

**Reliance Cotton Spinning  
Mills Limited**



1<sup>st</sup> QUARTERLY  
REPORT  
2021

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# Company Profile

## Board of Directors

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

## Audit Committee

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

## Human Resource & Remuneration Committee

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

## Chief Financial Officer

Mr. Jawwad Faisal

## Company Secretary

Mr. Nauman Iqbal

## Auditors

EY Ford Rhodes,  
Chartered Accountants

## Tax Consultant

Yousuf Adil, Chartered Accountants

## Legal Advisor

Hassan & Hassan, Advocates

## Bankers of the Company

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

## Share Registrar

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

## Geographical Presence:

## Registered Office

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

## Mills

Feroze Wattoan,  
District, Sheikhpura, Punjab.

## Company Website

[www.sapphire.com.pk/rcsml](http://www.sapphire.com.pk/rcsml)



## DIRECTORS' REPORT

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

### Financial Highlights

	September 30,	
	2021	2020
	Rupees in thousand	
Sales & services	2,550,681	1,816,143
Gross profit	812,195	251,759
Profit before taxation	669,633	142,193
Taxation	(24,271)	(16,247)
Profit after taxation	645,362	125,946

During first quarter of the financial year, your company achieved sales of Rs. 2.551 billion compared to Rs. 1.816 billion during corresponding period of last year, with an increase of 40.44%. The gross profit as a percentage of sales increased to 31.84% from 13.86% during the period. Whereas, the company earned profit after tax of Rs. 646 million as against Rs. 126 million during last year's corresponding period.

### Earnings per share

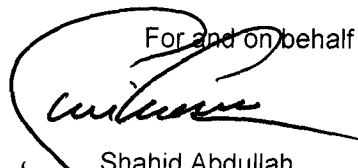
The company's earnings per share (EPS) were at Rs. 62.71 as compared to Rs. 12.24 for the same period of last year.

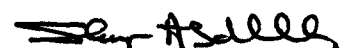
### Future outlook

Your company has been able to achieve considerable growth in terms of sales and profitability in recent past and the current trend is also very encouraging. The management is focused on revenue growth and raw material procurement efficiency to ensure that the existing trend of profitable growth may continue during remaining part of the financial year as well.

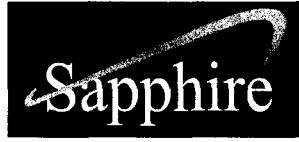
The directors appreciate sincere contribution and the hard work by staff and workers of the company.

For and on behalf of the Board

  
Shahid Abdullah  
Director

  
Shayan Abdullah  
Chief Executive

Lahore  
Dated: 29 October, 2021



## Reliance Cotton Spinning Mills Ltd.

### ڈائریکٹرز رپورٹ

ہم 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

### مالیاتی جھلکیاں

30 ستمبر 2021ء	30 ستمبر 2020ء	تفصیل
2,550,681	1,816,143	فروخت اور خدمات
812,195	251,759	مجموعی منافع
669,633	142,193	ٹیکس سے پہلے منافع
(24,271)	(16,247)	ٹیکسیشن
645,362	125,946	ٹیکس کے بعد منافع

آپ کی کمپنی نے گزشتہ سال کی اسی مدت میں 1.816 بلین روپے کے مقابلے مالی سال کی پہلی سہ ماہی کے دوران 2.551 بلین روپے کی فروخت حاصل کی جو 40.44 فیصد کا اضافہ ہے۔ فروخت فیصد کے طور پر مجموعی منافع گزشتہ سال کے دوران 13.86 فیصد کے مقابلے 31.84 فیصد تک بہتر ہوا۔ جبکہ، کمپنی نے گزشتہ سال اسی مدت میں درج 126 بلین روپے کے مقابلے موجودہ سہ ماہی کے دوران 646 بلین روپے ٹیکس کے بعد منافع کمایا ہے۔

### نی حصص آمدنی

کمپنی کی موجودہ سہ ماہی کی فی شیئر آمدنی (EPS) 62.71 روپے ہے جو کہ پچھلے سال کی اسی سہ ماہی کی 12.24 روپے تھی۔

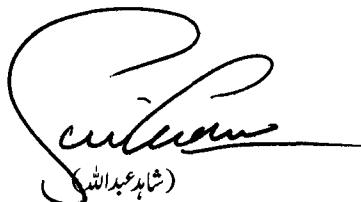
### مستقبل کا نقطہ نظر

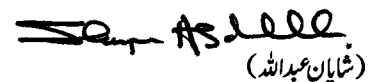
آپ کی کمپنی ماضی قریب میں فروخت اور منافع کے لحاظ سے قابل ذکر نمو حاصل کرنے کے قابل رہی ہے اور حالیہ رجحان بھی بہت حوصلہ افزاء ہے۔ انتظامیہ کی توجہ آمدنی میں اضافے اور خام مال کی خریداری پر مرکوز ہے تاکہ اس بات کو یقینی بنایا جاسکے کہ منافع بخش نمو کا حالیہ رجحان مالی سال کے باقی عرصہ میں بھی جاری رہے۔

