly owned subsidiary and was incorporated in Pakistan as a public company limited by shares under the Companies Ordinance, 1984 ( now the Companies Act, 2017 ) on October 28, 2016. The principal activity of subsidiary company is to manufacture and sale of cement and allied products. The registered office of the Subsidiary Company is located at 7 - A/K, Main Boulevard, Gulberg - II, Lahore. The Subsidiary company is aiming to set up its plant in the province of Punjab.

**- Sapphire Power Limited - SPL**

Sapphire Power Limited (the Company) is a public unlisted company limited by shares incorporated in Pakistan on April 19, 2021 under the Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the company generate, purchase, import, transform, convert, distribute and supply electricity including the hydri and wind power system. The Company is a wholly owned subsidiary of Sapphire Fibres Limited ('the Holding Company').

- **Sapphire Building Materials Limited - SBML**

Sapphire Building Materials Limited (the Company) is a wholly owned subsidiary of Premier Cement Limited - PCL which is a subsidiary of the Parent Company. SBML is a public unlisted company limited by shares incorporated in Pakistan on March 24, 2021 under the Companies Ordinance, 1984 (now Companies Act, 2017). The principal activity of the Company is to deal, trade, import, purchase and sale of cement and allied products.

- **Sapphire Mining Exploration (Private) Limited - SMEL**

Sapphire Mining Exploration (Private) Limited (SMEL) was incorporated in Pakistan as a private company limited by shares under the Companies Act, 2017 on August 25, 2020. Subject to necessary approvals, SMEL intends to establish and install plant for manufacturing of all kinds of cement and its allied products in Gilgit. SMEL is a wholly owned subsidiary of Premier Cement Limited which is a subsidiary of Sapphire Fibres Limited.

- **Sapphire Energy (Private) Limited - SEL**

SEL is a wholly owned subsidiary and was incorporated in Pakistan as a private company limited by shares under the Companies Act, 2017 on December 11, 2017. The principal activity of Subsidiary Company shall be to undertake, develop power projects and make equity investments, acquire or hold shares in companies involved in energy generation and to establish and operate a terminal for the handling, regasification, storage, treatment and processing of Liquefied Natural Gas (LNG), Re-gasified Liquefied Natural Gas (RLNG), Liquid Petroleum Gas (LPG), Natural Gas Liquid (NGL) and other related products. The subsidiary company is in setup phase and has not yet commenced commercial operations. The registered office of the Subsidiary Company is located at 7 - A/K, Main Boulevard, Gulberg - II, Lahore.

- **Sapphire Hydro Limited - SHL**

SHL is a wholly owned subsidiary of Sapphire Electric Company Limited - SECL which is a subsidiary of the Parent Company and was incorporated in Pakistan as a public company limited by shares under the Companies Act, 2017 on September 07, 2017. The principal business of the subsidiary company is to construct, establish and setup a Hydro Electric Power generation project having a net capacity of 150 MW with potential of 682 GWh of annual energy generation at Sharmai, Khyber Pakhtunkhwa. The subsidiary company is in setup phase and has not yet commenced commercial operations. The registered office of the Subsidiary Company is located at 7 - A/K, Main Boulevard, Gulberg - II, Lahore.

- **Ignite Power Private Limited - IPPL**

Ignite power (Private) Limited is a subsidiary company of Sapphire Energy (Private) Limited - SEPL which is a wholly owned subsidiary of the Parent Company. IPPL was incorporated in Pakistan as a public company limited by shares under the Companies Act, 2017 on July, 03, 2019. It intends to undertake, develop power projects including the use of solar energy systems and all other forms of energy and products associated therewith. The registered office of the Subsidiary Company is located at 7 - A/K, Main Boulevard, Gulberg - II, Lahore.

**2. BASIS OF PREPARATION**

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

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan as notified under the Act; and
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Act differ from the IFRS Standards, the provisions of and directives issued under the Act have been followed.

These condensed interim consolidated financial statements are presented in Pakistan Rupees, which is the Company's functional and presentation currency. All financial information presented in Pakistan Rupees has been rounded to the nearest rupees unless otherwise specified.

**3. PRINCIPLES OF CONSOLIDATION**

The assets and liabilities of the Subsidiary Companies have been consolidated on a line by line basis and the carrying value of investment held by the Holding Company is eliminated against Holding Company's share in paid-up capital of the Subsidiary Companies.

