

**HALF YEARLY REPORT
FOR THE PERIOD ENDED
DECEMBER 31, 2021
(Un-Audited)**



NAGINA COTTON MILLS LTD.



NAGINA COTTON MILLS LTD.

CONTENTS

Company Information	03
Directors' Report to the Members	04
Independent Auditor's Review Report to the Members	07
Condensed Interim Statement of Financial Position	08
Condensed Interim Statement of Profit or Loss and Other Comprehensive Income	10
Condensed Interim Statement of Cash Flows	11
Condensed Interim Statement of Changes in Equity	12
Notes to the Condensed Interim Financial Statements	13



NAGINA COTTON MILLS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Shahzada Ellahi Shaikh	Non-Executive Director/ Chairman
Mr. Tajammal Husain Bokharee	Independent Non-Executive Director
Mr. Shafiq ur Rehman	Independent Non-Executive Director
Ms. Tosheeba Sarwar	Independent Non-Executive Director
Mr. Hasan Ahmad	Non-Executive Director
Mr. Shafqat Ellahi Shaikh	Non-Executive Director
Mr. Raza Ellahi Shaikh	Non-Executive Director
Mr. Haroon Shahzada Ellahi Shaikh	Non-Executive Director
Mr. Shaukat Ellahi Shaikh	Executive Director
Mr. Amin Ellahi Shaikh	Executive Director

MANAGING DIRECTOR (Chief Executive)

Mr. Amin Ellahi Shaikh

AUDIT COMMITTEE

Mr. Tajammal Husain Bokharee	Chairman
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Syed Mohsin Gilani	Secretary

HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

Mr. Shafiq ur Rehman	Chairman
Mr. Amin Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

EXECUTIVE COMMITTEE

Mr. Amin Ellahi Shaikh	Chairman
Mr. Shaukat Ellahi Shaikh	Member
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

CORPORATE SECRETARY

Mr. Syed Mohsin Gilani

CHIEF FINANCIAL OFFICER (CFO)

Mr. Tariq Zafar Bajwa

HEAD OF INTERNAL AUDIT

Mr. Kashif Saleem

AUDITORS

Messrs Yousuf Adil
Chartered Accountants

LEGAL ADVISOR

Makhdoom & Makhdoom Advocates

LEAD BANKERS

Albaraka Bank (Pakistan) Ltd.
Allied Bank Ltd.
Askari Bank Ltd.
Bank Alfalah Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
JS Bank LTD.
Meezan Bank Ltd.
Industrial Development Bank of Pakistan
MCB Bank Ltd.
National Bank of Pakistan
Samba Bank Ltd.
Standard Chartered Bank (Pakistan) Ltd.
The Bank of Punjab
United Bank Ltd.

REGISTERED OFFICE

2nd Floor, Shaikh Sultan Trust Bldg. No.2
26, Civil Lines, Beaumont Road, Karachi - 75530

REGIONAL OFFICE

Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore - 54660

WEB REFERENCE

www.nagina.com

SHARE REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.
5th Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.
Phone # 021-32412754, 32424826
Fax # 021-32424835

MILLS

Aminabad, A-16, S.I.T.E.,
National Highway, Kotri



NAGINA COTTON MILLS LTD.

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial information of the company for the half year ended on December 31, 2021 duly reviewed by the auditors. The comparative figures for the corresponding half year ended on December 31, 2020 are included for comparison, except in statement of financial position where figures are for the year ended on June 30, 2021.

Company Performance

Alhamdulillah, your company has earned after tax profit of Rs. 689,293,562 compared to Rs. 209,923,794 during the same period of last year (SPLY). Earning per share (EPS) for the half year is Rs. 36.86 compared to Rs. 11.23 for the SPLY.

Yarn demand remained healthy during the half year and helped the company to achieve good prices. The sales volume has also risen during the period. Sales revenue has increased to Rs. 5,006,270,004 during the period under review as compared to Rs. 3,098,245,164 during the SPLY. Higher product margins resulted in decrease in cost of sales from 85.54% of sales during SPLY to 77.91% of sales during the period under review. Gross profit was recorded at 22.09% of sales for the period under review as compared to 14.46% of sales during SPLY.

Higher profitability and higher volume handling has resulted in rise in operating expenses by 81.38% in comparison to SPLY. This is mainly attributable to higher provisioning for WPPF, WWF and rise in distribution costs. The company has been able to generate stable cash flows and made timely discharge of its operating liabilities. Finance cost decreased from 3.03% of sales during the SPLY to 2.06% of sales during the period under review.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2021-22, Kapas, (seed cotton) arrivals upto February 15, 2022, at the Ginneries totaled 7.435 million bales compared to 5.617 million bales for similar period of financial year 2020-21 showing increase in arrival of 32.37%.

Future Outlook

Your company performed remarkably well during the first half inspite of the substantial rise in raw cotton prices and inflation in costs especially wages, energy, interest and logistics. The excellent financial performance was largely due to timely purchase of raw cotton at reasonable prices coupled with healthy increase in selling prices of yarn. The favorable market conditions and internal cost controls have resulted in one of the most profitable periods for the company in recent times.

The entire textile chain in Pakistan is getting the benefit of rise in global demand. The favorable demand outlook for Pakistani textiles is likely to continue for the second half of the financial year. Your company is well positioned with adequate stocks and reasonably priced purchases of raw cotton. It is hoped that the second half of the financial year shall also result in good profits.

