

NISHAT MILLS LIMITED



NML-PSX/

April 28, 2022

The General Manager,
Pakistan Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
KARACHI.

SUB: **TRANSMISSION OF QUARTERLY REPORT
FOR THE PERIOD ENDED MARCH 31, 2022**

Dear Sir,

We have to inform you the Quarterly Report of Nishat Mills Limited for the period ended March 31, 2022 have been transmitted through PUCARS and is also available on Company's website.

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Thanking you,

Yours truly,


KHALID MAHMOOD CHOCHAN
COMPANY SECRETARY



Nishat Mills Limited

**Interim Financial Report for the Nine Months Ended
March 31, 2022**

Growing Inclusively

CONTENTS

Nishat Mills Limited

Company Information.....	02
Directors' Report	04
Unconsolidated Condensed Interim Statement of Financial Position	10
Unconsolidated Condensed Interim Statement of Profit or Loss	12
Unconsolidated Condensed Interim Statement of Comprehensive Income	13
Unconsolidated Condensed Interim Statement of Changes in Equity	14
Unconsolidated Condensed Interim Statement of Cash Flows	15
Selected Notes to the Unconsolidated Condensed Interim Financial Statements	16

Nishat Mills Limited and its Subsidiary Companies

Consolidated Condensed Interim Statement of Financial Position	34
Consolidated Condensed Interim Statement of Profit or Loss	36
Consolidated Condensed Interim Statement of Comprehensive Income.....	37
Consolidated Condensed Interim Statement of Changes in Equity.....	38
Consolidated Condensed Interim Statement of Cash Flows.....	39
Selected Notes to the Consolidated Condensed Interim Financial Statements	40
Directors' Report in Urdu	66

COMPANY INFORMATION

Board of Directors

Mian Umer Mansha
Chief Executive Officer

Mian Hassan Mansha
Chairman

Mrs. Mehak Adil
Mrs. Sara Aqeel
Syed Zahid Hussain
Mr. Farid Noor Ali Fazal
Mr. Mahmood Akhtar

Audit Committee

Mrs. Mehak Adil
Chairperson / Member

Syed Zahid Hussain
Member

Mr. Mahmood Akhtar
Member

Human Resource & Remuneration (HR & R) Committee

Mrs. Sara Aqeel
Chairperson / Member

Mian Umer Mansha
Member

Mr. Mahmood Akhtar
Member

Chief Financial Officer

Mr. Mohammad Azam

Company Secretary

Mr. Khalid Mahmood Chohan

Auditors

Riaz Ahmad & Company
Chartered Accountants

Legal Advisor

Mr. M. Aurangzeb Khan,
Advocate, Chamber No. 6, District
Court, Faisalabad.

Bankers to the Company

Albaraka Bank (Pakistan) Limited
Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Citibank N.A.
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Faysal Bank Limited - Islamic
Banking
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank
of China Limited

JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Pak Brunei Investment
Company Limited
Pakistan Kuwait Investment
Company (Private) Limited
Samba Bank Limited
Silk Bank Limited
Soneri Bank Limited
Summit Bank Limited
Standard Chartered Bank
(Pakistan) Limited
The Bank of Punjab
The Bank of Punjab - Taqwa
Islamic Banking
The Bank of Khyber
United Bank Limited



Mills

Spinning units, Yarn Dyeing & Power plant

Nishatabad, Faisalabad.

Spinning units & Power plant

20 K.M. Sheikhpura Faisalabad
Road, Feroze Watwan.

Spinning units & Power plant

Plot No. 172-180 & 188-197,
M-3 Industrial City, Sahianwala,
FIEDMC, 2 K.M. Jhumra Chiniot
Road, Chak Jhumra, Faisalabad.

Weaving units & Power plant

12 K.M. Faisalabad Road,
Sheikhpura.

Weaving units, Dyeing & Finishing unit, Processing unit, Stitching units and Power plants

5 K.M. Nishat Avenue Off 22
K.M. Ferozepur Road, Lahore.

Terry Unit

7 K.M. Nishat Avenue Off 22 K.M.
Ferozepur Road, Lahore.

Apparel Unit

2 K.M. Nishat Avenue Off 22 K.M.
Ferozepur Road, Lahore.

Registered office

Nishat House,
53 - A, Lawrence Road, Lahore.
Tel: 042-36360154, 042-111 113 333
Fax: 042-36367414

Shares Registrar

THK Associates (Private) Limited

Head Office, Karachi
Plot No. 32-C Jami Commercial
Street No. 2, DHA Phase VII,
Karachi 75500.
Tel: 021-111 000 322
Fax: 021-35310191

Branch Office, Lahore
Siddique Trade Centre,
Office No. PL-29, PL Floor,
72 Main Boulevard Gulberg II,
Lahore.
Tel: 042-35781682

Head Office

7, Main Gulberg, Lahore.
Tel: 042-35716351-59,
042-111 332 200
Fax: 042-35716349-50
E-mail: nishat@nishatmills.com
Website: www.nishatmillsLtd.com

Liaison Office

1st Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.
Tel: 021-32414721-23
Fax: 021-32412936



Directors' Report

Directors of Nishat Mills Limited ("the Company") are pleased to present the Directors' Report for the nine months ended 31 March 2022.

Operating Financial Results

Earnings per share of the Company increased by Rs. 15.38 per share from Rs. 10.37 per share in the corresponding nine-month period of financial year 2021 to Rs. 25.75 per share in current nine-month period of financial year 2022. The reason of these remarkable results was increase in gross profit by 124.79% from Rs. 6.092 billion to Rs. 13.696 billion. The main reason for increase in gross profit was 63.57% increase in top line of the Company due to both favorable volume and rate variances. The Company achieved this unprecedented growth in revenue despite many challenges such as huge increase in raw cotton prices, increase in RLNG rate, shutdown of gas supply, disruption in global supply chain and Covid-19 pandemic. Being an export-oriented entity, the company also benefitted from 16.75% depreciation of PAK Rupee against USD during the nine-month period.

Financial Highlights	Nine months ended 31 March		Increase / (decrease) %
	2022	2021	
Revenue (Rs. '000')	84,252,725	51,507,344	63.57
Gross Profit (Rs. '000')	13,696,146	6,092,841	124.79
Profit after tax (Rs. '000')	9,054,317	3,644,929	148.41
Gross Profit (%)	16.26	11.83	
Profit after tax (%)	10.75	7.08	
Earnings per share – (Rs.)	25.75	10.37	

Dividend income increased by Rs. 773 million from Rs. 2.088 billion to Rs. 2.861 billion. Finance cost of the Company increased in the current period due to increase in average borrowing cost and short term loans which were obtained to finance increased working capital requirements.

General Market Review and Future Prospects

Gradual recovery of global economy from Covid-19 pandemic was a good sign for textile sector during the nine months ended 31 March 2022. However, the period was overshadowed by rising cotton and polyester fiber prices, increase in RLNG rate and shutdown of gas supply. All these factors severely affected the performance of textile sector. Another challenge that value-added segment particularly faced, was highly disturbed vessel schedule, which increased transit times for export and import shipments. This problem has not only affected global supply chain but also significantly increased shipping cost.

Depreciation of Pak Rupee against U.S. Dollar by 16.75% in first nine months of financial year 2021-2022 gave temporary relief to textile exporters, as they got benefit of rupee depreciation on shipments against which raw material was already procured. However, for subsequent orders input cost also shot up.

State Bank of Pakistan ("SBP") has increased mark-up rate for financing under Export Finance Scheme (EFS) by 2.5% with effect from 08 April 2022. Accordingly, the mark-up rate for EFS is now 5.5% p.a. which is a cause of concern for textile sector because it has increased cost of doing business.

Segment Analysis

Following is the brief overview on segmental performance of the Company.

Spinning

During nine months period ended 31 March 2022, raw cotton prices continued to rise in international market due to US-China trade commitments and opening up of markets after improvement in Covid-19 situation. Local cotton prices also recorded increasing trend due to global short supply and hasty buying by spinners. The Company planned to cover annual raw cotton requirements with the mix of local and imported cotton by closely watching market dynamics. Therefore, the Company started buying raw cotton at prevailing prices as soon as it became available in markets.

Local yarn prices increased in tandem with raw cotton prices, but export yarn prices remained steady despite rising demand in foreign markets. Yarn supply in international market at low rates from India, Vietnam, Indonesia made it difficult for us to export at competitive prices. However, local market remained supportive during the period. Reviewing the yarn market dynamics, the Company sold major portion of its production in local market instead of foreign market. This strategy resulted in good profits for the nine months of the financial year.

Yarn	Nine months ended 31 March		Increase / (Decrease)	
	2022	2021	Value	% age
Sale – (kgs '000')	27,878	17,005	10,873	63.94
Rate / kg	641.58	417.72	223.86	53.59
Sale – (Rs. '000')	17,885,936	7,103,339	10,782,597	151.80

Keeping in view international & local cotton scenario, new COVID wave in China, high level of inflation around the world, it is expected that rest of the year will remain challenging for cotton yarn export and local yarn prices will remain high. The management has planned to offer finer counts instead of coarser counts to mitigate the impact of these challenges.

Weaving

During the first nine months of the financial year 2022, greige cloth prices spiraled up due to the increase in raw material cost. However, greige cloth market somehow slowed down in the third quarter. Main factors were adequate availability of stocks with buyers and Russia / Ukraine war. Most steady product segment during this period was technical fabrics (abrasives / sun protectors). Workwear and fashion segments were on slow track. Greige cloth sales for home textile saw a big down turn owing to the fact that people are now out of lock downs in most part of the West which has reduced the need for home textile products.

Grey Cloth	Nine months ended 31 March		Increase / (Decrease)	
	2022	2021	Value	% age
Sale – (meters '000')	72,985	65,788	7,197	10.94
Rate / meter	265.44	184.39	81.05	43.96
Sale – (Rs. '000')	19,373,214	12,130,814	7,242,400	59.70

The Company commissioned 130 Tsudakoma NEO 001 wider width looms in production during the first week of October 2021. The management is further considering to replace Seventy 190 CM looms with 210 / 230 CM looms due to increased demand of wider width fabric for fashion / technical segments.