All material inter-group balances and transactions have been eliminated. Investments in Associated Companies, as defined in the Companies Act, 2017, are accounted for under the equity method of accounting.

Non-controlling interest is calculated on the basis of their proportionate share in the net assets of the Subsidiary Company.

**4. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation of balances adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in preparation of the preceding published consolidated financial statements of the Group for the year ended 30 June, 2021.

**5. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of condensed interim consolidated financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and the reported amount of assets, liabilities, income and expenses. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the annual audited financial statements for the year ended 30 June, 2021.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June, 2021.

		Un-audited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>6. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating fixed assets	6.1	23,332,006,177	23,611,318,331
Capital work in progress	6.2	1,711,950,433	1,271,225,956
		<u>25,043,956,610</u>	<u>24,882,544,287</u>
<b>6.1 Operating fixed assets</b>	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
Opening book value		23,611,318,331	23,029,887,357
Additions/Adjustments during the period/year			
- land (freehold)		-	830,652,133
- residential buildings and others		-	5,541,384
- factory buildings		1,712,650	190,204,256
- plant and machinery		68,397,645	1,022,758,377
- electric installations		904,595	3,718,676
- mill equipments		-	1,433,744
- computer hardware		584,860	3,993,855
- vehicles		2,653,000	102,900,212
- furniture and fixtures		5,904,724	852,499
		80,157,474	2,162,055,136
Book value of assets disposed-off / adjustments during the quarter / year		(1,383,534)	(123,409,753)
Depreciation charge for the quarter / year		(358,086,094)	(1,457,214,409)
Closing book value		<u>23,332,006,177</u>	<u>23,611,318,331</u>
<b>6.2 Capital work-in-progress</b>			
Buildings		341,999,501	273,269,753
Plant and machinery		879,234,949	557,272,008
Un-allocated capital expenditure		390,750,592	378,466,319
Advance payments:			
- land - freehold		24,554,700	24,554,700
- factory / office buildings		45,383,481	17,175,861
- electric installation		16,137,112	15,764,565
- vehicles		13,370,348	4,203,000
- computer software		519,750	519,750
		<u>1,711,950,433</u>	<u>1,271,225,956</u>

			Un-audited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>7.</b>	<b>LONG TERM INVESTMENTS</b>	<b>Note</b>		
	Associates - equity accounted investments	7.1	1,968,111,850	1,788,993,174
	Others - equity instruments	7.2	3,537,199,188	3,797,987,222
	- debt instruments	7.3	47,000,000	47,000,000
			<u>5,552,311,038</u>	<u>5,633,980,396</u>
<b>7.1</b>	<b>Associates - at equity method</b>			
	<b>Quoted</b>			
	Reliance Cotton Spinning Mills Limited (RCSM)	7.1.1	69,257,684	59,854,524
	SFL Limited (SFLL)	7.1.2	2,683,913	2,489,110
	<b>Un quoted</b>			
	Sapphire Power Generation Limited (SPGL)	7.1.3	253,362,824	244,765,165
	Sapphire Dairies (Private) Limited (SDL)	7.1.4	111,791,301	117,900,174
	Tricon Boston Consulting Corporation (Private) Limited (TBCCL)	7.1.5	1,531,016,128	1,363,984,201
	Energas Terminal (Private) Limited - ETL	7.1.6	-	-
	Energas Marketing (Private) Limited (EML)	7.1.7	-	-
			<u>1,968,111,850</u>	<u>1,788,993,174</u>
<b>7.1.1</b>	Investment in RCSM represents 138,900 fully paid ordinary shares of Rs.10 each representing 1.35% (30 June, 2021: 1.35%) of RCSM's issued, subscribed and paid-up capital as at September 30, 2021. RCSM was incorporated on June 13, 1990 as a public limited company and its shares are quoted on Pakistan Stock Exchange. The principal activity of RCSM is manufacturing and sale of yarn. RCSM is an associate of the Group due to common directorship. The financial information of RCSM for the quarter ended 30 September, 2021 has been used for the purpose of application of equity method.			
<b>7.1.2</b>	Investment in SFLL represents 10,199 fully paid ordinary shares of Rs.10 each representing 0.051% (30 June, 2021: 0.051%) of SFLL's issued, subscribed and paid-up capital as at September 30, 2021. SFLL was incorporated on April 26, 2010 as a public limited company and its shares are quoted on Pakistan Stock Exchange. The main business of SFLL is to invest in the shares of Associated Companies. SFLL is an associate of the Group due to common directorship. The financial information of SFLL for the quarter ended 30 September, 2021 has been used for the purpose of application of equity method.			