### اعتراف

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

منجانب بورڈ آف ڈائریکٹرز

  
(شاہد علی اللہ)  
ڈائریکٹر

  
(شایان عبداللہ)  
چیف ایگزیکٹو

لاہور: تاریخ: 29 اکتوبر 2021ء

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**STATEMENT OF FINANCIAL POSITION-(Un Audited)**  
**AS AT SEPTEMBER 30, 2021**

		<b>Un-Audited</b>	<b>Audited</b>
		<b>September 30,</b>	<b>June 30,</b>
		<b>2021</b>	<b>2021</b>
	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	2,450,880,663	2,161,161,215
Long term investments	5	91,569,645	91,569,645
Long term advances and deposits		8,987,690	11,187,690
		<b>2,551,437,998</b>	<b>2,263,918,550</b>
<b>CURRENT ASSETS</b>			
Stores spare parts and loose tools		89,771,520	88,495,394
Stock-in-trade		3,455,538,368	2,837,241,214
Trade debts		1,631,043,310	1,014,788,632
Loans and advances		213,056,247	133,857,807
Short term deposits and prepayments		4,385,677	3,390,846
Other receivables		20,766,205	20,778,303
Tax refunds due from the Government		316,910,931	292,131,521
Other financial assets		55,292,182	55,470,065
Cash and bank balances		16,335,551	8,756,563
		<b>5,803,099,991</b>	<b>4,454,910,345</b>
		<b>8,354,537,989</b>	<b>6,718,828,895</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
12,000,000 (2021: 12,000,000) ordinary shares of Rs. 10 each		120,000,000	120,000,000
Issued, subscribed and paid up capital		102,920,000	102,920,000
Reserves		4,112,932,398	3,467,748,592
		<b>4,215,852,398</b>	<b>3,570,668,592</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term liabilities		1,221,923,887	1,004,448,376
Deferred liabilities		76,749,556	72,439,239
		<b>1,298,673,443</b>	<b>1,076,887,615</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		698,901,525	914,894,090
Contract liabilities		61,965,330	21,175,650
Unclaimed dividend		617,737	617,737
Accrued markup / interest		21,750,973	29,571,786
Short term borrowings		1,734,741,180	814,941,320
Current portion of long term liabilities		191,348,369	183,656,275
Provision for taxation		130,687,034	106,415,830
		<b>2,840,012,148</b>	<b>2,071,272,688</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	<b>8,354,537,989</b>	<b>6,718,828,895</b>

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

Chief Executive Officer

Director


Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**STATEMENT OF PROFIT OR LOSS-(Un Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	Un-Audited Quarter ended September 30, 2021 Rupees	Un-Audited Quarter ended September 30, 2020 Rupees
Net Turnover		2,550,680,848	1,816,143,165
Cost of sales	7	(1,738,486,064)	(1,564,384,274)
<b>Gross profit</b>		<b>812,194,784</b>	<b>251,758,891</b>
Distribution cost		(53,622,529)	(24,873,409)
Administrative expenses		(23,791,981)	(27,331,787)
Other operating expenses		(33,966,405)	(6,628,729)
		(111,380,915)	(58,833,925)
Other income		4,391,595	1,362,410
<b>Operating profit before finance cost</b>		<b>705,205,464</b>	<b>194,287,376</b>
Finance cost		(35,572,571)	(52,094,688)
<b>Profit before taxation</b>		<b>669,632,893</b>	<b>142,192,688</b>
Provision for taxation		(24,271,204)	(16,246,830)
<b>Profit for the period</b>		<b>645,361,689</b>	<b>125,945,858</b>
<b>Earnings per share - basic and diluted</b>		<b>62.71</b>	<b>12.24</b>

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

  
Chief Executive Officer

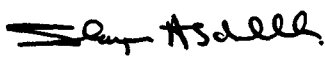
  
Director

  
Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**STATEMENT OF COMPREHENSIVE INCOME-(Un Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	<u>Un-Audited</u> <u>Quarter ended</u> <u>September 30,</u> <u>2021</u> <u>Rupees</u>	<u>Un-Audited</u> <u>Quarter ended</u> <u>September 30,</u> <u>2020</u> <u>Rupees</u>
	Rupees	Rupees
Profit for the period	645,361,689	125,945,858
Other comprehensive income:		
Items that may not be reclassified subsequently to statement of profit or loss		
Fair value (loss) / gain on investments in equity instruments designated as FVTOCI	(177,883)	7,446,608
	(177,883)	7,446,608
Total comprehensive income for the period	<u>645,183,806</u>	<u>133,392,466</u>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