However, devaluation of Pakistan rupee is likely to substantially increase the cost of raw cotton and other conversion costs. Due to rising inflation State Bank of Pakistan (SBP) has resorted to monetary tightening and raised the interest rates. Resultantly, the borrowing cost has risen. Transportation and shipping costs are also on the rise. The cumulative cost increase will have an adverse impact on the profitability of the company. In addition, the impact of the IMF program is likely to increase energy costs further and also may result in higher taxation.

Domestic cotton production is expected to be around 7.5 million bales. This is an improvement over the last year's production of 5.7 million bales. However, despite the increase in crop size it remained lower than the initial estimates of 8.5 million bales for the season. It is very important that the raw cotton production in Pakistan should be increased to retain the comparative advantage of the country.

The recently arrived 10,800 spindles has been installed at the mills and the same would start to contribute production from this month. We are optimistic that with this installation of latest machinery we would be able to produce more quality yarn for our quality conscious buyers. The company intends to continue with its BMR and Expansion program. The second lot of 10,800 spindles are expected to be installed in the first half of next calendar year.

It is hoped that Government would bring in long term business friendly policies such as uninterrupted energy supplies in cost effective manner and release of outstanding tax refunds. The Government should also encourage the completion of value chain in Pakistan so that as a country we can focus on export of finished textile products which will be more beneficial for the country.

Acknowledgement

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their gratitude to the bankers for their continued support to the Company.

On behalf of the Board.


Raza Ellahi Shaikh
Director


Amin Ellahi Shaikh
Chief Executive Officer

February 24, 2022



NAGINA COTTON MILLS LTD.

ڈائریکٹرز کا جائزہ

ڈائریکٹرز 31 دسمبر 2021ء کو مختتمہ پہلی ششماہی کے لئے کمپنی کی غیر نظر ثانی شدہ مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ 31 دسمبر 2020ء کو ختم ہونے والی ششماہی کے تقابلی اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سٹیٹمنٹ آف فنانشل پوزیشن کے جہاں تقابلی اعداد و شمار 30 جون 2021ء کو مختتمہ سال کے لئے ہیں۔

کمپنی کی کارکردگی

الحمد للہ، آپ کی کمپنی نے 31 دسمبر 2021ء کو ختم ہونے والی مالی سال 2022ء کی پہلی ششماہی کے دوران 689,293,562 روپے جبکہ گزشتہ سال کی اسی مدت کے دوران 209,923,794 روپے کا بعد از ٹیکس منافع کمایا۔ ششماہی کے لئے فی شیئر آمدنی (EPS) گزشتہ سال کی اسی مدت کے لئے 11.23 روپے کے مقابلے میں 36.86 روپے ہے۔

ششماہی کے دوران یارن کی طلب بہتر رہی اور اچھی قیمتیں حاصل کرنے میں کمپنی کی مدد کی۔ اس مدت کے دوران فروخت حجم بھی بڑھ گیا۔ فروخت آمدنی گزشتہ سال اسی مدت کے دوران 3,098,245,164 روپے کے مقابلے میں 5,006,270,004 روپے رہی۔ مصنوعات کے زیادہ مارجن کے نتیجے میں فروخت کی لاگت گزشتہ سال فروخت کے 85.54 فیصد سے کم ہو کر گزشتہ سال کے دوران فروخت کے 77.91 فیصد تک ہوئی۔ فروخت کی لاگت میں کمی کے نتیجے میں مجموعی منافع (GP) گزشتہ سال کے اسی مدت کے دوران فروخت کے 14.46 فیصد سے بڑھ کر گزشتہ سال کے دوران فروخت کے 22.09 فیصد تک ہو گیا۔

زیادہ منافع اور زیادہ ہینڈلنگ حجم کے نتیجے میں گزشتہ سال کے مقابلے میں آپریٹنگ اخراجات میں 81.38 فیصد تک بڑھ گئے۔ یہ بنیادی طور پر WPPF، WWF کی زیادہ پروڈکشن اور ڈسٹری بیوٹن اخراجات میں اضافہ سے منسوب ہیں۔ کمپنی منظم نقد بہاؤ پیدا کرنے اور اپنی آپریٹنگ ذمہ داریوں کی بروقت ادائیگی کے قابل رہی ہے۔ مالی اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 3.03 فیصد سے کم ہو کر گزشتہ سال کے دوران فروخت کے 2.06 فیصد تک ہوئے۔

پاکستان کاٹن جہز ایسوسی ایشن کی طرف سے، فصل سال 2021-22 کے لئے، جاری کردہ اعداد و شمار کے مطابق 15 فروری 2022ء تک جہز میں کپاس، (بیج کپاس) کی پینچ سال 2021-22 کی کل 5.617 ملین کانٹوں کے مقابلے میں 7.435 ملین کانٹوں کا تخمینہ ہوئی جو کہ 32.37 فیصد کا اضافہ ظاہر کر رہی ہیں۔

مشقبل کا نقطہ نظر

خام کپاس کی قیمتوں میں نمایاں اضافہ اور اخراجات خاص طور پر اجرتوں، بجلی، سود اور لاجسٹکس میں اضافہ کے باوجود پہلی ششماہی کے دوران آپ کی کمپنی نے قابل ذکر اچھی کارکردگی کا مظاہرہ کیا ہے۔ شاندار مالی کارکردگی کی بڑی وجہ یارن کی فروخت قیمتوں میں بہتر اضافہ کے ساتھ مناسب قیمتوں پر خام کپاس کی بروقت خریداری ہے۔ مارکیٹ کے موزوں حالات اور داخلی لاگت کنٹرولز کے نتیجے میں کمپنی کے لئے بہت ہی منافع بخش مدتوں میں سے ایک ثابت ہوئے ہیں۔

پاکستان میں تمام ٹیکسٹائل چین عالمی طلب میں اضافہ کے فوائد حاصل کر رہی ہے۔ پاکستانی ٹیکسٹائلز کے لئے موزوں طلب نقطہ نظر مالی سال کی دوسری ششماہی میں بھی جاری رہنے کا امکان ہے۔ آپ کی کمپنی خام کپاس کے کافی اسٹاکس اور موزوں قیمت پر خریداری کے ساتھ اچھی پوزیشن میں ہے۔ امید کی جاتی ہے کہ مالی سال کی دوسری ششماہی بھی بھرپور منافع بخش ہوگی۔



NAGINA COTTON MILLS LTD.