- 7.1.3** Investment in SPGL represents 2,824,500 fully paid ordinary shares of Rs.10 each representing 17.63% (30 June, 2021: 17.63%) of SPGL's issued, subscribed and paid-up capital as at September 30, 2021. SPGL was incorporated in Pakistan as a public limited company and is principally engaged in the business of electric power generation and distribution. SPGL is an associate of the Group due to common directorship. The financial information of SPGL for the quarter ended 30 September, 2021 has been used for the purpose of application of equity method.
- 7.1.4** Investment in SDL represents 10,000,000 fully paid ordinary shares of Rs.10 each representing 8.00% (30 June, 2021: 8.00%) of SDL's issued, subscribed and paid-up capital as at September 30, 2021. SDL was incorporated as a private limited company and is principally engaged in production and sale of milk and milk products. SDL is an associate of the Group due to common directorship. The financial information of SDL for the quarter ended 30 September, 2021 has been used for the purpose of application of equity method.
- 7.1.5** The Parent Company holds 59,251,500 fully paid ordinary shares of Rs.10 each representing 7.13% (30 June, 2021: 7.13%) of TBCCL's issued, subscribed and paid-up capital as at September 30, 2021. The Parent Company has pledged these shares through an Onshore Security Trustee under Share Pledge Group Agreement dated May 08, 2017 as security against financing facilities advanced to TBCCL. TBCCL was incorporated as a private limited company by shares and its principal business is to operate and maintain wind power plants to generate and supply electricity. The financial information of TBCCL for the quarter ended 30 September, 2021 has been used for the purpose of application of equity method.
- 7.1.6** The Subsidiary Company - Sapphire Energy (Private) Limited (SEL), has made investment in ETL's 3,000 fully paid ordinary shares of Rs.10 each representing 30% (30 June, 2021: 30%) of ETL's issued, subscribed and paid-up capital as at 30 September, 2021. ETL was incorporated as a private limited company. The principal activity of ETL shall be to undertake, develop power projects and operate a terminal for the handling, regasification, storage, treatment and processing of Liquefied Natural Gas (LNG), Re-gasified Liquefied Natural Gas (RLNG), Liquid Petroleum Gas (LPG), Natural Gas Liquid (NGL) and other related products.
- 7.1.7** The Subsidiary Company - SEL has made investment in EML's 3,000 fully paid ordinary shares of Rs.10 each representing 30% of EML's issued, subscribed and paid-up capital as at September 30, 2021. EML was incorporated as a private limited company. The principal activity of EML shall be to import, process and sell natural gas, liquefied natural gas all other related items.
- 7.1.8** Investments made by the Group in the Subsidiary and Associated Companies have been made in accordance with the requirements under the Companies Act, 2017.

**7.2 Equity Instruments - at FVTOCI**

	Un-audited 30 September, 2021 Rupees	Audited 30 June, 2021 Rupees
<b>Quoted</b>		
MCB Bank Limited		
18,213,195 (30 June, 2021: 18,213,195) ordinary shares of Rs.10 each - cost	896,451,123	896,451,123
Adjustment arising from re-measurement to fair value	1,848,095,232	2,014,563,834
	<b>2,744,546,355</b>	<b>2,911,014,957</b>
Habib Bank Limited		
7,244,196 (30 June, 2021: 7,244,196) ordinary shares of Rs.10 each - cost	1,217,073,609	1,217,073,609
Adjustment arising from re-measurement to fair value	(424,920,776)	(330,601,344)
	<b>792,152,833</b>	<b>886,472,265</b>
<b>Unquoted</b>		
TCC Management Services (Pvt.) Limited - Unquoted 50,000 ordinary shares of Rs.10 each	500,000	500,000
	<b>3,537,199,188</b>	<b>3,797,987,222</b>

**7.3 Debt Instruments - at FVTOCI**

<b>Habib Bank Limited - term finance certificates (TFCs)</b>		
500 (30 June, 2021: 500) Term finance certificates of Rs.100,000 each - cost	50,000,000	50,000,000
Adjustment arising from re-measurement to fair value	(3,000,000)	(3,000,000)
	<b>47,000,000</b>	<b>47,000,000</b>
	<b>47,000,000</b>	<b>47,000,000</b>