**RELIANCE COTTON SPINNING MILLS LIMITED**  
**STATEMENT OF CASH FLOWS-(Un Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Un-Audited Quarter ended September 30, 2021 Rupees	Un-Audited Quarter ended September 30, 2020 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	669,632,893	142,192,688
Adjustments for:		
Depreciation on property, plant and equipment	52,132,325	50,462,444
Provision for employee benefits	26,125,152	6,300,000
Gain on disposal of property, plant and equipment	(1,342,215)	-
Finance cost	35,572,571	52,094,688
Dividend income	(1,800,781)	(132,000)
	<u>780,319,945</u>	<u>250,917,820</u>
<b>Working capital changes</b>		
Decrease / (Increase) in current assets		
Stores and spare parts	(1,276,126)	9,856,802
Stock-in-trade	(618,297,154)	347,469,691
Trade debts	(616,254,678)	(363,671,772)
Loans and advances	(82,338,759)	(90,925,490)
Short term deposits and prepayments	(994,831)	154,499
Other receivables	12,098	-
Increase / (decrease) in current liabilities		
Trade and other payables	(184,807,904)	11,063,575
	<u>(1,503,957,354)</u>	<u>(86,052,695)</u>
<b>Cash (used in) / generated from operations</b>	<u>(723,637,409)</u>	<u>164,865,125</u>
Dividend paid	-	(20,400)
Employee benefits paid	(23,460,944)	(4,825,470)
Finance cost paid	(43,393,384)	(68,593,283)
Sales tax paid	(28,247,169)	35,068,292
Income taxes paid	49,612,572	44,798,531
Rebate income received	12,098	-
	<u>(45,476,827)</u>	<u>6,427,670</u>
<b>Cash (used in) / generated from operating activities</b>	<u>(769,114,236)</u>	<u>171,292,795</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to property, plant and equipment	(395,039,890)	(28,577,345)
Proceeds from disposal of property, plant and equipment	1,425,000	-
Dividend received	1,800,781	132,000
<b>Net cash used in investing activities</b>	<u>(391,814,109)</u>	<u>(28,445,345)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing obtained	267,867,000	5,000,500
Short term borrowings - net	919,799,860	(134,553,480)
Repayment of long term loan	(29,968,395)	-
<b>Cash generated from / (used in) financing activities</b>	<u>1,157,698,465</u>	<u>(129,552,980)</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<u>(3,229,880)</u>	<u>13,294,470</u>
<b>Cash and cash equivalents at beginning of the year</b>	<u>19,565,431</u>	<u>6,270,961</u>
<b>Cash and cash equivalents at the end of the year</b>	<u>16,335,551</u>	<u>19,565,431</u>

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

Chief Executive Officer

Director


Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY-(Un Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**


Share capital	Revenue reserves		Capital reserve	Total reserves	Total
	Un-appropriated profit	General reserve	Unrealized gain /(loss) on investment at fair value through OCI		

----- Rupees -----

Balance as	102,920,000	2,143,482,206	130,000,000	(16,518,940)	2,256,963,266	2,359,883,266
<b>Balance as at July 01, 2020</b>	102,920,000	2,143,482,206	130,000,000	(16,518,940)	2,256,963,266	2,359,883,266
<b>Total comprehensive income:</b>						
Profit for quarter ended September 30, 2020	-	125,945,858	-	-	125,945,858	125,945,858
Other comprehensive income	-	-	-	7,446,608	7,446,608	7,446,608
<b>Total comprehensive income</b>	-	125,945,858	-	7,446,608	133,392,466	133,392,466
<b>Balance as at September 30, 2020</b>	<b>102,920,000</b>	<b>2,269,428,064</b>	<b>130,000,000</b>	<b>(9,072,332)</b>	<b>2,390,355,732</b>	<b>2,493,275,732</b>
<b>Balance as at July 01, 2021</b>	102,920,000	3,340,985,754	130,000,000	(3,237,162)	3,467,748,592	3,570,668,592
Profit for quarter ended September 30, 2021	-	645,361,689	-	-	645,361,689	645,361,689
Other comprehensive income	-	-	-	(177,883)	(177,883)	(177,883)
<b>Total comprehensive income</b>	-	645,361,689	-	(177,883)	645,183,806	645,183,806
<b>Balance as at September 30, 2021</b>	<b>102,920,000</b>	<b>3,986,347,443</b>	<b>130,000,000</b>	<b>(3,415,045)</b>	<b>4,112,932,398</b>	<b>4,215,852,398</b>

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# **RELIANCE COTTON SPINNING MILLS LIMITED**

## **NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

### **1 LEGAL STATUS AND OPERATIONS**

- 1.1** Reliance Cotton Spinning Mills Limited ("the Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan stock exchange limited. The principal activity of the Company is manufacturing and sale of yarn. The registered office of the Company is situated at 312, Cotton Exchange Building, Karachi and mills are located at Warburton Road, Ferozewattoan, District Sheikhupura, Puniab.
- 1.2** These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.
- 1.3** These are the standalone financial statements of the company in which investments in subsidiary and associates are accounted for on cost. Consolidated financial statements are prepared separately.