تاہم، پاکستانی روپیہ کی قدر کی کمی سے خام کپاس کی قیمتیں اور دیگر کنورشن اخراجات کافی بڑھنے کا امکان ہے۔ افراط زر بڑھنے کی وجہ سے بینک دولت پاکستان (SBP) نے مانیٹری سختی کا سہارا لیا اور سود کی شرحیں بڑھادی ہیں۔ ٹرانسپورٹ اور فینٹنگ اخراجات بھی بڑھ رہے ہیں۔ مجموعی اخراجات میں اضافہ کمپنی کے منافع پر منفی اثرات ڈالے گا۔ اس کے علاوہ، آئی ایم ایف پروگرام کے اثرات سے بجلی کی قیمتوں میں مزید اضافہ اور ٹیکس بھی بڑھنے کا امکان ہے۔

مقامی کپاس کی پیداوار تقریباً 7.5 ملین گانٹھیں ہونے کی امید ہے۔ یہ گزشتہ سال کی 5.7 ملین گانٹھوں کی پیداوار سے بہتر ہے۔ تاہم، فصل سازی میں اضافہ کے باوجود، یہ میزان کے لئے 8.5 ملین گانٹھوں کے بنیادی تخمینے سے کم رہی۔ یہ بات بہت اہم ہے کہ پاکستان میں خام کپاس کی پیداوار ملک کے تقابلی فائدہ کو برقرار رکھنے کے لئے بڑھنی چاہئے۔

حالیہ پینچے والے 10,800 سپنڈلز میں نصب کر دیئے گئے ہیں اور یہ اس ماہ سے پیداوار میں حصہ ڈالنا شروع کر دیں گے۔ ہم پُر امید ہیں کہ اس جدید مشینری کی تنصیب کے ساتھ ہم اپنے خریداروں کے لئے زیادہ معیاری یارن پیدا کرنے کے قابل ہو جائیں گے۔ کمپنی اپنے بی ایم آر اور توسیعی پروگرام کو جاری رکھنے کا ارادہ رکھتی ہے۔ 10,800 سپنڈلز کی دوسری لائن اگلے کیلنڈر سال کی پہلی ششماہی میں نصب ہو جانے کی توقعات ہیں۔

امید ہے کہ حکومت طویل مدتی کاروبار دوست پالیسیاں لائے گی جیسا کہ توانائی کی مناسب نرخ پر بلا تعطل فراہمی اور بقا یا ٹیکس ریٹیفیکیشن کا اجراء۔ حکومت کو پاکستان میں ویلیو چین کی تکمیل کی حوصلہ افزائی بھی کرنی چاہئے تاکہ بلور ملک ہم تیار ٹیکسٹائل مصنوعات پر توجہ مرکوز کر سکیں جو ملک کے لئے مزید فائدہ مند ہوگا۔

اظہار شکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر ٹینکرز اور دیگر حصہ داروں کا بھی شکر یاد کرتے ہیں۔

منجانب بورڈ


امین علی شیخ
چیف ایگزیکٹو آفیسر


رضالی شیخ
ڈائریکٹر
24 فروری 2022ء

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Nagina Cotton Mills Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Nagina Cotton Mills Limited** (the Company) as at December 31, 2021, and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity and notes to the condensed financial statements for the half year then ended (here-in-after to referred to as the condensed interim financial statements). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

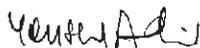
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of condensed Interim statement of profit or loss and other comprehensive income and related notes for the quarter ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2021.

The engagement partner on the review resulting in this independent auditor's review report is Nadeem Yousuf Adil.


Chartered Accountants

Place: Karachi

Date: February 25, 2022

UDIN: RR202110091LaE4TWICh



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2021

	(Un-Audited) December 31, 2021	(Audited) June 30, 2021
Note	----- (Rupees) -----	-----
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 50,000,000 (June 30, 2021: 50,000,000) ordinary shares of Rs. 10 each	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up capital	187,000,000	187,000,000
Capital reserves	218,021,403	225,471,697
Revenue reserve - Unappropriated profit	2,819,930,636	2,155,925,123
TOTAL EQUITY	<u>3,224,952,039</u>	<u>2,568,396,820</u>
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term finances	2,658,467,958	1,993,645,477
Deferred government grant	-	307,915
Deferred tax	148,716,997	148,032,195
Deferred liabilities	133,088,389	125,745,763
	<u>2,940,273,344</u>	<u>2,267,731,350</u>
CURRENT LIABILITIES		
Current portion of long-term finances	360,013,288	287,225,596
Current portion of deferred government grant	1,822,758	4,188,283
Trade and other payables	1,341,895,354	1,085,583,988
Unclaimed dividend	9,436,615	9,077,894
Accrued interest / mark-up	58,110,322	17,565,234
Short-term borrowings	2,452,391,874	149,816,295
	<u>4,223,670,211</u>	<u>1,553,457,290</u>
TOTAL LIABILITIES	<u>7,163,943,555</u>	<u>3,821,188,640</u>
CONTINGENCIES AND COMMITMENTS	9	
TOTAL EQUITY AND LIABILITIES	<u>10,388,895,594</u>	<u>6,389,585,460</u>

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.