**8. CONTINGENCIES AND COMMITMENTS**

- 8.1** Guarantees issued by banks to various Government institutions on behalf of the Parent and Subsidiary Company aggregate Rs. 2,807.111 million (30 June, 2021: Rs.2,805.138 million).
- 8.2** SNGPL has claimed late payment surcharge amounting to Rs 333.682 million (June, 2021: Rs 333.682 million) on account of partial payments made by the Subsidiary Company - SECL against the RLNG consumed by it prior to the Price Determinations of RLNG by the Oil and Gas Regulatory Authority ('OGRA'). The management is of the view that, as per the terms of the Gas Supply Agreement ('GSA') and the Operating Procedure signed by the group, Ministry of Petroleum and Natural Resources, Ministry of Water and Power, SNGPL and Central Power Purchasing Agency (Guarantee) Limited, the Subsidiary company- SECL is liable to make payments to SNGPL on the basis of the prices notified by OGRA, therefore, the partial payments made by the Subsidiary Company - SECL to SNGPL prior to OGRA price determinations do not constitute a default on the group's part. Based on the advice of the Subsidiary Company - SECL legal counsel, management considers that under the terms of the GSA and the Operating Procedure, there are meritorious grounds to support the Subsidiary Company - SECL stance. Consequently, no provision for the abovementioned amount has been made in these consolidated financial statements.

There was no significant change in status of contingencies that were disclosed to the annual audited consolidated financial statements for the year ended 30 June, 2021 except disclosed above.

	Un-audited 30 September, 2021	Audited 30 June, 2021
	Rupees	Rupees
Commitments in respect of :		
- letters of credit for capital expenditure	<u>1,653,289,931</u>	<u>1,009,617,786</u>
- letters of credit for purchase of raw materials and stores, spare parts & chemicals	<u>3,797,829,108</u>	<u>1,709,336,309</u>
- capital expenditure other than letters of credit	<u>167,477,061</u>	<u>366,475,127</u>

- 8.3** The Subsidiary Company-SECL has an agreement with a consortium between General Electric International, Inc. and General Electric Energy Parts, Inc. for the operations and maintenance ('O & M') of the power station starting from the Commercial Operations Date up to the earlier of the time when the power station has run 144,000 Fired Hours and October 4, 2040. Under the terms of the O & M agreement, the Subsidiary Company-SECL is required to pay a monthly fixed O & M fee and a variable O & M fee depending on operation of the plant on gas or diesel, both of which shall be subject to a minimum annual increase of 3%.

		Un-audited 30 September, 2021	Un-audited 30 September, 2020
		Rupees	Rupees
<b>9. COST OF SALES</b>	<b>Note</b>		
Stocks - opening		1,678,631,040	1,263,603,319
Cost of goods manufactured	9.1	12,889,469,184	7,907,462,039
Cost of raw materials sold		6,543,836	41,050,885
		<u>14,574,644,060</u>	<u>9,212,116,243</u>
Stocks - closing		<u>1,768,211,520</u>	<u>1,326,968,003</u>
		<u>12,806,432,540</u>	<u>7,885,148,240</u>
<b>9.1 Cost of goods manufactured</b>			
Work in process - opening		1,066,648,576	798,954,256
Raw materials consumed		10,739,340,838	5,948,940,117
Overheads		2,363,775,220	1,936,447,998
		<u>13,103,116,058</u>	<u>7,885,388,115</u>
		<u>14,169,764,634</u>	<u>8,684,342,371</u>
Work in process - closing		<u>1,280,295,450</u>	<u>776,880,332</u>
		<u>12,889,469,184</u>	<u>7,907,462,039</u>



**10 SEGMENT INFORMATION**

The Group's reportable segments are as follows:

- Spinning;
- Knitting, processing & garments;
- Denim ; and
- Power.