Dyeing

Despite rising raw material cost and uncertain market dynamics, Dyeing Division was able to increase its sales by 89.96% from Rs. 8.616 billion to Rs. 16.368 billion. The management was able to utilize production capacity in full after the recovery of global economy from the effects of Covid-19.

Processed Cloth	Nine months ended 31 March		Increase / (Decrease)	
	2022	2021	Value	% age
Sale – (meters '000')	34,859	23,913	10,946	45.77
Rate / meter	469.54	360.32	109.22	30.31
Sale – (Rs. '000')	16,367,589	8,616,344	7,751,245	89.96

Final quarter of the financial year 2022 has started, but raw material prices and cost of production is expected to remain high in coming months due to current global situation. The management is taking all possible measures to mitigate the impact of these challenges. We are confident that we will be able to keep our positive performance momentum in the last quarter of financial year.

Home Textile

Financial performance of the Division was satisfactory during nine months ended 31 March 2022. Sales of Home Textile products increased by Rs. 330.829 million (3.02%) during the current period as compared to the corresponding period of the last year.

Processed Cloth and Made-ups	Nine months ended 31 March		Increase / (Decrease)	
	2022	2021	Value	% age
Sale – (meters '000')	20,720	24,272	(3,552)	(14.63)
Rate / meter	544.04	450.79	93.25	20.69
Sale – (Rs. '000')	11,272,426	10,941,597	330,829	3.02

Unprecedented surge in raw material and shipping costs increased the cost of production of our finished goods. However, we were able to pass on only a small portion of that additional cost to our customers which affected the profitability of the Division.

Terry unit was commissioned into production during the last financial year and it is showing promising results. The plan to enhance the production capacity of the unit is underway.

Terry products	Nine months ended 31 March		Increase / (Decrease)	
	2022	2021	Value	% age
Sale – (kgs '000')	1,912	360	1,552	431.11
Rate / kg	1,116.57	876.64	239.93	27.37
Sale – (Rs. '000')	2,134,878	315,590	1,819,288	576.47

Garments

The Division recorded tremendous financial performance during nine months of the financial year 2021-22. Garments sales of the Division increased remarkably by Rs. 4.169 billion (73.93%) during the current period as compared to the corresponding period of the last year. Considering the increase in demand of our products, the management has expanded production capacity, updated research and development mechanism and invested in new technologies.

Garments	Nine months ended 31 March		Increase / (Decrease)	
	2022	2021	Value	% age
Sale – (garments '000')	7,753	6,153	1,600	26.00
Rate / garment	1,265.22	916.61	348.61	38.03
Sale – (Rs. '000')	9,809,288	5,639,899	4,169,389	73.93

The Division is also committed to sustainable growth and development and has taken a number of initiatives. The management has made sustainable achievements as part of employees' KPIs in order to involve everyone in sustainability drive. We have cut down our water and energy consumption and have increased our reliance on renewable energy resources.

Power Generation

All fuel costs such as coal and furnace oil significantly increased during the current nine months of financial year 2022. Similarly, Government of Pakistan has revised subsidized rate of gas for Captive power plants of export-oriented sector from USD 6.5 per mmbtu to USD 9 per mmbtu. Furthermore, limited supply of the gas is available for captive power plants. The Company is receiving RLNG approximately half of its gas consumption requirement for its captive power plants. Environmental sustainability and cheap energy are the top priorities of the Company; therefore, the Division is committed to acquire more solar power plants. Currently, 4.34 MW of electricity is generated from solar power plants and projects of 9.86 MW are under acquisition and installation phase. Energy requirements of Spinning Division, Sahianwala has grown after the commissioning of new open-end yarn unit, therefore, plan for acquisition of 5.8 MW Wartsila dual fuel power engine is under consideration. Likewise, acquisition of two gas engines having total capacity of 4 MW with waste heat recovery boiler and air compressor and a 1 MW Diesel Engine is underway to cater the increased demand of towel manufacturing facility of Home Textile Division after increase in its capacity. Garments Division's expansion is in process; management has planned to acquire a 1 MW Diesel Engine.

Subsidiary Companies and Consolidated Financial Statements

Nishat Power Limited, Nishat Linen (Private) Limited, Nishat Hospitality (Private) Limited, Nishat Commodities (Private) Limited, Lalpir Solar Power (Private) Limited, Nishat USA Inc., Nishat Linen Trading LLC, Nishat International FZE and China Guangzhou Nishat Global Co., Ltd form portfolio of subsidiary companies of the Company. Therefore, the Company has annexed consolidated condensed interim financial statements in addition to its separate condensed interim financial statements, in accordance with the requirements of International Financial Reporting Standards.

Composition of the Board

The composition of the Board is as follows:

Total number of Directors:

- | | |
|-----------|---|
| a) Male | 5 |
| b) Female | 2 |

Composition

i)	Independent Directors	2
ii)	Non-executive Directors	4
iii)	Executive Director	1

Committees of the Board**Audit Committee:****Sr. No. Name of Director**

1	Mrs. Mehak Adil	Chairperson / Member
2	Syed Zahid Hussain	Member
3	Mr. Mahmood Akhtar	Member

Human Resource and Remuneration Committee:**Sr. No. Name of Director**

1	Mian Umer Mansha	Member
2	Mrs. Sara Aqeel	Chairperson / Member
3	Mr. Mahmood Akhtar	Member

Directors' Remuneration

The Board of Directors has approved Directors' Remuneration Policy. The main features of the policy are as follows:

- The Company shall not pay remuneration to its non-executive directors including independent directors except for meeting fee for attending meetings of Board and its Committees.
- The Company will reimburse or incur expenses of travelling and accommodation of Directors in relation to attending meetings of the Board and its Committees.
- The Directors' Remuneration Policy will be reviewed and approved by the Board of Directors from time to time.

Acknowledgement

The Board is pleased about the efforts of the management, staff and workers.

For and on behalf of the Board of Directors


Mian Umer Mansha
Chief Executive Officer



Farid Noor Ali Fazal
Director

28 April 2022
Lahore

Unconsolidated Condensed Interim
Financial Statements of

Nishat Mills Limited

For the nine months ended 31 March 2022



Unconsolidated Condensed Interim Statement of Financial Position

As at 31 March 2022

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,100,000,000 (30 June 2021: 1,100,000,000) ordinary shares of Rupees 10 each		11,000,000	11,000,000
Issued, subscribed and paid-up share capital			
351,599,848 (30 June 2021: 351,599,848) ordinary shares of Rupees 10 each		3,515,999	3,515,999
Reserves		81,450,888	82,231,780
Total equity		84,966,887	85,747,779
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing - secured	5	12,501,997	11,577,915
Deferred liabilities		781,810	1,055,992
		13,283,807	12,633,907
CURRENT LIABILITIES			
Trade and other payables		11,627,971	9,512,304
Accrued mark-up		266,493	196,382
Short term borrowings		35,368,216	18,718,262
Current portion of non-current liabilities		4,518,854	4,206,123
Unclaimed dividend		102,247	97,617
		51,883,781	32,730,688
TOTAL LIABILITIES		65,167,588	45,364,595
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		150,134,475	131,112,374

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



CHIEF EXECUTIVE OFFICER

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	39,607,422	35,926,594
Investment properties		476,180	479,506
Long term investments		41,330,355	48,620,695
Long term loans		391,804	468,377
Long term deposits		245,183	156,984
		82,050,944	85,652,156
CURRENT ASSETS			
Stores, spare parts and loose tools		3,672,989	2,605,602
Stock-in-trade		34,961,205	17,972,691
Trade debts		12,308,591	6,549,252
Loans and advances		7,826,792	7,675,599
Advance income tax - net		416,692	572,307
Short term deposits and prepayments		69,291	80,828
Other receivables		8,679,749	4,702,709
Accrued interest		29,826	28,885
Cash and bank balances		118,396	5,272,345
		68,083,531	45,460,218
TOTAL ASSETS		150,134,475	131,112,374

Said Fazal

DIRECTOR

[Signature]

CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Profit or Loss

For the nine months ended 31 March 2022 (Un-audited)

		Period ended		Quarter ended	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
	Note	(Rupees in thousand)			
REVENUE	8	84,252,725	51,507,344	31,360,764	18,371,567
COST OF SALES	9	(70,556,579)	(45,414,503)	(26,020,265)	(16,053,908)
GROSS PROFIT		13,696,146	6,092,841	5,340,499	2,317,659
DISTRIBUTION COST		(4,163,001)	(2,240,102)	(1,600,375)	(822,827)
ADMINISTRATIVE EXPENSES		(1,226,519)	(991,411)	(410,241)	(339,586)
OTHER EXPENSES		(531,785)	(273,056)	(200,740)	(98,420)
		(5,921,305)	(3,504,569)	(2,211,356)	(1,260,833)
		7,774,841	2,588,272	3,129,143	1,056,826
OTHER INCOME		3,989,129	2,826,727	1,444,958	1,556,613
PROFIT FROM OPERATIONS		11,763,970	5,414,999	4,574,101	2,613,439
FINANCE COST		(1,461,653)	(955,070)	(685,151)	(346,025)
PROFIT BEFORE TAXATION		10,302,317	4,459,929	3,888,950	2,267,414
TAXATION		(1,248,000)	(815,000)	(440,000)	(396,000)
PROFIT AFTER TAXATION		9,054,317	3,644,929	3,448,950	1,871,414
EARNINGS PER SHARE - BASIC					
AND DILUTED (RUPEES)	10	25.75	10.37	9.81	5.32

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Comprehensive Income

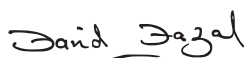
For the nine months ended 31 March 2022 (Un-audited)