### **2 BASIS OF PREPARATION**

#### **2.1 Statement of compliance**

These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. 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
- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### **2.2 Separate financial statements**

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

### **3 ACCOUNTING POLICIES AND ESTIMATES**

- 3.1** The accounting policies and methods of computation adopted for preparation of these unconsolidated condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2021.
- 3.2** The preparation of this unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3** The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2021.

# RELIANCE COTTON SPINNING MILLS LIMITED

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2021

		Un-audited September 30, 2021 Rupees	Audited June 30, 2021 Rupees
<b>4</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fix assets	4.1 2,123,881,516	2,105,320,345
	Capital work in progress	4.2 326,999,147	55,840,870
		<u>2,450,880,663</u>	<u>2,161,161,215</u>
<b>4.1</b>	<b>Operating assets</b>		
	Opening book value	2,105,320,345	2,046,222,535
	Additions during the period / year		
	Office equipment	-	104,274
	Vehicles	3,283,000	4,127,000
	Computers	-	218,759
		<u>3,283,000</u>	<u>4,450,033</u>
	Transfer from capital work in progress		
	Factory building	19,649,131	5,518,253
	Plant and machinery	50,026,414	255,847,377
		<u>69,675,545</u>	<u>261,365,630</u>
	Book value of assets disposed off during the period / year	(2,265,049)	(1,034,000)
	Depreciation charged during the period / year	(52,132,325)	(205,683,853)
	Closing book value	<u>2,123,881,516</u>	<u>2,105,320,345</u>
<b>4.2</b>	<b>Capital work in progress</b>		
	Plant and machinery	283,182,028	27,568,999
	Vehicle	18,010,000	-
	Building - civil work	25,807,119	28,271,871
		<u>326,999,147</u>	<u>55,840,870</u>
<b>5</b>	<b>LONG TERM INVESTMENTS</b>		
	<b>Investment in subsidiary - at cost:</b>		
	<b>Un-quoted:</b>		
	RCSM Company (Private) Limited	2,600,000	2,600,000
	<b>Investments in associates - at cost:</b>		
	<b>Quoted:</b>		
	Sapphire Fibres Limited	41,956,482	41,956,482
	Sapphire Textile Mills Limited	8,114,578	8,114,578
	<b>Un-quoted:</b>		
	SFL Limited	2,439,475	2,439,475
	Sapphire Finishing Mills Limited	16,509,160	16,509,160
	Sapphire Holding Limited	524,950	524,950
	Sapphire Power Generation Limited	19,425,000	19,425,000
		<u>91,569,645</u>	<u>91,569,645</u>

# RELIANCE COTTON SPINNING MILLS LIMITED

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2021

	Un-audited September 30, 2021 Rupees	Audited June 30, 2021 Rupees
<b>6 CONTINGENCIES AND COMMITMENTS</b>		
<b>6.1 Contingencies</b>		
Guarantees have been issued by banks on behalf of the Company in the normal course of business	223,990,298	223,990,298
Post dated cheques issued	448,718,157	447,543,032
	<u>672,708,455</u>	<u>671,533,330</u>
<b>6.2 Claims of Input Sales Tax</b>		
There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2021.		
<b>6.3 Commitments</b>		
Irrevocable letters of credit for import of:		
-Plant and machinery	44,928,000	537,740,658
-Stores and spare parts	19,626,551	368,568,500
-Raw material	237,790,123	16,666,301
Commitment in respect of capital expenditure	14,942,955	34,368,687
	<u>317,287,629</u>	<u>957,344,146</u>

	Quarter ended	
	September 30, 2021	September 30, 2020
	.....Rupees.....	

## 7 COST OF SALES

Stocks - opening		363,753,827	432,548,884
Cost of goods manufactured	7.1	1,648,046,558	1,411,015,173
		<u>2,011,800,385</u>	<u>1,843,564,057</u>
Stocks - closing		(273,314,321)	(279,179,783)
		<u>1,738,486,064</u>	<u>1,564,384,274</u>

### 7.1 Cost of goods manufactured

Work in process - opening	223,211,729	204,534,246
Raw material consumed	1,210,466,749	1,150,623,806
Overheads	428,794,565	307,783,070
	<u>1,639,261,314</u>	<u>1,458,406,876</u>
Work in process - closing	(214,426,485)	(251,925,949)
	<u>1,648,046,558</u>	<u>1,411,015,173</u>

# RELIANCE COTTON SPINNING MILLS LIMITED

## NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2021

### 8 TRANSACTIONS WITH RELATED PARTIES

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

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

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

Nature of Relationship	Nature of Transaction	Quarter ended	
		September 30, 2021	September 30, 2020
		.....Rupees.....	
Associated companies	Sales of finished goods, raw material / stores and spare parts	204,947,308	189,136,128
	Purchases of;		
	- finished goods, raw material / stores and spare parts	7,419,547	19,363,214
	Shared expenses paid	1,050,146	5,717,484
	Shared expenses received	-	2,311,359

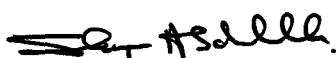
Transactions with related parties are carried out at agreed terms in the normal course of business.