**10.1 Segment revenues and results**

	Spinning	Knitting, Processing and garments	Denim	Power	Total
	Rupees				
<b>For the period ended 30 September, 2021</b>					
Revenue - external Customers	4,903,382,139	1,780,338,040	2,532,494,596	6,063,593,497	15,279,808,272
Inter -segment Sale	601,448,842				601,448,842
<b>Segment Results</b>	<b>1,268,591,331</b>	<b>134,696,026</b>	<b>103,288,136</b>	<b>597,974,056</b>	<b>2,104,549,549</b>
<b>For the period ended 30 September, 2020</b>					
Revenue - external Customers	2,939,096,351	937,642,624	1,733,377,416	4,158,107,815	9,768,224,206
Inter -segment Sale	485,813,429		126,110		485,939,539
<b>Segment Results</b>	<b>229,688,210</b>	<b>61,885,292</b>	<b>200,492,359</b>	<b>1,204,118,718</b>	<b>1,696,184,579</b>

Reconciliation of segment results with profit after tax is as follows:

	Three months period ended 30 September,	
	2021 Rupees	2020 Rupees
Total results for reportable segments	2,104,549,549	1,696,184,579
Administrative expenses	(124,568,561)	(120,478,067)
Other income	175,187,003	35,128,251
Other expenses	(58,914,656)	(35,011,624)
Finance Cost	(416,382,479)	(314,574,037)
Share of profit / (loss) of associates	182,625,686	99,769,687
Taxation	(101,255,623)	(79,197,807)
<b>Profit after taxation</b>	<b>1,761,240,919</b>	<b>1,281,820,982</b>

**10.2 Segment assets and liabilities**

	Spinning	Knitting, Processing and garments	Denim	Power	Total
	Rupees				
<b>As at 30 September, 2021</b>					
Segment assets	15,168,277,540	4,748,695,099	9,961,414,570	26,299,617,164	56,178,004,373
Unallocated assets					14,127,166,380
					<b>70,305,170,753</b>
Segment liabilities	8,210,712,699	4,106,101,641	13,104,816,790	7,390,420,139	32,812,051,269
Unallocated liabilities					1,057,311,231
					<b>33,869,362,500</b>
<b>As at 30 June, 2021</b>					
Segment assets	11,803,439,035	4,288,192,255	8,994,829,623	25,689,712,536	50,776,173,449
Unallocated assets					14,074,215,387
					<b>64,850,388,836</b>
Segment liabilities	5,916,169,837	3,510,510,292	12,047,169,880	7,270,743,407	28,744,593,416
Unallocated liabilities					947,232,939
					<b>29,691,826,355</b>

**10.3 Geographical Information**

All segments of the group are managed on nation-wide basis and operate manufacturing facilities in Pakistan.

**11. RELATED PARTY TRANSACTIONS**

The Group has related party relationship with its Associated Companies, employee benefit plan, its directors and key management personnel. Transactions with related parties are carried-out on arm's length basis. There were no transactions with key management personnel other than under the terms of employment. Aggregate transactions with associated companies during the period were as follows:

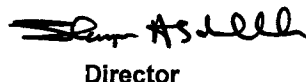
Relationship with the company	Name of transaction	Un-audited 30 September, 2021 Rupees	Un-audited 30 September, 2020 Rupees
I. Associates	Sale of goods and services	64,274,131	78,424,297
	Purchase of goods and services	657,660,136	601,318,697
	Expenses charged to	2,147,822	1,861,302
	Expenses charged by	925,000	4,634,364
II. Other related parties	Contribution towards provident fund	15,919,384	8,151,299

**12. DATE OF AUTHORIZATION FOR ISSUE**

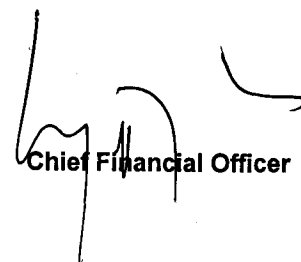
These financial statements were authorized for issue on 29 October, 2021 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer



**CORPORATE OFFICE:**

312, Cotton Exchange Building, I.I. Chundrigar Road, Karachi, Pakistan.  
Phone: +92 21 111 000 100, +92 21 3241 0930 Fax: +92 21 3241 6705  
E-Mail: [contact@sapphiretextiles.com.pk](mailto:contact@sapphiretextiles.com.pk)

**LAHORE OFFICE:**

7A-K, Main Boulevard, Gulberg II, Lahore, Pakistan.  
Phone: +92 42 111 000 100, +92 42 3575 0410 Fax: +92 21 3241 6705  
E-Mail: [contact@sapphiretextiles.com.pk](mailto:contact@sapphiretextiles.com.pk)