	Period ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(Rupees in thousand)			
PROFIT AFTER TAXATION	9,054,317	3,644,929	3,448,950	1,871,414
OTHER COMPREHENSIVE (LOSS) / INCOME				
Items that will not be reclassified to profit or loss:				
(Deficit) / Surplus arising on remeasurement of investments at fair value through other comprehensive income	(8,607,922)	8,793,404	(1,884,058)	1,389,981
Deferred income tax relating to this item	179,112	(22,187)	8,339	-
	(8,428,810)	8,771,217	(1,875,719)	1,389,981
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive (loss) / income for the period - net of tax	(8,428,810)	8,771,217	(1,875,719)	1,389,981
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	625,507	12,416,146	1,573,231	3,261,395

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Changes in Equity

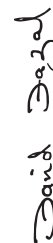
For the nine months ended 31 March 2022 (Un-audited)

	Reserves						Total Equity	
	Share Capital	Capital Reserves			Revenue Reserves			Total
		Premium on Issue of Right Shares	Fair Value Reserve FY/OCI Investments	Sub Total	General Reserve	Unappropriated Profit		
(Rupees in thousand)								
Balance as at 30 June 2020 - (audited)	3,515,999	5,499,530	13,739,158	19,238,688	45,165,028	3,508,145	67,911,861	71,427,860
Transaction with owners - Final dividend for the year ended 30 June 2020 @ Rupees 4.00 per share	-	-	-	-	-	(1,406,399)	(1,406,399)	(1,406,399)
Transferred to general reserve	-	-	-	-	2,101,000	(2,101,000)	-	-
Profit for the period	-	-	-	-	-	3,644,929	3,644,929	3,644,929
Other comprehensive income for the period	-	-	8,771,217	8,771,217	-	-	-	8,771,217
Total comprehensive income for the period	-	-	8,771,217	8,771,217	-	3,644,929	3,644,929	12,416,146
Balance as at 31 March 2021 - (un-audited)	3,515,999	5,499,530	22,510,375	28,009,905	47,266,028	3,645,675	50,911,703	78,921,608
Profit for the period	-	-	-	-	-	2,277,541	2,277,541	2,277,541
Other comprehensive income for the period	-	-	1,032,631	1,032,631	-	-	-	1,032,631
Total comprehensive income for the period	-	-	1,032,631	1,032,631	-	2,277,541	2,277,541	3,310,172
Balance as at 30 June 2021 - (audited)	3,515,999	5,499,530	23,543,006	29,042,536	47,266,028	5,923,216	53,189,244	82,231,780
Transaction with owners - Final dividend for the year ended 30 June 2021 @ Rupees 4.00 per share	-	-	-	-	-	(1,406,399)	(1,406,399)	(1,406,399)
Transferred to general reserve	-	-	-	-	4,516,000	(4,516,000)	-	-
Profit for the period	-	-	-	-	-	9,054,317	9,054,317	9,054,317
Other comprehensive loss for the period	-	-	(8,428,810)	(8,428,810)	-	-	-	(8,428,810)
Total comprehensive (loss) / income for the period	-	-	(8,428,810)	(8,428,810)	-	9,054,317	9,054,317	625,507
Balance as at 31 March 2022 - (un-audited)	3,515,999	5,499,530	15,114,196	20,613,726	51,782,028	9,055,134	60,837,162	84,966,887

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Unconsolidated Condensed Interim Statement of Cash Flows

For the nine months ended 31 March 2022 (Un-audited)

		Period ended	
		31 March 2022	31 March 2021
	Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	11	(14,891,385)	6,233,994
Finance cost paid		(1,359,444)	(967,349)
Income tax paid		(1,092,385)	(750,289)
Net exchange difference on forward exchange contracts received		5,412	1,843
Net decrease / (increase) in long term loans		88,260	(153,080)
Net increase in long term deposits		(88,199)	(49,908)
Net cash (used in) / generated from operating activities		(17,337,741)	4,315,211
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(6,149,135)	(2,622,049)
Proceeds from sale of property, plant and equipment		83,682	61,950
Investments made		(1,317,582)	(211,328)
Loans and advances to subsidiary companies		(37,785,188)	(34,337,958)
Repayment of loans from subsidiary companies		37,858,177	33,451,034
Interest received		274,819	250,729
Dividends received		2,861,189	2,088,057
Net cash used in investing activities		(4,174,038)	(1,319,565)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		3,317,581	2,498,162
Repayment of long term financing		(2,207,936)	(279,923)
Short term borrowings - net		16,649,954	(3,844,071)
Dividend paid		(1,401,769)	(1,398,968)
Net cash from / (used in) financing activities		16,357,830	(3,024,800)
Net decrease in cash and cash equivalents		(5,153,949)	(29,154)
Cash and cash equivalents at the beginning of the period		5,272,345	128,241
Cash and cash equivalents at the end of the period		118,396	99,087

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

1 THE COMPANY AND ITS OPERATIONS

Nishat Mills Limited (the Company) is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The Company is engaged in the business of textile manufacturing and of spinning, combing, weaving, bleaching, dyeing, printing, stitching, apparel, buying, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from raw cotton, synthetic fibre and cloth, and to generate, accumulate, distribute, supply and sell electricity.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting 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.

2.2 These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2021. These unconsolidated condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3 ACCOUNTING POLICIES

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

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

During preparation of these unconsolidated condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
5 LONG TERM FINANCING - SECURED			
Opening balance		14,576,825	9,925,813
Add: Obtained during the period / year		3,317,581	6,421,187
Less: Repaid during the period / year		(2,207,936)	(1,610,173)
Less: Deferred income recognised during the period / year		(1,885)	(253,819)
Add: Amortised during the period / year		63,641	93,817
Net impact	5.1	61,756	(160,002)
		15,748,226	14,576,825
Less: Current portion shown under current liabilities		(3,246,229)	(2,998,910)
		12,501,997	11,577,915

5.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

6 CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) Guarantees of Rupees 3,723.214 million (30 June 2021: Rupees 3,438.360 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited and Pakistan State Oil Limited against purchase of furnace oil, Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess, Directorate of Cotton Cess Management against cotton cess, Collector of Customs against regulatory duty, State Bank of Pakistan against mark-up subsidy, Inspector General Frontier Corps KP (South) and The President of Islamic Republic of Pakistan through the Controller of Military Accounts (Defence Purchase) against fulfillment of sales orders, High Court of Sindh, Karachi against the matter of importation of LED lights and to the bank of Hyundai Nishat Motor (Private) Limited (associated company) to secure financial assistance to the associated company. Further, the Company has issued cross corporate guarantees of Rupees 1,173.333 million (30 June 2021: Rupees 1,173.333 million), Rupees 41.600 million (30 June 2021: Rupees 41.600 million) and Rupees 1,750 million (30 June 2021: Rupees 1,750 million) on behalf of Nishat Linen (Private) Limited - wholly owned subsidiary company, Nishat Hospitality (Private) Limited - wholly owned subsidiary company and Nishat Sutas Dairy Limited - associated company respectively to secure the obligations of subsidiary companies and associated company towards their lenders.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

- ii) Post dated cheques of Rupees 12,839.972 million (30 June 2021: Rupees 10,758.912 million) are issued to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.

b) Commitments

- i) Contracts for capital expenditure are approximately of Rupees 2,351.084 million (30 June 2021: Rupees 3,469.028 million).
- ii) Letters of credit other than for capital expenditure are of Rupees 5,786.803 million (30 June 2021: Rupees 4,219.586 million).
- iii) Outstanding foreign currency forward contracts of Rupees 6,334.935 million (30 June 2021: Rupees 6,400.041 million).

7 PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
Operating fixed assets	7.1	34,496,848	29,713,681
Capital work-in-progress	7.2	5,110,574	6,212,913
		39,607,422	35,926,594
7.1 Operating fixed assets			
Opening book value		29,713,681	28,834,861
Add: Cost of additions during the period / year	7.1.1	7,251,572	3,969,189
Less: Reversal of provision		-	(98,528)
Less: Transferred to investment properties		-	(28,796)
		36,965,253	32,676,726
Less: Book value of deletions during the period / year	7.1.2	(71,151)	(119,454)
		36,894,102	32,557,272
Less: Depreciation charged during the period / year		(2,397,254)	(2,843,591)
		34,496,848	29,713,681

	Un-audited 31 March 2022	Audited 30 June 2021
	(Rupees in thousand)	
7.1.1 Cost of additions		
Freehold land	22,432	20,823
Buildings on freehold land	824,756	515,129
Plant and machinery	5,896,598	3,135,514
Electric installations	220,368	31,570
Factory equipment	54,138	17,196
Furniture, fixtures and office equipment	104,393	38,765
Computer equipment	21,064	23,453
Vehicles	107,823	186,739
	7,251,572	3,969,189
7.1.2 Book value of deletions		
Freehold land	-	62,001
Plant and machinery	39,701	24,760
Furniture, fixtures and office equipment	14	-
Computer equipment	442	403
Vehicles	30,994	32,290
	71,151	119,454
7.2 Capital work-in-progress		
Buildings on freehold land	1,853,693	1,490,620
Plant and machinery	3,086,267	4,626,845
Electric installations	800	17,568
Unallocated capital expenditures	39,290	3,986
Advances against purchase of freehold land	35,593	26,493
Advances against furniture, fixtures and office equipment	11,024	12,619
Advances against purchase of vehicles	83,907	34,782
	5,110,574	6,212,913