### 9 DATE OF AUTHORIZATION FOR ISSUE


This unconsolidated condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue on October 29, 2021.

### 10 GENERAL

Figures have been rounded off to the nearest rupee.

  
Chief Executive

  
Director

  
Chief Financial Officer



## **DIRECTORS' REPORT**

The directors are pleased to present their report together with consolidated financial statements of Reliance Cotton Spinning Mills Limited and its subsidiary RCSM Company (Pvt.) Limited for the period ended September 30, 2021. The Company has annexed consolidated financial statements along with its separate financial statements in accordance with the requirements of the International Accounting Standard-27 (Consolidated and Separate Financial Statements)

### **RCSM Company (Pvt.) Limited**

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

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

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

**For and on behalf of Board**

A handwritten signature in black ink, appearing to read "Shayan Abdullah".

Chief Executive  
Shayan Abdullah

A handwritten signature in black ink, appearing to read "Shahid Abdullah".  
Director  
Shahid Abdullah

Lahore  
October 29, 2021



## ڈائریکٹرز کی حصص داران کورپورٹ

ڈائریکٹرز 30 ستمبر 2021ء کو ختم ہونے والی سہ ماہی کے لئے ریلائنس کاٹن سپننگ ملز لمیٹڈ اور اسکی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈ کے اشتہال شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ کمپنی نے بین الاقوامی اکاؤنٹنگ معیار-27 (اشتہال شدہ اور الگ مالی گوشوارے) کی ضروریات کے مطابق اشتہال شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے منسلک کئے ہیں۔

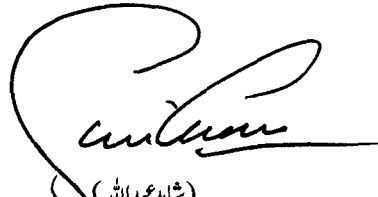
### RCSM کمپنی (پرائیویٹ) لمیٹڈ:


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

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

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

منجانب بورڈ آف ڈائریکٹرز

  
(شاہد عبداللہ)  
ڈائریکٹر

  
(شایان عبداللہ)  
چیف ایگزیکٹو

لاہور

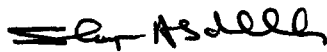
تاریخ 29 اکتوبر 2021ء



**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION-(Un-Audited)**  
**AS AT SEPTEMBER 30, 2021**

		<b>Un-Audited</b>	<b>Audited</b>
		<b>Sep 30,</b>	<b>June 30,</b>
		<b>2021</b>	<b>2021</b>
	<b>Note</b>	<b>Rupees</b>	<b>Rupees</b>
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	2,450,880,663	2,161,161,215
Long term investments	5	1,123,182,929	1,065,257,214
Long term advances and deposits		8,987,690	11,187,690
		<b>3,583,051,282</b>	<b>3,237,606,119</b>
<b>CURRENT ASSETS</b>			
Stores spare parts and loose tools		89,771,520	88,495,394
Stock-in-trade		3,455,538,368	2,837,241,214
Trade debts		1,631,043,310	1,014,788,632
Loans and advances		213,056,247	133,857,807
Short term deposits and prepayments		4,385,677	3,390,846
Other receivables		20,766,205	20,778,303
Tax refunds due from the Government		316,910,931	292,131,521
Other financial assets		57,642,452	57,774,461
Cash and bank balances		16,499,126	8,920,138
		<b>5,805,613,836</b>	<b>4,457,378,316</b>
		<b>9,388,665,118</b>	<b>7,694,984,435</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
12,000,000 (June 30, 2021: 12,000,000) ordinary shares of Rs. 10 each		120,000,000	120,000,000
Issued, subscribed and paid up capital		102,920,000	102,920,000
Reserves		5,028,830,075	4,332,090,786
		<b>5,131,750,075</b>	<b>4,435,010,786</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term liabilities		1,221,923,887	1,004,448,375
Deferred liabilities		194,801,603	184,087,679
		<b>1,416,725,490</b>	<b>1,188,536,054</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		699,078,930	915,058,995
Contract liabilities		61,965,330	21,175,650
Unclaimed dividend		617,737	617,737
Accrued markup / interest		21,750,973	29,571,786
Short term borrowings		1,734,741,180	814,941,320
Current portion of long term liabilities		191,348,369	183,656,276
Provision for taxation		130,687,034	106,415,831
		<b>2,840,189,553</b>	<b>2,071,437,595</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	6	<b>9,388,665,118</b>	<b>7,694,984,435</b>