February 24, 2022


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer



NAGINA COTTON MILLS LTD.

	(Un-Audited) December 31, 2021	(Audited) June 30, 2021
ASSETS	----- (Rupees) -----	
NON-CURRENT ASSETS		
Property, plant and equipment	3,705,652,379	2,752,013,236
Investment properties	13,389,391	13,500,607
Long-term deposits	1,021,858	1,021,858
	3,720,063,628	2,766,535,701
CURRENT ASSETS		
Stores and spares	52,136,545	30,058,138
Stock-in-trade	4,217,789,972	1,304,889,314
Trade receivables	1,270,958,364	732,936,931
Loans and advances	164,689,334	294,099,159
Prepayments	14,556,953	4,834,712
Other receivables	29,912,173	12,668,079
Sales tax refundable	599,414,523	6,710,622
Other financial assets	279,636,184	1,039,966,494
Cash and bank balances	39,737,918	196,886,310
	6,668,831,966	3,623,049,759
TOTAL ASSETS	10,388,895,594	6,389,585,460

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.


Amin Ellahi Shaikh
 Chief Executive Officer



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Half year ended		Quarter ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
Note	(Rupees)		(Rupees)	
Revenue from contracts with customers	12 5,006,270,004	3,098,245,164	2,744,455,738	1,604,275,311
Cost of goods sold	13 (3,900,302,566)	(2,650,391,212)	(2,135,904,211)	(1,308,471,093)
Gross profit	1,105,967,438	447,853,952	608,551,527	295,804,218
Distribution cost	(93,505,501)	(40,818,750)	(53,495,459)	(20,017,556)
Administrative expenses	(83,806,380)	(73,256,413)	(44,054,151)	(36,694,249)
Other expenses	(64,848,987)	(19,435,165)	(31,563,581)	(14,568,726)
	(242,160,868)	(133,510,328)	(129,113,191)	(71,280,531)
	863,806,570	314,343,624	479,438,336	224,523,687
Other income	41,579,705	41,779,806	13,652,523	11,696,551
Operating profit	905,386,275	356,123,430	493,090,859	236,220,238
Finance cost	(103,154,552)	(93,889,528)	(67,211,240)	(39,647,988)
Profit before taxation	802,231,723	262,233,902	425,879,619	196,572,250
Provision for taxation	14 (112,938,161)	(52,310,108)	(38,535,277)	(28,820,555)
Profit after taxation	689,293,562	209,923,794	387,344,342	167,751,695
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss				
Deferred tax recognised on staff gratuity	(231,550)	-	-	-
Unrealized (loss) / gain on remeasurement of investments designated as at fair value through other comprehensive income (FVTOCI) - net	(8,765,052)	78,534,799	13,074,803	25,822,741
Realized gain / (loss) on sale of investments designated as fair value through other comprehensive income	21,693,501	(2,755,563)	-	(2,996,503)
Deferred tax recognized	1,314,758	-	1,083,208	-
Other comprehensive income for the period	14,011,657	75,779,236	14,158,011	22,826,238
Total comprehensive income for the period	703,305,219	285,703,030	401,502,353	190,577,933
Earning per share - basic and diluted	36.86	11.23	20.71	8.97

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

February 24, 2022



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Half year ended	
	December 31, 2021	December 31, 2020
	----- (Rupees) -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	802,231,723	262,233,902
Adjustments for:		
Depreciation on property, plant and equipment	138,282,162	147,285,804
Depreciation on investment properties	111,216	117,069
Amortization on intangible assets	-	415,136
Provision for gratuity	14,336,679	15,767,800
Gain on disposal of property, plant and equipment	(3,142,562)	(4,379,776)
Unrealized gain on revaluation of foreign currency short term finance	(160,470)	(10,212,566)
Finance cost	103,154,552	93,889,528
Rental income	(13,763,205)	(12,611,502)
Dividend income	(22,755,187)	(13,715,239)
Write off of trade receivables	5,392,500	-
	1,023,687,408	478,790,156
Changes in working capital (Increase) / decrease in current assets		
Stores and spares	(22,078,407)	(14,495,648)
Stock-in-trade	(2,912,900,658)	66,420,213
Trade receivables	(543,413,933)	(99,542,484)
Loans and advances	88,631,337	(146,669,953)
Prepayments	(9,722,241)	(9,113,672)
Other receivables	(16,351,429)	(2,644,402)
Sales tax refundable	(592,703,901)	80,955,982
	(4,008,539,232)	(125,089,964)
Increase / (decrease) in current liabilities		
Trade and other payables	256,311,366	(78,538,179)
	(3,752,227,866)	(203,628,143)
Cash (used in) / generated from operations	(2,728,540,458)	275,162,013
Payments made:		
Employees retirement benefits	(6,994,053)	(15,987,447)
Finance cost	(62,609,464)	(121,638,764)
Income tax paid	(71,284,326)	6,641,277
Long term deposits	-	(12,000)
Net cash (used in) / generated from operating activities	(2,869,428,301)	144,165,079
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(1,094,947,422)	(14,763,596)
Proceeds from disposal of property, plant and equipment	6,168,678	32,582,546
Purchase of other financial assets	(559,145,270)	(13,329,324)
Proceeds from sale of other financial assets	1,332,404,029	149,643,407
Rental income received	13,763,205	12,611,502
Dividend received	22,755,187	13,715,239
Net cash (used in) / generated from investing activities	(279,001,593)	180,459,774
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	853,386,568	95,156,724
Repayment of long term finances	(118,449,836)	(17,389,274)
Net increase / (decrease) in short term borrowings excluding running finances	771,880,470	(583,434,405)
Dividend paid	(46,391,279)	-
Net cash generated from / (used in) financing activities	1,460,425,923	(505,666,955)
Net decrease in cash and cash equivalents (A+B+C)	(1,688,003,971)	(181,042,102)
Cash and cash equivalents at beginning of the period		
Cash and bank balances	196,886,310	43,331,820
Short term running finances	(149,816,295)	(706,304,708)
	47,070,015	(662,972,888)
Cash and cash equivalents at end of the period	(1,640,933,956)	(844,014,990)
Cash and cash equivalents at end of the period		
Cash and bank balances	39,737,918	25,375,831
Short term running finances	(1,680,671,874)	(869,390,821)
	(1,640,933,956)	(844,014,990)