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

8 REVENUE

8.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

Description	Spinning						Weaving						Dyeing						Home Textile and Terry					
	Period ended		Quarter ended		Period ended		Quarter ended		Period ended		Quarter ended		Period ended		Quarter ended		Period ended		Quarter ended		Period ended		Quarter ended	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Region																								
Europe	257,176	184,717	120,119	76,127	11,734,898	5,755,164	4,285,786	2,085,297			379,025	309,849			114,008	107,590	8,871,066	7,106,930			3,081,306	2,646,586		
United States of America and Canada	308,334	60,086	131,872	16,697	653,489	475,822	372,177	278,147			2,471	-			1,310	-	2,685,903	2,501,306			771,889	568,285		
Asia, Africa, Australia	5,066,439	4,168,063	2,044,822	1,353,973	1,656,039	1,611,551	441,912	356,652			11,789,086	6,083,236			4,101,377	2,077,228	1,195,711	1,006,800			384,052	217,062		
Pakistan	16,516,034	6,794,199	6,601,558	2,949,118	5,801,026	4,586,795	2,301,824	1,653,578			4,643,744	2,646,294			1,794,042	983,433	2,563,161	2,383,143			895,332	733,974		
	22,147,983	11,207,065	8,898,371	4,395,915	19,845,452	12,429,332	7,401,689	4,373,674			16,814,326	9,039,379			6,010,737	3,168,251	15,315,841	12,948,179			5,132,579	4,165,917		
Timing of revenue recognition																								
Products and services transferred at a point in time	22,147,983	11,207,065	8,898,371	4,395,915	19,845,452	12,429,332	7,401,689	4,373,674			16,814,326	9,039,379			6,010,737	3,168,251	15,315,841	12,948,179			5,132,579	4,165,917		
Products and services transferred over time	-	-	-	-	-	-	-	-			-	-			-	-	-	-			-	-		
External revenue as reported	22,147,983	11,207,065	8,898,371	4,395,915	19,845,452	12,429,332	7,401,689	4,373,674			16,814,326	9,039,379			6,010,737	3,168,251	15,315,841	12,948,179			5,132,579	4,165,917		
Major products / service lines																								
Yarn	21,975,623	11,057,152	8,871,906	4,337,440	-	-	-	-			-	-			-	-	-	-			-	-		
Comber Noll	172,360	149,913	26,465	58,475	-	-	-	-			-	-			-	-	-	-			-	-		
Grey Cloth	-	-	-	-	19,845,452	12,429,332	7,401,689	4,373,674			-	-			-	-	-	-			-	-		
Processed Cloth	-	-	-	-	-	-	-	-			16,814,326	9,039,379			6,010,737	3,168,251	-	-			-	-		
Made Ups	-	-	-	-	-	-	-	-			-	-			-	-	12,891,224	12,374,801			4,132,379	3,909,775		
Garments	-	-	-	-	-	-	-	-			-	-			-	-	-	-			-	-		
Towels and Bath Robe	-	-	-	-	-	-	-	-			-	-			-	-	2,424,617	573,378			1,000,200	256,142		
Electricity	-	-	-	-	-	-	-	-			-	-			-	-	-	-			-	-		
	22,147,983	11,207,065	8,898,371	4,395,915	19,845,452	12,429,332	7,401,689	4,373,674			16,814,326	9,039,379			6,010,737	3,168,251	15,315,841	12,948,179			5,132,579	4,165,917		

Continued on next page

Region	Description	Garments				Power Generation				(Rupees in thousand) Total - Company			
		Period ended		Quarter ended		Period ended		Quarter ended		Period ended		Quarter ended	
		31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Europe		3,443,623	3,264,755	864,710	1,802,811	-	-	-	-	24,685,788	16,621,415	8,465,929	6,718,411
	United States of America and Canada	6,062,678	2,158,743	2,892,785	410,748	-	-	-	-	9,712,875	5,195,957	4,170,033	1,273,887
	Asia, Africa, Australia	408,883	283,270	69,926	-	-	-	-	-	20,116,158	13,152,920	7,042,089	4,004,915
	Pakistan	149,274	141,780	70,431	41,552	65,665	34,841	19,526	12,699	29,737,904	16,837,052	11,682,713	6,374,354
		10,063,458	5,848,548	3,897,852	2,255,111	65,665	34,841	19,526	12,699	84,252,725	51,507,344	31,360,764	18,371,567
Timing of revenue recognition													
	Products and services transferred at a point in time	10,063,458	5,848,548	3,897,852	2,255,111	65,665	34,841	19,526	12,699	84,252,725	51,507,344	31,360,764	18,371,567
	Products and services transferred over time	-	-	-	-	-	-	-	-	-	-	-	-
External revenue as reported		10,063,458	5,848,548	3,897,852	2,255,111	65,665	34,841	19,526	12,699	84,252,725	51,507,344	31,360,764	18,371,567
Major products / service lines													
	Yarn	-	-	-	-	-	-	-	-	21,975,623	11,057,152	8,871,906	4,337,440
	Comber Noil	-	-	-	-	-	-	-	-	172,360	149,913	26,465	58,475
	Grey Cloth	-	-	-	-	-	-	-	-	19,845,452	12,429,332	7,407,689	4,373,674
	Processed Cloth	-	-	-	-	-	-	-	-	16,814,326	9,039,379	6,010,737	3,168,251
	Made Ups	-	-	-	-	-	-	-	-	12,891,224	12,374,801	4,132,379	3,909,775
	Garments	10,063,458	5,848,548	3,897,852	2,255,111	-	-	-	-	10,063,458	5,848,548	3,897,852	2,255,111
	Towels and Bath Robe	-	-	-	-	-	-	-	-	2,424,617	573,378	1,000,200	256,142
	Electricity	-	-	-	-	65,665	34,841	19,526	12,699	65,665	34,841	19,526	12,699
		10,063,458	5,848,548	3,897,852	2,255,111	65,665	34,841	19,526	12,699	84,252,725	51,507,344	31,360,764	18,371,567

8.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

	Period ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
(Rupees in thousand)				
9 COST OF SALES				
Raw materials consumed	48,806,205	25,278,101	17,000,949	9,579,213
Processing charges	402,248	273,141	173,255	95,162
Salaries, wages and other benefits	6,788,142	5,412,229	2,379,780	2,000,350
Stores, spare parts and loose tools consumed	7,498,165	5,634,021	2,741,808	2,192,203
Packing materials consumed	1,764,025	1,297,303	631,907	472,543
Repair and maintenance	464,336	315,791	179,479	103,861
Fuel and power	7,379,406	4,524,384	2,928,514	1,521,081
Insurance	46,134	33,160	16,903	11,630
Other factory overheads	589,276	398,152	233,762	147,321
Depreciation	2,328,813	2,015,453	829,957	702,420
	76,066,750	45,181,735	27,116,314	16,825,784
Work-in-process:				
Opening stock	2,814,471	2,032,268	4,071,056	2,283,358
Closing stock	(4,602,793)	(2,786,788)	(4,602,793)	(2,786,788)
	(1,788,322)	(754,520)	(531,737)	(503,430)
Cost of goods manufactured	74,278,428	44,427,215	26,584,577	16,322,354
Finished goods:				
Opening stock	5,874,465	5,899,507	9,032,002	4,643,773
Closing stock	(9,596,314)	(4,912,219)	(9,596,314)	(4,912,219)
	(3,721,849)	987,288	(564,312)	(268,446)
	70,556,579	45,414,503	26,020,265	16,053,908
			Period ended	
			31 March 2022	31 March 2021
10 EARNINGS PER SHARE - BASIC AND DILUTED				
There is no dilutive effect on the basic earnings per share which is based on:				
Profit attributable to ordinary shareholders	(Rupees in thousand)		9,054,317	3,644,929
Weighted average number of ordinary shares	(Numbers)		351,599,848	351,599,848
Earnings per share	(Rupees)		25.75	10.37

		Period ended	
		31 March 2022	31 March 2021
	Note	(Rupees in thousand)	
11 CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation		10,302,317	4,459,929
Adjustments for non-cash charges and other items:			
Depreciation		2,400,482	2,078,121
Gain on sale of property, plant and equipment		(12,531)	(19,288)
Dividend income		(2,861,189)	(2,088,057)
Allowance for expected credit losses recognised / (reversed)		402	(1,282)
Net exchange (gain) / loss		(330,945)	59,388
Interest income on loans and advances to subsidiary companies		(287,003)	(250,514)
Finance cost		1,461,653	955,070
Reversal of provision for slow moving, obsolete and damaged store items		-	(13)
Gain on initial recognition of GIDC payable at amortised cost		-	(110,431)
Working capital changes	11.1	(25,564,571)	1,151,071
		(14,891,385)	6,233,994
11.1 Working capital changes			
(Increase) / decrease in current assets:			
- Stores, spare parts and loose tools		(1,067,387)	(401,325)
- Stock in trade		(16,988,514)	2,987,748
- Trade debts		(5,411,506)	(2,266,568)
- Loans and advances		(235,869)	20,182
- Short term deposits and prepayments		11,537	(507)
- Other receivables		(3,954,039)	(142,633)
		(27,645,778)	196,897
Increase in trade and other payables		2,081,207	954,174
		(25,564,571)	1,151,071

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

12 SEGMENT INFORMATION

12.1 The Company has following reportable business segments. The following summary describes the operation in each of the Company's reportable segments:

Spinning Faisalabad (I and II) and Feroze Wattwan (I and II):	Producing different qualities of yarn including dyed yarn and sewing thread using natural and artificial fibers.
Weaving (Bhikki and Lahore):	Producing different qualities of greige fabric using yarn.
Dyeing:	Producing dyed fabric using different qualities of greige fabric.
Home Textile and Terry:	Manufacturing of home textile articles using processed fabric produced from greige fabric and manufacturing of terry and bath products.
Garments:	Manufacturing of garments using processed fabric.
Power Generation:	Generation and distribution of power using gas, oil, steam, coal, solar and biomass.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

12.2

[illegible]

12.3 Reconciliation of reportable segment assets and liabilities

[illegible]

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

13 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these unconsolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 March 2022 - Un-audited	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				
Financial assets				
Fair value through other comprehensive income	28,628,196	-	7,669,993	36,298,189
Derivative financial assets	-	20,430	-	20,430
Total financial assets	28,628,196	20,430	7,669,993	36,318,619
Financial liabilities				
Derivative financial liabilities	-	91,889	-	91,889
Total financial liabilities	-	91,889	-	91,889

Recurring fair value measurements At 30 June 2021 - Audited	Level 1	Level 2	Level 3	Total
(Rupees in thousand)				
Financial assets				
Fair value through other comprehensive income	36,485,231	-	7,603,461	44,088,692
Derivative financial assets	-	8,672	-	8,672
Total financial assets	36,485,231	8,672	7,603,461	44,097,364
Financial liabilities				
Derivative financial liabilities	-	57,429	-	57,429
Total financial liabilities	-	57,429	-	57,429

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the nine months period ended 31 March 2022. Further there was no transfer out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

iii) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended 30 June 2021 and for the period ended 31 March 2022:

		Unlisted equity securities (Rupees in thousand)
Balance as on 30 June 2020 - Audited		3,809,318
Add: Investment made during the period		211,328
Add: Surplus recognized in other comprehensive income		102,009
Balance as on 31 March 2021 - Un-audited		4,122,655
Add: Investment made during the period		30,148
Add: Surplus recognized in other comprehensive income		3,450,658
Balance as on 30 June 2021 - Audited		7,603,461
Add: Investment made during the period		776,085
Less: Deficit recognized in other comprehensive income		(709,553)
Balance as on 31 March 2022 - Un-audited		7,669,993

iv) Valuation inputs and relationships to fair value

The following table summarizes the quantitative information about the significant unobservable inputs used in level 3 fair value measurements.