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

  
**Chief Executive Officer**

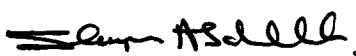
  
**Director**

  
**Chief Financial Officer**

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED STATEMENT OF PROFIT OR LOSS-(Un-Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Note	Un-Audited Quarter ended September 30, 2021 Rupees	Un-Audited Quarter ended September 30, 2020 Rupees
Net Turnover		2,550,680,848	1,816,143,165
Cost of sales	7	(1,738,486,064)	(1,564,384,274)
<b>Gross profit</b>		<b>812,194,784</b>	<b>251,758,891</b>
Distribution cost		(53,622,529)	(24,873,409)
Administrative expenses		(23,791,981)	(27,331,787)
Other operating expenses		(33,978,905)	(6,641,229)
		(111,393,415)	(58,846,425)
Other income		4,391,595	1,362,410
<b>Operating profit before finance cost</b>		<b>705,192,964</b>	<b>194,274,876</b>
Finance cost		(35,572,571)	(52,094,688)
Share of profit from associates		73,121,537	37,238,537
<b>Profit before taxation</b>		<b>742,741,930</b>	<b>179,418,725</b>
Provision for taxation		(30,674,811)	(24,665,400)
<b>Profit for the period</b>		<b>712,067,119</b>	<b>154,753,325</b>
<b>Earnings per share - basic and diluted</b>		<b>69.19</b>	<b>15.04</b>

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

  
**Chief Executive Officer**

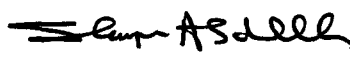
  
**Director**

  
**Chief Financial Officer**

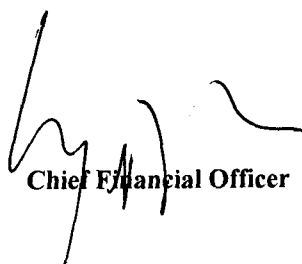
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME-(Un-Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Un-Audited Quarter ended September 30, 2021 Rupees	Un-Audited Quarter ended September 30, 2020 Rupees
Profit for the period	712,067,119	154,753,325
Other comprehensive income:		
Items that may not be reclassified subsequently to statement of profit or loss		
Net (loss) / gain on investment in equity instruments designated as FVTOCI-associates	(15,052,631)	34,445,398
Net (loss) / gain on investment in equity instruments designated as FVTOCI	(132,008)	7,446,608
Items that may be reclassified subsequently to statement of profit or loss		
Share in associate's unrealized (loss) / gain on hedging instruments	(143,191)	78,936
	(15,327,830)	41,970,942
Total comprehensive income for the period	696,739,289	196,724,267

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS-(Un-Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

	Un-Audited Quarter ended September 30, 2021 Rupees	Un-Audited Quarter ended September 30, 2020 Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	742,741,930	179,418,725
Adjustments for:		
Depreciation on property, plant and equipment	52,132,325	50,462,444
Provision for employee benefits	26,125,152	6,300,000
Gain on disposal of property, plant and equipment	(1,342,215)	-
Finance cost	35,572,571	52,094,688
Dividend income on investment	(1,800,781)	(132,000)
Share of profit from associates	(73,121,537)	(37,238,537)
	<u>780,307,445</u>	<u>250,905,320</u>
<b>Working capital changes</b>		
Decrease / (Increase) in current assets		
Stores and spare parts	(1,276,126)	9,856,802
Stock-in-trade	(618,297,154)	347,469,691
Trade debts	(616,254,678)	(363,671,772)
Loans and advances	(82,338,759)	(90,925,490)
Short term deposits and prepayments	(994,831)	154,499
Other receivables	12,098	-
Increase / (Decrease) in current liabilities		
Trade and other payables	(184,686,374)	11,076,075
	<u>(1,503,835,824)</u>	<u>(86,040,195)</u>
<b>Cash used in operations</b>	<u>(723,528,379)</u>	<u>164,865,125</u>
Dividend paid	-	(20,400)
Employee benefits paid	(23,460,944)	(4,825,470)
Finance cost paid	(43,393,384)	(68,593,283)
Sales tax (paid) / refunded	(28,247,169)	35,068,292
Income taxes paid	49,612,572	44,798,531
Rebate income received	12,098	-
	<u>(45,476,827)</u>	<u>6,427,670</u>
<b>Cash (used) in / generated from operating activities</b>	<u>(769,005,206)</u>	<u>171,292,795</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to property, plant and equipment	(395,039,890)	(28,577,345)
Proceeds from disposal of property, plant and equipment	1,425,000	-
Dividend received	1,800,781	132,000
<b>Net cash used in investing activities</b>	<u>(391,814,109)</u>	<u>(28,445,345)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term financing obtained	267,867,000	5,000,500
Short term borrowings - net	919,799,860	(134,553,480)
Repayment of long term loan	(29,968,395)	-
<b>Cash generated from /(used) financing activities</b>	<u>1,157,698,465</u>	<u>(129,552,980)</u>
<b>Net increase in cash and cash equivalents</b>	<u>(3,120,850)</u>	<u>13,294,470</u>
<b>Cash and cash equivalents at beginning of the period</b>	<u>19,619,976</u>	<u>6,325,506</u>
<b>Cash and cash equivalents at the end of the period</b>	<u>16,499,126</u>	<u>19,619,976</u>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