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

February 24, 2022



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

	Capital reserves				Revenue reserve	Total	
	Issued, subscribed and paid up capital	Amalgamation reserve	Capital redemption reserve	Fair value reserve	Total capital reserves		Unappropriated profit
(Rupees)							
Balance as at June 30, 2020 (Audited)	187,000,000	12,104,417	241,860,000	(114,329,184)	139,635,233	1,553,859,793	1,880,495,026
Comprehensive income for the period ended December 31, 2020							
Profit after taxation	-	-	-	-	-	209,923,794	209,923,794
Other comprehensive income							
Unrealised gain on remeasurement of investments designated at fair value through other comprehensive income (FVTOCI)	-	-	-	78,534,799	78,534,799	-	78,534,799
Realized loss on sale of investments designated as fair value through other comprehensive income	-	-	-	(2,755,563)	(2,755,563)	-	(2,755,563)
Transfer of realized loss on sale of investments	-	-	-	2,755,563	2,755,563	(2,755,563)	-
Total comprehensive income for the period	-	-	-	78,534,799	78,534,799	207,168,231	285,703,030
Balance as at December 31, 2020 (Un-audited)	187,000,000	12,104,417	241,860,000	(35,794,385)	218,170,032	1,761,028,024	2,166,198,056
Comprehensive income							
Profit after taxation	-	-	-	-	-	533,574,460	533,574,460
Other comprehensive income							
Remeasurement of defined benefit liability	-	-	-	-	-	(1,330,763)	(1,330,763)
Deferred tax recognised	-	-	-	-	-	231,550	231,550
Unrealised gain on remeasurement of investments designated at fair value through other comprehensive income (FVTOCI)	-	-	-	2,273,538	2,273,538	-	2,273,538
Realized gain on sale of investments designated as fair value through other comprehensive income	-	-	-	2,671,852	2,671,852	-	2,671,852
Transfer of realized gain on sale of investments	-	-	-	(2,671,852)	(2,671,852)	2,671,852	-
Deferred tax recognised	-	-	-	5,028,127	5,028,127	-	5,028,127
Total comprehensive income for the period	-	-	-	7,301,665	7,301,665	535,147,099	542,448,764
Transactions with owners:							
Interim dividend for the year ending June 30, 2021 @ 75% i.e. Rs. 7.5 per ordinary share	-	-	-	-	-	(140,250,000)	(140,250,000)
Balance as at June 30, 2021 (Audited)	187,000,000	12,104,417	241,860,000	(28,492,720)	225,471,697	2,155,925,123	2,568,396,820
Comprehensive income for the period ended December 31, 2021							
Profit after taxation	-	-	-	-	-	689,293,562	689,293,562
Other comprehensive income							
Deferred tax recognised on staff gratuity	-	-	-	-	-	(231,550)	(231,550)
Unrealised loss on remeasurement of investments designated at fair value through other comprehensive income (FVTOCI)	-	-	-	(8,765,052)	(8,765,052)	-	(8,765,052)
Realized gain on sale of investments designated as fair value through other comprehensive income	-	-	-	21,693,501	21,693,501	-	21,693,501
Transfer of realized gain on sale of investments	-	-	-	(21,693,501)	(21,693,501)	21,693,501	-
Deferred tax recognised on investments	-	-	-	1,314,758	1,314,758	-	1,314,758
Total comprehensive income for the period	-	-	-	(7,450,294)	(7,450,294)	710,755,513	703,305,219
Transactions with owners:							
Final cash dividend for the year ending June 30, 2021 @ 25% i.e. Rs. 2.5 per ordinary share	-	-	-	-	-	(46,750,000)	(46,750,000)
Balance as at December 31, 2021 (Un-audited)	187,000,000	12,104,417	241,860,000	(35,943,014)	218,021,403	2,819,930,636	3,224,952,039

The annexed explanatory notes from 1 to 18 form an integral part of these condensed interim financial statements.


Raza Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

February 24, 2022



NAGINA COTTON MILLS LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2021

1. LEGAL STATUS AND OPERATIONS

Nagina Cotton Mills Limited (the Company) was incorporated in Pakistan on May 16, 1967 as a public limited company under the Companies Act, 1913 (repealed), now Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal business of the Company is to manufacture and sale of yarn.