Description	Fair value at		Unobservable inputs	Range of inputs (probability-weighted average)	Relationship of unobservable inputs to fair value
	Un-audited	Audited			
	31 March 2022	30 June 2021		31 March 2022	

(Rupees in thousand)

Fair value through other comprehensive income

Nishat Paper Products Company Limited	367,990	491,661	Terminal growth factor	4.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +99.472 million / - 76.669 million.
			Risk adjusted discount rate	18.82%	
Nishat Dairy (Private) Limited	352,200	437,400	Terminal growth factor	4.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees + 51.000 million / - 38.400 million.
			Risk adjusted discount rate	17.64%	
Security General Insurance Company Limited	574,817	673,603	Terminal growth factor	4.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees +113.102 million / - 80.787 million.
			Risk adjusted discount rate	15.70%	
Nishat Hotels and Properties Limited	1,221,378	1,460,472	Terminal growth factor	4.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees + 571.456 million / - 324.960 million.
			Risk adjusted discount rate	11.06%	
Hyundai Nishat Motor (Private) Limited	4,211,223	4,374,025	Terminal growth factor	4.00%	Increase / decrease in terminal growth factor by 1% and decrease / increase in discount rate by 1% would increase / decrease fair value by Rupees + 570.376 million / - 439.452 million.
			Risk adjusted discount rate	18.52%	

There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

Valuation processes

Independent valuer performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. The independent valuer reports directly to the Chief Financial Officer. Discussions of valuation processes and results are held between the Chief Financial Officer and the valuation team at least once in every six months.

The main level 3 inputs used by the Company are derived and evaluated as follows:

Discount rates for financial instruments are determined using a capital asset pricing model to calculate a rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analyzed at the end of half yearly reporting period during the valuation discussion between the Chief Financial Officer and the independent valuer. As part of this discussion the independent valuer presents a report that explains the reason for the fair value movements.

14 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related parties, post employment benefit plan and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i) Transactions

	Period ended		Quarter ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	(Rupees in thousand)			
Subsidiary companies				
Dividend income	713,241	232,031	361,266	40
Short term loans made	37,785,188	34,337,958	10,816,896	6,970,465
Repayment of short term loans made	37,858,177	33,451,034	13,713,146	9,985,935
Interest income	287,003	250,514	113,661	112,305
Rental income	63,034	57,538	21,682	19,824
Sale of goods and services	7,657,488	6,210,158	3,773,183	1,823,823
Purchase of goods and services	509,157	537,795	237,617	237,173
Associated companies				
Investment made	1,276,249	211,328	500,164	-
Purchase of goods and services	116,997	85,949	5,816	64,905
Sale of goods and services	42,888	25,538	16,929	1,625
Purchase of operating fixed assets	66,789	15,129	33,454	3,000
Rental income	5,140	4,359	1,705	1,672
Dividend income	1,880,804	1,822,737	440,077	1,320,229
Dividend paid	123,047	122,105	-	-
Insurance premium paid	110,765	98,020	24,712	15,358
Insurance claims received	35,529	47,123	7,954	11,251
Interest income	65,249	2,270	2	139
Finance cost	13,675	6,451	6,603	2,119
Other related parties				
Dividend income	261,515	32,689	98,068	-
Purchase of goods and services	3,834,590	1,705,129	1,261,072	436,598
Sale of goods and services	217,180	253,341	70,217	162,906
Company's contribution to provident fund trust	243,952	194,263	84,220	69,332
Remuneration paid to Chief Executive Officer, Director and Executives	1,091,069	837,413	363,809	309,033
Dividend paid	354,670	354,670	-	-

ii) Period end balances

	As at 31 March 2022			Total
	Subsidiary companies	Associated companies	Other related parties	
	(Rupees in thousand)			
Trade and other payables	102,231	9,887	179,578	291,696
Accrued markup	-	4,498	-	4,498
Short term borrowings	-	1,106,608	-	1,106,608
Property, plant and equipment	-	38,701	-	38,701
Long term loans	-	-	268,668	268,668
Trade debts	950,154	1,483	-	951,637
Loans and advances	7,228,995	-	95,170	7,324,165
Accrued interest	29,826	-	-	29,826
Cash and bank balances	-	3,825	426	4,251

	As at 30 June 2021 (Audited)			Total
	Subsidiary companies	Associated companies	Other related parties	
	(Rupees in thousand)			
Trade and other payables	169,270	31,132	46,540	246,942
Accrued markup	-	1,637	-	1,637
Short term borrowings	-	278,182	-	278,182
Property, plant and equipment	-	2,878	-	2,878
Long term loans	-	-	315,773	315,773
Trade debts	364,538	619	-	365,157
Loans and advances	7,302,089	3,533	94,069	7,399,691
Other receivables	41,677	-	-	41,677
Accrued interest	17,642	11,243	-	28,885
Cash and bank balances	-	5,078,906	443	5,079,349

15 FINANCIAL RISK MANAGEMENT

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

16 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 28 April 2022.

Selected Notes to the Unconsolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

17 DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021 (Rupees in thousand)
Description		
Loans / advances obtained as per Islamic mode:		
Loans	7,615,589	6,885,008
Advances	-	1,173,749
Shariah compliant bank deposits / bank balances		
Bank balances	15,857	37,722
	Period ended	Period ended
	31 March 2022 (Rupees in thousand)	31 March 2021 (Rupees in thousand)
Profit earned from shariah compliant bank deposits / bank balances		
Profit on deposits with banks	-	-
Revenue earned from shariah compliant business	84,252,725	51,507,344
Gain / (loss) or dividend earned from shariah compliant investments		
Dividend income	139,674	-
Unrealized loss on remeasurement of investment at FVTOCI	(5,768,650)	(813,685)
Exchange gain / (loss) earned	330,945	75,456
Mark-up paid on Islamic mode of financing	179,457	114,233
Profits earned or interest paid on any conventional loan / advances		
Profit earned on loans to subsidiary companies	287,003	250,514
Interest paid on loans	952,513	590,597
Profit earned on deposits with banks	68,946	75,688
Interest income on loans to employees	6,859	7,542
Relationship with shariah compliant banks		
Name	Relationship	
Habib Bank Limited	Bank balance	
Standard Chartered Bank (Pakistan) Limited (Saadiq Islamic Banking)	Bank balance	
Al-Baraka Bank (Pakistan) Limited	Bank balance	
Bank Islami Pakistan Limited	Bank balance and short term borrowings	
Meezan Bank Limited	Bank balance and short term borrowings	
Dubai Islamic Bank Pakistan Limited	Bank balance and short term borrowings	
MCB Islamic Bank Limited	Bank balance	
Faysal Bank Limited (Barkat Islami)	Short term and long term borrowings	
The Bank of Punjab (Taqwa Islamic Banking)	Bank balance	

18 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the unconsolidated condensed interim statement of financial position and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

19 GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



Consolidated Condensed Interim
Financial Statements of

**Nishat Mills Limited
and its Subsidiaries**

For the nine months ended 31 March 2022



Consolidated Condensed Interim Statement of Financial Position

As at 31 March 2022

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,100,000,000 (30 June 2021: 1,100,000,000) ordinary shares of Rupees 10 each		11,000,000	11,000,000
Issued, subscribed and paid-up share capital			
351,599,848 (30 June 2021: 351,599,848) ordinary shares of Rupees 10 each		3,515,999	3,515,999
Reserves		113,206,402	104,414,731
Equity attributable to equity holders of the Holding Company		116,722,401	107,930,730
Non-controlling interest		13,507,507	12,741,966
Total equity		130,229,908	120,672,696
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing - secured	6	12,529,527	11,705,985
Lease liabilities		1,255,517	1,368,868
Long term security deposit		245,410	269,078
Retirement benefit obligation		30,416	23,008
Deferred liabilities		2,918,516	2,572,634
		16,979,386	15,939,573
CURRENT LIABILITIES			
Trade and other payables		14,196,271	11,390,058
Accrued mark-up		276,289	269,569
Short term borrowings		35,368,216	22,385,156
Current portion of non-current liabilities		5,244,760	5,144,607
Unclaimed dividend		122,888	115,497
		55,208,424	39,304,887
TOTAL LIABILITIES		72,187,810	55,244,460
CONTINGENCIES AND COMMITMENTS	7		
TOTAL EQUITY AND LIABILITIES		202,417,718	175,917,156

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



CHIEF EXECUTIVE OFFICER

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	50,798,299	47,644,512
Right-of-use assets		1,496,576	1,739,404
Long term investments		56,082,478	55,330,247
Long term loans		460,333	532,541
Long term deposits		378,643	277,579
		109,216,329	105,524,283
CURRENT ASSETS			
Stores, spare parts and loose tools		4,394,821	3,307,714
Stock-in-trade		44,445,452	25,795,008
Trade debts		30,034,023	27,111,194
Loans and advances		1,120,342	1,089,975
Advance income tax - net		1,116,121	1,054,299
Short term deposits and prepayments		236,604	191,671
Other receivables		10,002,591	5,431,355
Accrued interest		10,973	13,659
Cash and bank balances		1,840,462	6,397,998
		93,201,389	70,392,873
TOTAL ASSETS		202,417,718	175,917,156