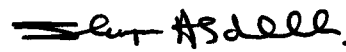
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY-(Un-Audited)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

Share capital	Revenue reserves		Capital reserve			Total
	Un-appropriated profit	General reserve	Unrealized gain/(loss) on investments at fair value through OCI	Unrealised gain / (loss) on forward foreign exchange contracts	Sub-total	

..... Rupees .....

<b>Balance as at Jul 01, 2020</b>	102,920,000	2,894,504,338	118,353,673	(49,731,802)	370,962	2,963,497,171	3,066,417,171
<b>Comprehensive income:</b>							
Profit for the quarter ended September 30, 2020	-	154,753,325	-	-	-	154,753,325	154,753,325
Other comprehensive income	-	-	-	41,970,942	-	41,970,942	41,970,942
<b>Total comprehensive income</b>	-	154,753,325	-	41,970,942	-	196,724,267	196,724,267
Effects of items directly recognized in equity by associates	-	-	-	352,572	-	352,572	352,572
<b>Balance as at September 30, 2020</b>	<b>102,920,000</b>	<b>3,049,257,663</b>	<b>118,353,673</b>	<b>(7,408,288)</b>	<b>370,962</b>	<b>3,160,574,010</b>	<b>3,263,494,010</b>
 <b>Balance as at July 01, 2021</b>	 102,920,000	 4,222,246,418	 118,353,673	 (8,977,256)	 467,951	 4,332,090,786	 4,435,010,786
Profit for the period	-	712,067,119	-	-	-	712,067,119	712,067,119
Other comprehensive income	-	-	-	(15,327,830)	-	(15,327,830)	(15,327,830)
<b>Total comprehensive income</b>	-	712,067,119	-	(15,327,830)	-	696,739,289	696,739,289
 <b>Balance as at September 30, 2021</b>	 102,920,000	 4,934,313,537	 118,353,673	 (24,305,086)	 467,951	 5,028,830,075	 5,131,750,075

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



Chief Executive Officer



Director



Chief Financial Officer

# **RELIANCE COTTON SPINNING MILLS LIMITED**

## **NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS-(Un-Audited)**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

### **1 LEGAL STATUS AND OPERATIONS**

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

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

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

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

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

### **2 BASIS OF PREPARATION**

#### **2.1 Statement of compliance**

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

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

#### **2.2 Separate financial statements**

These consolidated condensed interim financial statements does not include all the information required for the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2021.

### **3 ACCOUNTING POLICIES AND ESTIMATES**

**3.1** The accounting policies and methods of computation adopted for preparation of these consolidated financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2021.

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

**3.3** The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2021.

**RELIANCE COTTON SPINNING MILLS LIMITED**
**NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS-(Un-Audited)**
**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

		Un-audited September 30, 2021 Rupees	Audited June 30, 2021 Rupees
<b>4</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets	4.1 2,123,881,516	2,105,320,345
	Capital work in progress	4.2 326,999,147	55,840,870
		<u>2,450,880,663</u>	<u>2,161,161,215</u>
<b>4.1</b>	<b>Operating assets</b>		
	Opening book value	2,105,320,345	2,046,222,535
	Additions during the period / year		
	Office equipment	-	104,274
	Vehicles	3,283,000	4,127,000
	Computers	-	218,759
		<u>3,283,000</u>	<u>4,450,033</u>
	Transfer from capital work in progress		
	Factory building	19,649,131	5,518,253
	Plant and machinery	50,026,414	255,847,377
		<u>69,675,545</u>	<u>261,365,630</u>
	Book value of assets disposed off during the period / year	(2,265,049)	(1,034,000)
	Depreciation charged during the period /year	(52,132,325)	(205,683,853)
	Closing book value	<u>2,123,881,516</u>	<u>2,105,320,345</u>
<b>4.2</b>	<b>Capital work in progress</b>		
	Plant and machinery	283,182,028	27,568,999
	Vehicle	18,010,000	-
	Building - civil work	25,807,119	28,271,871
		<u>326,999,147</u>	<u>55,840,870</u>
<b>5</b>	<b>LONG TERM INVESTMENTS</b>		
	<b>Investments in associates - at cost:</b>		
	<b>Quoted:</b>		
	Sapphire Fibres Limited	5.1 579,014,499	557,655,068
	Sapphire Textile Mills Limited	5.2 154,834,675	141,173,457
	<b>Un-quoted:</b>		
	SFL Limited	5.3 105,674,968	98,004,906
	Sapphire Finishing Mills Limited	5.4 179,609,957	169,302,390
	Sapphire Holding Limited	5.5 54,264,313	51,026,273
	Sapphire Power Generation Limited	5.6 49,784,517	48,095,120
		<u>1,123,182,929</u>	<u>1,065,257,214</u>