Following is the geographical location and address of all business units of the Company:

Head Office:

2nd Floor, Shaikh Sultan Trust Building No.2, 26-Civil Lines, Beaumont Road, Karachi, 75530, Sindh.

Manufacturing facility:

A-16, National Highway, Aminabad, S.I.T.E Kotri, Industrial trading state, Sindh, measuring area of 20.75 acres.

Regional Office:

Nagina House 91 – B-1, M.M. Alam Road, Gulberg-III, Lahore, Punjab.

2. BASIS OF PREPARATION

2.1 Statement of compliance

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

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

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.1.2 These condensed interim financial statements are unaudited. However, a limited scope review of these condensed interim financial statements have been performed by the external auditors of the Company and they have issued their review report thereon. These condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.

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

2.1.4 The comparative statement of financial position presented has been extracted from annual audited financial statements for the year ended June 30, 2021, whereas comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity presented in these condensed interim financial statements have been extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2020.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention modified by:

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.



NAGINA COTTON MILLS LTD.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

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

4. ACCOUNTING ESTIMATES AND JUDGMENTS

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

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies, the key source of estimation and uncertainty were the same as those that applied to the annual audited financial statements of the Company for the year ended June 30, 2021.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2021.

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
6. DEFERRED GOVERNMENT GRANT			
Opening balance		4,496,198	5,003,077
Recognized during the period / year		-	7,130,948
Amortization during the period / year		<u>(2,673,440)</u>	<u>(7,637,827)</u>
		1,822,758	4,496,198
Less: Current portion of deferred grant		<u>(1,822,758)</u>	<u>(4,188,283)</u>
	6.1	<u>-</u>	<u>307,915</u>

6.1 Deferred grant relates to the difference between the fair value and actual proceeds of salary loan obtained under SBP's Refinance scheme for payment of salaries. It is amortised over the period of loan with an amount equal to the difference between the finance cost charged to statement of profit or loss and other comprehensive income and the interest paid at SBP's defined rate as per the scheme. The grant is being amortised over the period of loan and amortization is being recognised as reduction of related interest expense.

7. DEFERRED TAX

	Un-audited			Balance at December 31, 2021
	Balance at July 01, 2021	Deferred tax recognised in		
		Profit or loss	Other comprehensive income	
	----- (Rupees) -----			
Deferred tax liabilities on taxable temporary differences arising in respect of :				
- Property, plant and equipment	180,952,642	(3,778,570)	-	177,174,072
Deferred tax assets on deductible temporary differences arising in respect of :				
- Staff gratuity	(21,879,456)	(148,428)	231,550	(21,796,334)
- Other financial assets	(5,028,127)	-	(1,314,758)	(6,342,885)
- Minimum tax	(5,675,168)	5,675,168	-	-
- Provision for doubtful trade receivables	(337,696)	19,840	-	(317,856)
	<u>148,032,195</u>	<u>1,768,010</u>	<u>(1,083,208)</u>	<u>148,716,997</u>



NAGINA COTTON MILLS LTD.

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
		----- (Rupees) -----	
8. SHORT-TERM BORROWINGS	Note		
- Banking companies - secured			
Term finance	8.1	300,000,000	-
Foreign currency finance	8.2	471,720,000	-
Running finance		<u>1,680,671,874</u>	<u>149,816,295</u>
	8.3	<u>2,452,391,874</u>	<u>149,816,295</u>

8.1 The Company has availed term finance facility amounting to Rs. 300 million during the period (June 30, 2021: Nil). This borrowing is secured against first pari passu charge on present and future fixed assets with 25% margin.

8.2 The Company has availed foreign currency finance facility in USD from various banks amounting to Rs.471.72 million during the period (June 30, 2021: Nil). This borrowing is secured against first pari passu charge on present and future current assets with 25% margin.

8.3 The Company can avail foreign currency, term finance and running finance facilities from various banks aggregating to Rs. 4,120 million (June 30, 2021: Rs. 3,745 million). These borrowings are secured against hypothecation of stocks and book debts / receivables of the Company and pari passu charge on present and future current assets, demand promissory notes and lien on export orders / contracts. Running finance facilities are subject to variable markup ranging from 1 to 3 month KIBOR plus 0.15% to 1.00% (June 30, 2021: 1 to 3 month KIBOR plus 0.25% to 1.00%) per annum payable on quarterly basis, whereas interest rates on foreign currency loans balances at reporting date were from 1.10% to 1.25% (June 30, 2021: Nil) per annum.

The aggregate unavailed short-term borrowing facilities available amounts to Rs.1,668 million (June 2021: Rs. 3,595 million).

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There are no major changes in the status of contingencies as reported in the annual audited financial statements for the year ended June 30, 2021, except for the contingencies stated below:

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
		----- (Rupees) -----	
	Note		
Bank guarantees issued on behalf of the Company	9.1.1	18,602,000	18,602,000
Bank guarantee in favor of Excise and Taxation and others		107,495,147	81,545,147
Revolving Letter of credit Favouring SSGC		82,051,880	82,051,880

9.1.1 It includes guarantee issued in favor of Hyderabad Electric Supply Company (HESCO) amounting Rs.14.602 million (June 30, 2021: 14.602 million).