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Profit or Loss

For the nine months ended 31 March 2022 (Un-audited)

	Note	Period ended		Quarter ended	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
		(Rupees in thousand)			
REVENUE	9	118,748,597	75,943,678	42,816,399	25,897,812
COST OF SALES	10	(96,686,168)	(62,820,617)	(35,107,752)	(21,010,291)
GROSS PROFIT		22,062,429	13,123,061	7,708,647	4,887,521
DISTRIBUTION COST		(6,844,758)	(4,810,443)	(2,554,661)	(1,636,083)
ADMINISTRATIVE EXPENSES		(1,931,971)	(1,603,453)	(657,137)	(548,218)
OTHER EXPENSES		(635,405)	(328,034)	(227,782)	(131,009)
		(9,412,134)	(6,741,930)	(3,439,580)	(2,315,310)
		12,650,295	6,381,131	4,269,067	2,572,211
OTHER INCOME		2,417,991	1,990,120	981,073	1,467,118
PROFIT FROM OPERATIONS		15,068,286	8,371,251	5,250,140	4,039,329
FINANCE COST		(1,823,958)	(1,476,447)	(755,282)	(503,025)
		13,244,328	6,894,804	4,494,858	3,536,304
SHARE OF PROFIT FROM ASSOCIATES		1,628,899	2,585,145	958,653	1,289,960
PROFIT BEFORE TAXATION		14,873,227	9,479,949	5,453,511	4,826,264
TAXATION		(1,777,902)	(1,286,575)	(469,278)	(497,809)
PROFIT AFTER TAXATION		13,095,325	8,193,374	4,984,233	4,328,455
SHARE OF PROFIT ATTRIBUTABLE TO:					
EQUITY HOLDERS OF HOLDING COMPANY		11,722,689	7,149,779	4,425,514	4,005,949
NON-CONTROLLING INTEREST		1,372,636	1,043,595	558,719	322,506
		13,095,325	8,193,374	4,984,233	4,328,455
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)					
	11	33.34	20.33	12.59	11.39

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Comprehensive Income

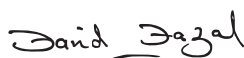
For the nine months ended 31 March 2022 (Un-audited)

	Period ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(Rupees in thousand)			
PROFIT AFTER TAXATION	13,095,325	8,193,374	4,984,233	4,328,455
OTHER COMPREHENSIVE (LOSS) / INCOME				
Items that will not be reclassified to profit or loss:				
Remeasurement of retirement benefits of associates - net of tax	(2,256)	1,792	(2,256)	-
(Deficit) / surplus arising on remeasurement of investments at fair value through other comprehensive income	(1,195,988)	1,336,964	(471,915)	(1,026,186)
Share of (deficit) / surplus on remeasurement of investments at fair value through other comprehensive income of associates - net of tax	(441,578)	578,676	(308,833)	(505,589)
Deferred income tax relating to deficit on investments at fair value through other comprehensive income	24,784	-	8,339	-
	(1,615,038)	1,917,432	(774,665)	(1,531,775)
Items that may be reclassified subsequently to profit or loss:				
Exchange differences on translating foreign operations	90,419	(48,728)	20,899	(19,917)
Other comprehensive (loss) / income for the period- net of tax	(1,524,619)	1,868,704	(753,766)	(1,551,692)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	11,570,706	10,062,078	4,230,467	2,776,763
SHARE OF TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
Equity holders of holding company	10,198,070	9,018,483	3,671,748	2,454,257
Non-controlling interest	1,372,636	1,043,595	558,719	322,506
	11,570,706	10,062,078	4,230,467	2,776,763

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Changes in Equity

For the nine months ended 31 March 2022 (Un-audited)

Attributable to Equity Holders of the Holding Company													
Share Capital	Premium on Issue of Right Shares	Capital Reserves					Revenue Reserves			Total Reserves	Shareholders' Equity	Non-controlling Interest	Total Equity
		Fair Value Reserve FVTOT Investments	Exchange Transition Reserve	Statutory Reserve	Capital Redemption Reserve Fund	Maintenance Reserve	Sub Total	General Reserve	Unappropriated Profit				
(Rupees in thousand)													
3,515,999	5,499,530	7,930,664	224,659	835	111,002	1,608,668	15,375,358	71,163,214	6,298,146	77,461,360	96,352,717	11,606,574	107,959,291
Balance as at 30 June 2020 - (Audited)													
Transaction with owners - Frial dividend for the year ended 30 June 2020 @ Rupees 4.00 per share													
-	-	-	-	-	-	-	-	-	(1,406,399)	(1,406,399)	(1,406,399)	-	(1,406,399)
Transaction with owners - Dividend relating to year 2020 paid to non-controlling interest													
-	-	-	-	-	-	-	-	-	-	-	-	(173,456)	(173,456)
Transferred to general reserve													
-	-	-	-	-	-	-	-	4,880,000	(4,880,000)	-	-	-	-
-	-	-	-	-	-	-	-	-	7,149,779	7,149,779	7,149,779	1,045,595	8,193,374
-	-	1,915,640	(48,728)	-	-	-	1,866,912	-	1,792	1,792	1,868,704	-	1,868,704
-	-	1,915,640	(48,728)	-	-	-	1,866,912	-	7,151,571	7,151,571	9,018,483	1,045,595	10,062,078
Total comprehensive income / (loss) for the period													
3,515,999	5,499,530	9,846,304	175,931	835	111,002	1,608,668	17,242,270	76,053,214	7,153,318	83,206,532	103,964,801	12,476,713	116,441,514
Balance as at 31 March 2021- (Un-Audited)													
Adjustments due to equity accounted investee companies													
-	-	(579,789)	-	-	-	-	(579,789)	-	2,015,263	2,015,263	1,435,474	-	1,435,474
-	-	-	-	3,347	-	-	3,347	-	(3,347)	(3,347)	-	-	-
Transferred to statutory reserve													
-	-	-	-	-	-	-	-	-	2,746,969	2,746,969	2,746,969	265,253	3,012,222
-	-	(245,987)	10,826	-	-	-	(235,161)	-	18,647	18,647	(216,514)	-	(216,514)
-	-	(245,987)	10,826	-	-	-	(235,161)	-	2,765,616	2,765,616	2,530,455	265,253	2,795,708
Total comprehensive (loss) / income for the period													
3,515,999	5,499,530	9,020,528	186,757	4,182	111,002	1,608,668	16,430,667	76,053,214	11,930,650	87,984,064	104,414,731	12,741,966	120,672,696
Balance as at 30 June 2021 - (Audited)													
Transaction with owners - Dividend relating to year 2021 paid to non-controlling interest													
-	-	-	-	-	-	-	-	-	-	-	-	(607,095)	(607,095)
Transaction with owners - Frial dividend for the year ended 30 June 2021 @ Rupees 4.00 per share													
-	-	-	-	1,366	-	-	1,366	-	(1,406,399)	(1,406,399)	(1,406,399)	-	(1,406,399)
Transferred to statutory reserve													
-	-	-	-	-	-	-	-	10,524,000	(1,366)	(1,366)	-	-	-
Transferred to general reserve													
-	-	-	-	-	-	-	-	-	11,722,689	11,722,689	11,722,689	1,372,636	13,095,325
-	-	(1,612,782)	90,419	-	-	-	(1,522,363)	-	(2,256)	(2,256)	(1,524,619)	-	(1,524,619)
-	-	(1,612,782)	90,419	-	-	-	(1,522,363)	-	11,720,433	11,720,433	10,198,070	1,372,636	11,570,706
Total comprehensive (loss) / income for the period													
3,515,999	5,499,530	7,407,746	277,176	5,548	111,002	1,608,668	14,909,670	86,577,214	11,719,518	98,296,732	113,206,402	13,507,507	130,229,908
Balance as at 31 March 2022 - (Un-audited)													

Balance as at 30 June 2020 - (Audited)

Transaction with owners - Final dividend for the year ended 30 June 2020 @ Rupees 4.00 per share

Transaction with owners - Dividend relating to year 2020 paid to non-controlling interest

Transferred to general reserve

Profit for the period

Other comprehensive income / (loss) for the period

Total comprehensive income / (loss) for the period

Balance as at 31 March 2021 - (Un-Audited)

Adjustments due to equity accounted investee companies

Transferred to statutory reserve

Profit for the period

Other comprehensive (loss) / income for the period

Total comprehensive (loss) / income for the period

Balance as at 30 June 2021 - (Audited)

Transaction with owners - Dividend relating to year 2021 paid to non-controlling interest

Transaction with owners - Final dividend for the year ended 30 June 2021 @ Rupees 4.00 per share

Transferred to statutory reserve

Transferred to general reserve

Profit for the period

Other comprehensive (loss) / income for the period

Total comprehensive (loss) / income for the period

Balance as at 31 March 2022 - (Un-audited)

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

Umma Noor

CHIEF EXECUTIVE OFFICER

David Dajal

DIRECTOR

CHIEF FINANCIAL OFFICER

Consolidated Condensed Interim Statement of Cash Flows

For the nine months ended 31 March 2022 (Un-audited)

		Period ended	
		31 March 2022	31 March 2021
	Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	12	(7,406,743)	8,406,756
Finance cost paid		(1,785,140)	(1,585,131)
Income tax paid		(1,371,958)	(1,041,544)
Long term security deposits paid		(23,668)	(26,823)
Net exchange difference on forward exchange contracts received		5,412	1,843
Net increase in retirement benefit obligation		7,169	973
Net decrease / (increase) in long term loans		85,217	(159,876)
Net increase in long term deposits		(101,064)	(49,091)
Net cash (used in) / generated from operating activities		(10,590,775)	5,547,107
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(6,437,430)	(2,860,717)
Proceeds from sale of property, plant and equipment		128,614	286,560
Dividends received		2,147,948	1,856,027
Loans and advances to associated company		(76,300)	(51,300)
Repayment of loan from associated company		50,100	10,000
Interest received		104,282	83,934
Proceeds from sale of investments		-	36,979
Investments made		(1,367,582)	(229,672)
Net cash used in investing activities		(5,450,368)	(868,189)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		3,345,472	2,817,626
Repayment of long term financing		(2,403,055)	(356,919)
Repayment of lease liabilities		(526,186)	(423,863)
Exchange differences on translation of net investments in foreign subsidiaries		90,419	(48,728)
Short term borrowings - net		12,983,060	(5,113,709)
Dividend paid		(2,006,103)	(1,571,910)
Net cash from / (used in) financing activities		11,483,607	(4,697,503)
Net decrease in cash and cash equivalents		(4,557,536)	(18,585)
Cash and cash equivalents at the beginning of the period		6,397,998	758,727
Cash and cash equivalents at the end of the period		1,840,462	740,142