**RELIANCE COTTON SPINNING MILLS LIMITED****NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS-(Un-Audited)****FOR THE QUARTER ENDED SEPTEMBER 30, 2021****5.1 Investment in Sapphire Fibres Limited**

393,697 (June 30, 2021: 393,697) ordinary shares of Rs. 10 each - cost

Share of post acquisition profit

41,956,482

41,956,482

537,058,017

515,698,586

579,014,499

557,655,068

**5.2 Investment in Sapphire Textile Mills Limited**

100,223 (June 30, 2021: 100,223) ordinary shares of Rs. 10 each - cost

Share of post acquisition profit

8,114,578

8,114,578

146,720,097

133,058,879

154,834,675

141,173,457

**5.3 Investment in SFL Limited**

401,570 (June 30, 2021: 401,570) ordinary shares of Rs. 10 each - cost

Share of post acquisition profit

2,439,475

2,439,475

103,235,493

95,565,431

105,674,968

98,004,906

**5.4 Investment in Sapphire Finishing Mills Limited**

1,556,000 (June 30, 2021: 1,556,000) ordinary shares of Rs. 10 each - cost

Share of post acquisition profit

16,509,160

16,509,160

163,100,797

152,793,230

179,609,957

169,302,390

**5.5 Investment in Sapphire Holding Limited**

100,223 (June 30, 2021: 100,223) ordinary shares of Rs. 10 each - cost

Share of post acquisition profit

524,950

524,950

53,739,363

50,501,323

54,264,313

51,026,273

**5.6 Investment in Sapphire Power Generation Limited**

555,000 (June 30, 2021: 555,000) ordinary shares of Rs. 10 each - cost

Share of post acquisition profit

Dividend Paid by SPGL

19,425,000

19,425,000

30,359,517

34,220,120

-

(5,550,000)

49,784,517

48,095,120



# **RELIANCE COTTON SPINNING MILLS LIMITED**

## **NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS-(Un-Audited)**

**FOR THE QUARTER ENDED SEPTEMBER 30, 2021**

### **6 CONTINGENCIES AND COMMITMENTS**

#### **6.1 Contingencies**

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

Post dated cheques issued

Un-audited	Audited
September 30,	June 30,
2021	2021
223,990,298	223,990,298
448,718,157	447,543,032
672,708,455	671,533,330

#### **6.2 Claims of Input Sales Tax**

There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2021.

#### **6.3 Commitments**

Irrevocable letters of credit for import of:

-Plant and machinery

-Stores and spare parts

-Raw material

Commitment in respect of capital expenditure

44,928,000	537,740,658
19,626,551	368,568,500
237,790,123	16,666,301
14,942,955	34,368,687
317,287,629	957,344,146

### **7 COST OF SALES**

Stocks - opening

Cost of goods manufactured

Stocks - closing

Quarter ended	
September 30,	September 30,
2021	2020
.....Rupees.....	
363,753,827	432,548,884
1,648,046,558	1,411,015,173
2,011,800,385	1,843,564,057
(273,314,321)	(279,179,783)
1,738,486,064	1,564,384,274

#### **7.1 Cost of goods manufactured**

Work in process - opening

Raw material consumed

Overheads

Work in process - closing

223,211,729	204,534,246
1,210,466,749	1,150,623,806
428,794,565	307,783,070
1,639,261,314	1,458,406,876
(214,426,485)	(251,925,949)
1,648,046,558	1,411,015,173

**RELIANCE COTTON SPINNING MILLS LIMITED****NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS-(Un-Audited)****FOR THE QUARTER ENDED SEPTEMBER 30, 2021****8 TRANSACTIONS WITH RELATED PARTIES**

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

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

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

Nature of Relationship	Nature of Transaction	Quarter ended	
		September 30,	September 30,
		2021	2020
		.....Rupees.....	
Associated companies	Sales of finished goods, raw material / stores and spare parts	204,947,308	189,136,128
	Purchases of;		
	- finished goods, raw material / stores and spare parts	7,419,547	19,363,214
	Shared expenses paid	1,050,146	5,717,484
	Shared expenses received	-	2,311,359

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

**9 DATE OF AUTHORIZATION FOR ISSUE**

This unconsolidated condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue on October 29, 2021.

**10 GENERAL**

Figures have been rounded off to the nearest rupee.



Chief Executive



Director



Chief Financial Officer



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