		(Un-audited) December 31, 2021	(Audited) June 30, 2021
		----- (Rupees) -----	
9.2 Commitments			
Machinery		1,501,757,767	1,772,122,543
Civil work		14,514,740	10,042,734
Raw material		1,300,846,947	290,565,214
Stores and spares		58,152,008	17,498,375
Bills discounted		542,018,152	441,852,192

Commitments for rentals of assets under short term lease agreements:

Not later than one year	<u>3,634,424</u>	<u>1,153,905</u>
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NAGINA COTTON MILLS LTD.

	(Un-audited) December 31, 2021	(Audited) June 30, 2021
Note	----- (Rupees) -----	
10. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	2,743,134,142	2,636,266,401
Capital work in progress	962,518,237	115,746,835
	<u>3,705,652,379</u>	<u>2,752,013,236</u>
10.1 Operating fixed assets		
Opening written down value	2,636,266,401	2,955,976,815
Additions during the period / year		
Other buildings on leasehold land	2,706,598	-
Machinery and equipment	240,372,552	1,952,739
Electric installations and equipment	345,350	-
Office equipment	358,000	755,600
Furniture and fixtures	417,297	518,400
Vehicles	3,976,223	12,063,058
	<u>248,176,020</u>	<u>15,289,797</u>
Written down value of operating fixed assets disposed off / adjusted	(3,026,117)	(41,095,245)
Depreciation charged during the period / year	(138,282,162)	(293,904,965)
Written down value at end of the period / year	<u>2,743,134,142</u>	<u>2,636,266,401</u>
10.2 Capital work in progress		
Opening balance	115,746,835	1,811,175
Additions during the period / year	1,087,963,900	115,651,053
Transfers during the period / year	(241,192,498)	(1,715,393)
Closing balance	<u>962,518,237</u>	<u>115,746,835</u>
11. OTHER FINANCIAL ASSETS		
Fair value through other comprehensive income		
Investment in listed equity securities	224,001,827	313,045,082
Investment in mutual funds	55,634,357	726,921,412
	<u>279,636,184</u>	<u>1,039,966,494</u>
11.1 Reconciliation between fair value and cost of other financial assets		
Through other comprehensive income		
Fair value of investments		
- in listed equity securities	224,001,827	313,045,082
- in mutual funds	55,634,357	726,921,412
	<u>279,636,184</u>	<u>1,039,966,494</u>
Add: Unrealised loss on remeasurement of investments	42,285,899	33,520,847
Cost of investments	<u>321,922,083</u>	<u>1,073,487,341</u>



NAGINA COTTON MILLS LTD.

	(Un-audited) December 31, 2021	(Audited) June 30, 2021
11.2 Unrealised loss on remeasurement of equity instruments through other comprehensive income	----- (Rupees) -----	
Opening balance	(28,492,720)	(114,329,184)
Unrealized (loss) / gain on fair value for the period / year	(8,765,052)	80,808,337
Deferred tax recognized	1,314,758	5,028,127
Closing balance	<u>(35,943,014)</u>	<u>(28,492,720)</u>

12. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
	----- (Rupees) -----			
Export				
Yarn	3,006,341,888	469,959,105	2,176,599,039	184,641,894
Waste	34,775,910	-	25,159,885	-
	<u>3,041,117,798</u>	<u>469,959,105</u>	<u>2,201,758,924</u>	<u>184,641,894</u>
Local				
Yarn	1,799,378,658	2,430,641,232	463,080,183	1,335,233,027
Waste	158,334,508	143,296,038	79,616,631	83,513,175
Raw material	7,439,040	54,348,789	-	887,215
	<u>1,965,152,206</u>	<u>2,628,286,059</u>	<u>542,696,814</u>	<u>1,419,633,417</u>
Total	<u>5,006,270,004</u>	<u>3,098,245,164</u>	<u>2,744,455,738</u>	<u>1,604,275,311</u>

13. COST OF GOODS SOLD

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
	----- (Rupees) -----			
Raw material consumed	3,340,932,325	2,071,388,277	1,811,482,718	1,114,652,140
Packing material consumed	47,101,325	33,245,289	24,812,290	16,903,304
Stores and spares consumed	49,469,054	35,452,584	35,088,538	19,659,354
Salaries, wages and benefits	166,559,733	142,283,535	86,797,126	72,222,050
Fuel	174,425,252	129,913,718	88,795,846	38,057,545
Rent, rates and taxes	266,455	266,457	133,226	133,228
Insurance	7,788,613	7,254,838	4,205,779	3,508,632
Repairs and maintenance	4,536,851	3,387,745	2,506,658	1,900,332
Depreciation on property, plant and equipment	132,697,549	141,834,736	69,282,483	70,758,732
Other manufacturing overheads	5,542,890	3,303,693	3,711,678	1,731,374
Manufacturing cost	<u>3,929,320,047</u>	<u>2,568,330,872</u>	<u>2,126,816,342</u>	<u>1,339,526,691</u>
Work-in-process				
At beginning of period	74,953,124	64,634,114	99,610,995	63,615,625
At end of period	(103,438,764)	(65,626,457)	(103,438,764)	(65,626,457)
	<u>(28,485,640)</u>	<u>(992,343)</u>	<u>(3,827,769)</u>	<u>(2,010,832)</u>
Cost of goods manufactured	<u>3,900,834,407</u>	<u>2,567,338,529</u>	<u>2,122,988,573</u>	<u>1,337,515,859</u>
Finished goods				
At beginning of period	16,110,880	80,254,211	44,894,463	28,198,595
Purchase of finished goods	-	16,726,930	-	15,251,615
Purchase of waste	15,203,700	-	5,701,800	-
At end of period	(37,680,625)	(74,338,629)	(37,680,625)	(74,338,629)
	<u>(6,366,045)</u>	<u>22,642,512</u>	<u>12,915,638</u>	<u>(30,888,419)</u>
Cost of sales of raw material	5,834,204	60,410,171	-	1,843,653
	<u>3,900,302,566</u>	<u>2,650,391,212</u>	<u>2,135,904,211</u>	<u>1,308,471,093</u>