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



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

1 THE GROUP AND ITS OPERATIONS

The Group consists of:

Holding Company

-Nishat Mills Limited

Subsidiary Companies

-Nishat Power Limited
 -Nishat Linen (Private) Limited
 -Nishat Hospitality (Private) Limited
 -Nishat USA, Inc.
 -Nishat Linen Trading LLC
 -Nishat International FZE
 -China Guangzhou Nishat Global Co., Ltd.
 -Nishat Commodities (Private) Limited
 -Lalpir Solar Power (Private) Limited

NISHAT MILLS LIMITED

Nishat Mills Limited is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The Company is engaged in the business of textile manufacturing and of spinning, combing, weaving, bleaching, dyeing, printing, stitching, apparel, buying, selling and otherwise dealing in yarn, linen, cloth and other goods and fabrics made from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity.

NISHAT POWER LIMITED

Nishat Power Limited is a public limited Company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. The Company is a subsidiary of Nishat Mills Limited. The principal activity of the Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW ISO in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. Its registered office is situated at 53-A, Lawrence Road, Lahore. Ownership interest held by non-controlling interests in Nishat Power Limited is 48.99% (30 June 2021: 48.99%).

The Subsidiary Company had a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from June 09, 2010. On February 12, 2021, the Subsidiary Company entered into a Novation Agreement to the PPA with NTDC and Central Power Purchasing Agency (Guarantee) Limited ('CPPA-G' and also referred to as the 'Power Purchaser'), whereby, NTDC irrevocably transferred all of its rights, obligations and liabilities under the PPA to CPPA-G and thereafter, NTDC ceased to be a party to the PPA, and CPPA-G became a party to the PPA in place of NTDC. Further, on the same day, the Subsidiary Company entered into the PPA Amendment Agreement, whereby the Agreement Year that was ending on June 8, 2021 was extended by sixty eight (68) days to August 15, 2021. Therefore, the existing term of the PPA Agreement has been extended by sixty eight days to twenty five years and sixty eight days ending on August 15, 2035.

NISHAT LINEN (PRIVATE) LIMITED

Nishat Linen (Private) Limited, a wholly owned subsidiary of Nishat Mills Limited, is a private limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) on 15 March 2011. The registered office of Nishat Linen (Private) Limited is situated at 7-Main, Gulberg Lahore. The principal objects of the Company are to operate retail outlets for sale of textile and other products and to sell the textile products by processing the textile goods in own and outside manufacturing facility.

NISHAT HOSPITALITY (PRIVATE) LIMITED

Nishat Hospitality (Private) Limited, a wholly owned subsidiary of Nishat Mills Limited, is a private limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) on 01 July 2011. The registered office of Nishat Hospitality (Private) Limited is situated at 1-B Aziz Avenue, Canal Bank, Gulberg-V, Lahore. The principal business place of the Company is situated at 9-A, Mian Mehmood Ali Kasuri Road, Gulberg-III, Lahore. The principal activity of the Company is to carry on the business of hotels, cafes, restaurants and lodging or apartment houses, bakers and confectioners in Pakistan and outside Pakistan.

NISHAT USA, INC.

Nishat USA, Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Nishat USA, Inc. is situated at 676 Broadway, New York, NY 10012, U.S.A. The principal business of the Company is to provide marketing services to Nishat Mills Limited - Holding Company. Nishat Mills Limited acquired 100% shareholding of Nishat USA, Inc. on 01 October 2008.

NISHAT LINEN TRADING LLC

Nishat Linen Trading LLC is a limited liability company formed in pursuance to statutory provisions of the United Arab Emirates (UAE) Federal Law No. (8) of 1984 as amended and registered with the Department of Economic Development, Government of Dubai. Nishat Linen Trading LLC is a subsidiary of Nishat Mills Limited as Nishat Mills Limited, through the powers given to it under Article 11 of the Memorandum of Association, exercise full control on the management of Nishat Linen Trading LLC. Date of incorporation of the Company was 29 December 2010. The registered office of Nishat Linen Trading LLC is situated at P.O. Box 28189 Dubai, UAE. The principal business of Nishat Linen Trading LLC is to operate retail outlets in UAE for sale of textile and related products. The registered address of Nishat Linen Trading LLC in U.A.E. is located at Shop No. SC 128, Dubai Festival City, P.O. Box 28189 Dubai, United Arab Emirates.

NISHAT INTERNATIONAL FZE

Nishat International FZE is incorporated as free zone establishment with limited liability in accordance with the Law No. 9 of 1992 and licensed by the Registrar of Jebel Ali Free Zone Authority. Nishat International FZE is a wholly owned subsidiary of Nishat Mills Limited. Date of incorporation of the Company was 07 February 2013. The registered office of Nishat International FZE is situated at P.O. Box 114622, Jebel Ali Free Zone, Dubai. The principal business of the Company is trading in textile and related products.

CHINA GUANGZHOU NISHAT GLOBAL CO., LTD.

China Guangzhou Nishat Global Co., Ltd. is a Company incorporated in People's Republic of China on 25 November 2013. It is a wholly owned subsidiary of Nishat International FZE which is a wholly owned subsidiary of Nishat Mills Limited. The primary function of China Guangzhou Nishat Global Co., Ltd. is to competitively source products for the retail outlets operated by Group companies in Pakistan and the UAE. The registered office of China Guangzhou Nishat Global Co., Ltd. is situated at N801, No. 371-375 East Huanshi Road, Yuexiu District, Guangzhou City, China.

NISHAT COMMODITIES (PRIVATE) LIMITED

Nishat Commodities (Private) Limited is a private limited Company incorporated in Pakistan on 16 July 2015 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). It is a wholly owned subsidiary of Nishat Mills Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The principal object of the Company is to carry on the business of trading of commodities including fuels, coals, building material in any form or shape manufactured, semi-manufactured, raw materials and their import and sale in Pakistan.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

LALPIR SOLAR POWER (PRIVATE) LIMITED

Lalpir Solar Power (Private) Limited is a private limited Company incorporated in Pakistan on 19 November 2015 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017). It is a wholly owned subsidiary of Nishat Power Limited which is a subsidiary of Nishat Mills Limited. Its registered office is situated at 53-A, Lawrence Road, Lahore. The principal activity of the Company is to build, own, operate and maintain or invest in a solar PV power project having gross capacity upto 20 MWp. The Company achieved various milestones like approval of feasibility study, No Objection Certificate (NOC) from Environmental Protection Agency (EPA), approval of Grid Interconnection Study (GIS) from Multan Electric Power Company Limited (MEPCO) and from National Transmission and Despatch Company Limited (NTDCL). Further, consent for purchasing power from the project have also been provided by MEPCO. Generation Licence No. SPGL/26/2018 has been granted by National Electric Power Regulatory Authority (NEPRA) to the Company for its 11.120 MW Solar PV Power Project located at Mauza Verar, Sipra Mehmood Kot, District Muzaffargarh, in the province of Punjab, pursuant to Section 14(B) of the Regulation of Generation, Transmission and Distribution of Electric Power Act, 1997 / Amendment Act, 2018. The upfront solar tariff announced by NEPRA expired on 30 June 2016.

The management of the Company continuously tried its best to get Power Acquisition Request and Consent to Procure Power from Central Power Purchasing Agency (Guarantee) Limited (CPPA-G) so that development of the project can be moved forward. However, CPPA-G informed the Company that Ministry of Energy has conveyed the Cabinet Committee on Energy (CCoE) decision to CPPA-G and further sent a list of 145 projects as approved by the Cabinet for necessary action. The CPPA-G stated that power project of the Company is not included in the list of 145 projects, therefore, CPPA-G is of the view that request of the Company cannot be entertained. Furthermore, during the prior year Alternate Energy Development Board (AEDB) informed that Solar PV Power Project of the Company is placed under category III of the decision of the Cabinet Committee on Energy (CCoE). All category-III projects are allowed by the CCoE to proceed ahead subject to becoming successful in the competitive bidding process to be undertaken by AEDB, based on the quantum ascertained for each technology by Indicative Generation Capacity Expansion Plan (IGCEP) by NTDCL.

The management understand that to-date, no such competitive bidding process has been undertaken even the IGCEP has not been finalized to-date. The response of CPPA-G and AEDB have made the Solar PV Power Project of the Company more complicated. During the prior year, on request of the Company, the Letter of Intent had been cancelled by AEDB. On request of the Company, NEPRA has cancelled the Generation License of the Company. Hence, voluntary winding up of the Company under the Companies Act, 2017 is being considered.

In view of the aforesaid reasons, the Company is not considered a going concern.

2 BASIS OF PREPARATION

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

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting 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.

- 2.2** These consolidated condensed interim financial statements are unaudited and do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Group for the year ended 30 June 2021.

3 ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these consolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2021.

4 CONSOLIDATION

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date when control ceases.

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

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost.

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in equity method accounted for associates are tested for impairment in accordance with the provision of IAS 36 'Impairment of Assets'.

5 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these consolidated condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Group's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these consolidated condensed interim financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published consolidated financial statements of the Group for the year ended 30 June 2021.