14. PROVISION FOR TAXATION

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31,	December 31,	December 31,	December 31,
	2021	2020	2021	2020
	----- (Rupees) -----			
Current tax	111,170,150	46,181,058	36,767,266	24,563,270
Prior tax	-	1,871,765	-	-
Deferred tax	1,768,011	4,257,285	1,768,011	4,257,285
	<u>112,938,161</u>	<u>52,310,108</u>	<u>38,535,277</u>	<u>28,820,555</u>



NAGINA COTTON MILLS LTD.

15. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors and key management personnel of the Company. Transactions with related parties are carried out as per agreed terms. The transaction with related parties during the period generally consist of sales, purchases and dividend. Nature and description of related party transactions during the period along with monetary values are as follows:

Relationship with the Company	Nature of transactions	Half year ended (Un-audited)	
		December 31, 2021	December 31, 2020
		----- (Rupees) -----	
Associated companies	Sale of goods and services	609,463,173	133,077,790
	Dividend Paid	7,651,355	-
Key Management Personnel	Remuneration and other benefits	13,500,000	10,200,000
	Dividend paid to Directors and their close family members	34,841,835	-

There is no balance outstanding with or from associated undertakings as at the reporting date.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in nature.

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

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e, unobservable inputs).

The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on quoted market price of the equity instrument and Net Asset Values (NAVs) of the units of the mutual funds at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.



NAGINA COTTON MILLS LTD.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Note	Carrying amount			Fair value hierarchy				
	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
(Rupees)								
December 31, 2021								
Financial assets measured at fair value								
Other financial assets	11	279,636,184	-	279,636,184	279,636,184	-	-	279,636,184
Financial assets not measured at fair value								
Long term deposits	-	1,021,858	1,021,858	-	-	-	-	-
Trade receivables	-	1,270,958,364	1,270,958,364	-	-	-	-	-
Loans and advances	-	492,360	492,360	-	-	-	-	-
Other receivables	-	29,912,173	29,912,173	-	-	-	-	-
Cash and bank balances	-	39,737,918	39,737,918	-	-	-	-	-
		<u>279,636,184</u>	<u>1,342,122,673</u>	<u>1,621,758,857</u>	<u>279,636,184</u>	<u>-</u>	<u>-</u>	<u>279,636,184</u>
Financial liabilities not measured at fair value								
Long-term finances	-	3,018,481,246	3,018,481,246	-	-	-	-	-
Short-term borrowings	-	2,452,391,874	2,452,391,874	-	-	-	-	-
Trade and other payables	-	1,117,372,488	1,117,372,488	-	-	-	-	-
Unclaimed dividend	-	9,436,615	9,436,615	-	-	-	-	-
Accrued interest / mark-up	-	58,110,322	58,110,322	-	-	-	-	-
		<u>-</u>	<u>6,655,792,545</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Note	Carrying amount			Fair value hierarchy				
	Fair value through other comprehensive income	Amortised cost	Total	Level 1	Level 2	Level 3	Total	
(Rupees)								
June 30, 2021								
Financial assets measured at fair value								
Other financial assets	11	1,039,966,494	-	1,039,966,494	1,039,966,494	-	-	1,039,966,494
Financial assets not measured at fair value								
Long term deposits	-	1,021,858	1,021,858	-	-	-	-	-
Trade receivables	-	732,936,931	732,936,931	-	-	-	-	-
Loans and advances	-	231,986	231,986	-	-	-	-	-
Other receivables	-	7,668,079	7,668,079	-	-	-	-	-
Cash and bank balances	-	196,886,310	196,886,310	-	-	-	-	-
		<u>1,039,966,494</u>	<u>938,745,164</u>	<u>1,978,711,658</u>	<u>1,039,966,494</u>	<u>-</u>	<u>-</u>	<u>1,039,966,494</u>
Financial liabilities not measured at fair value								
Long-term finances	-	2,280,871,073	2,280,871,073	-	-	-	-	-
Short-term borrowings	-	149,816,295	149,816,295	-	-	-	-	-
Trade and other payables	-	849,274,472	849,274,472	-	-	-	-	-
Unclaimed dividend	-	9,077,894	9,077,894	-	-	-	-	-
Accrued interest / mark-up	-	17,565,234	17,565,234	-	-	-	-	-
		<u>-</u>	<u>3,306,604,968</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

At the reporting date, the Company holds above financial assets where the Company has used Level 1 inputs for the measurement of fair values and there is no transfer between levels. There was no change in fair value hierarchy of financial assets.

17. OPERATING SEGMENTS

Chief Executive considers the business as a single operating segment as the Company's assets allocation decisions are based on a single, integrated business strategy, and the Company's performance is evaluated on an overall basis. Sales of the Company related to export customers is 60.7 percent (December 31, 2020: 15.17 percent). As at period end, all non-current assets of the Company are located within Pakistan.

18. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been approved by the Board of Directors of the Company and authorized for issue on February 24, 2022.

Raza Ellahi Shaikh
Director

Tariq Zafar Bajwa
Chief Financial Officer

Amin Ellahi Shaikh
Chief Executive Officer

February 24, 2022

If undelivered please return to:

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