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
6 LONG TERM FINANCING - SECURED			
Opening balance		14,948,301	10,136,154
Add: Obtained during the period / year		3,345,472	6,744,988
Less: Repaid during the period / year		(2,403,055)	(1,756,252)
Less: Deferred Income recognised during the period / year		(21,448)	(291,514)
Add: Amortised during the period / year		94,327	114,925
Net impact	6.1	72,879	(176,589)
		15,963,597	14,948,301
Less: Current portion shown under current liabilities		(3,434,070)	(3,242,316)
		12,529,527	11,705,985

6.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

7 CONTINGENCIES AND COMMITMENTS

a) Contingencies

- i) Guarantees of Rupees 3,723.214 million (30 June 2021: Rupees 3,438.360 million) are given by the banks of Nishat Mills Limited - Holding Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited and Pakistan State Oil Limited against purchase of furnace oil, Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess, Directorate of Cotton Cess Management against cotton cess, Collector of Customs against regulatory duty, State Bank of Pakistan against mark-up subsidy, Inspector General Frontier Corps KP (South) and The President of Islamic Republic of Pakistan through the Controller of Military Accounts (Defence Purchase) against fulfillment of sales orders, High Court of Sindh, Karachi against the matter of importation of LED lights and to the bank of Hyundai Nishat Motor (Private) Limited (associated company) to secure financial assistance to the associated company. Further, Holding Company has issued cross corporate guarantees of Rupees 1,173.333 million (30 June 2021: Rupees 1,173.333 million), Rupees 41.600 million (30 June 2021: Rupees 41.600 million) and Rupees 1,750 million (30 June 2021: Rupees 1,750 million) on behalf of Nishat Linen (Private) Limited - wholly owned subsidiary company, Nishat Hospitality (Private) Limited - wholly owned subsidiary company and Nishat Sutas Dairy Limited - associated company respectively to secure the obligations of subsidiary companies and associated company towards their lenders.
- ii) Post dated cheques of Rupees 12,839.972 million (30 June 2021: Rupees 10,758.912 million) are issued by Nishat Mills Limited - Holding Company to customs authorities in respect of duties on imported items availed on the basis of consumption and export plans. If documents of exports are not provided on due dates, cheques issued as security shall be encashable.
- iii) Nishat Mills Limited - Holding Company's share in contingencies of associates accounted for under equity method is Rupees 6,930 million (30 June 2021: Rupees 4,137 million).
- iv) A sales tax demand of Rupees 1,218.132 million was raised against Nishat Power Limited - Subsidiary Company through order dated December 11, 2013, passed by the Assistant Commissioner Inland Revenue ('ACIR') disallowing input sales tax for the tax periods of July 2010 through June 2012. The disallowance was primarily made on the grounds that since revenue derived by the Subsidiary Company on account of 'capacity revenue' was not chargeable to sales tax, input sales tax claimed by the Subsidiary Company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy revenue' admissible to the Subsidiary Company. Upon appeal before Commissioner Inland Revenue (Appeals) ['CIR(A)'], such issue was decided in Subsidiary Company's favour, however, certain other issues agitated by the Subsidiary Company were not adjudicated. Both the Subsidiary Company and department have filed appeals against the order of CIR(A) before Appellate Tribunal Inland Revenue ('ATIR'), which are pending adjudication.

Subsequently, the above explained issue was taken up by department for tax periods of July 2009 to June 2013 (involving input sales tax of Rupees 1,722.811 million), however, the Subsidiary Company assailed the underlying proceedings before Lahore High Court ('LHC') directly and in this respect, through order dated October 31, 2016, LHC accepted the Subsidiary Company's stance and annulled the proceedings. The department has

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

challenged the decision of LHC before Supreme Court of Pakistan and has also preferred an Intra Court Appeal against such order which are pending adjudication.

Similarly, for financial year 2014, Subsidiary Company's case was selected for 'audit' and such issue again formed the core of audit proceedings (involving input sales tax of Rupees 596.091 million). The Subsidiary Company challenged the jurisdiction in respect of audit proceedings before LHC and while LHC directed the management to join the subject proceedings, department was debarred from passing the adjudication order. During the year 2019, LHC dismissed the petition in favour of the department, by allowing the department to complete the audit proceedings that are pending for completion. On January 26, 2021, the department raised demand against such proceedings, however, Subsidiary Company obtained interim relief from Appellate Tribunal Inland Revenue by applying stay against such demand. The matter is currently pending adjudication.

Similarly, in preceding year in respect of tax periods July 2016 to June 2017, Subsidiary Company's case was selected for 'audit' and such issue again formed the core of audit proceedings (involving input sales tax of Rs. 541.486 million). The proceedings are underway, however, matter is currently pending adjudication before ACIR.

Since the issue has already been decided in Subsidiary Company's favour on merits by LHC and based on advice of the Subsidiary Company's legal counsel, no provision on these accounts have been made in these consolidated condensed interim financial statements.

- v) On April 16, 2019, the Commissioner Inland Revenue through an order raised a demand of Rupees 179.046 million against Nishat Power Limited - Subsidiary Company, mainly on account of input tax claimed on inadmissible expenses in sales tax return for the tax periods of July 2014 to June 2017 and sales tax default on account of suppression of sales related to tax period June 2016. The Subsidiary Company filed application for grant of stay before the ATIR against recovery of the aforesaid demand that was duly granted. Further, the Subsidiary Company has filed appeals before CIR(A) and ATIR against the order which are pending adjudication. Management of Subsidiary Company has strong grounds to believe that the case will be decided in Subsidiary Company's favour. Therefore, no provision has been made on this account in these consolidated condensed interim financial statements.
- vi) On February 13, 2019, National Electric Power Regulatory Authority ('NEPRA') issued a show cause to Nishat Power Limited - Subsidiary Company along with other Independent Power Producers to provide rationale of abnormal profits earned since commercial operation date (COD) that eventually led to initiation of proceedings against the Subsidiary Company by NEPRA on March 18, 2019. The Subsidiary Company challenged the authority of NEPRA to take suo moto action before the Islamabad High Court (IHC) wherein, on April 1, 2019, IHC provided interim relief by suspending the suo moto proceedings. The case is currently pending adjudication before IHC. Management of Subsidiary Company is confident that based on the facts and law, there will be no adverse implications for the Subsidiary Company.
- vii) On March 16, 2020, Government of Pakistan ('GoP') issued a report through which it was alleged that savings were made by the Independent Power Producers ('IPPs'), including Nishat Power Limited - Subsidiary Company, in the tariff components in violation of applicable GoP Policies, tariff determined by National Electric Power Regulatory Authority ('NEPRA') and the relevant Project Agreements. The Subsidiary Company rejected such claims, and discussions were made with the GoP to resolve the dispute.

On 12 February 2021, the Subsidiary Company under the Agreements agreed that the abovementioned dispute will be resolved through arbitration under the Arbitration Submission Agreement between the Subsidiary Company and GoP.

Management of the Subsidiary Company believes that there are strong grounds that the matter will ultimately be decided in Subsidiary Company's favor. Furthermore, its financial impact cannot be reasonably estimated at this stage, hence, no provision in this respect has been made in these consolidated condensed interim financial statements.

- viii) The banks have issued the following on behalf of Nishat Power Limited - Subsidiary Company:
- a) Letter of guarantee of Rupees 12.30 million (30 June 2021: Rupees 11.50 million) in favour of Director Excise and Taxation, Karachi, under directions of Sindh High Court and Supreme Court in respect of suit filed for levy of infrastructure cess.
 - b) Letters of guarantee of Rupees Nil (30 June 2021: Rupees 600 million) in favour of fuel suppliers.
 - c) Letter of guarantee of Rupees 1.5 million (30 June 2021: Rupees 1.5 million) in favour of Punjab Revenue Authority, Lahore.
 - d) Letters of guarantee of Rs 1.6 million (2021: Nil) in favour of Collector of Customs Lahore and Collector of Customs Karachi under directions of Lahore High Court and Sindh High Court respectively, in respect of suit filed for concessionary rate of duty under Customs Act, 1969.
- ix) Guarantees of Rupees 147.350 million (30 June 2021: Rupees 107.350 million) are given by Nishat Linen (Private) Limited - Subsidiary Company to Director Excise and Taxation, Karachi against infrastructure cess, Chairman Punjab Revenue Authority, Lahore against infrastructure cess and Collectors of Customs against import consignments.
- x) Through notice dated 25 January 2018, issued by the Deputy Commissioner Inland Revenue (DCIR) under sections 161/205 of the Income Tax Ordinance, 2001, Nishat Linen (Private) Limited - Subsidiary Company had been called upon to demonstrate its compliance with various withholding provisions of the Income Tax Ordinance, 2001. The subject proceedings have been finalized through order dated 03 August 2018, whereby, aggregate default amounting to Rupees 2.551 million has been adjudged against the Subsidiary Company. Subsidiary Company's appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] was successful except for the legal issue amounting to Rupees 1.419 million. Appeal on this point has been filed before the Appellate Tribunal Inland Revenue which is pending adjudication. Subsidiary Company is confident of favorable outcome of its appeal based on advice of the tax advisor.
- xi) Bank guarantee of Rupees 1.900 million (30 June 2021: Rupees 1.900 million) is given by the bank of Nishat Commodities (Private) Limited - Subsidiary Company in favour of Director, Excise and Taxation, Karachi to cover the disputed amount of Sindh infrastructure cess.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

b) Commitments

- i) Contracts for capital expenditure of the Group are approximately of Rupees 2,351.084 million (30 June 2021: Rupees 3,469.028 million).
- ii) Letters of credit other than for capital expenditure of the Group are of Rupees 6,666.693 million (30 June 2021: Rupees 4,451.831 million).
- iii) Outstanding foreign currency forward contracts of the Group are Rupees 6,334.935 million (30 June 2021: Rupees 6,400.041 million).
- iv) The amount of future payments under non-cancellable operating lease and the period in which these payments will become due from Nishat Power Limited - Subsidiary Company is as follows:

	Note	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
Not later than one year		3,894	3,894
8 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	45,533,590	41,256,832
Capital work in progress	8.2	5,164,718	6,283,283
Major spare parts and standby equipment		99,991	104,397
		50,798,299	47,644,512
8.1 Operating fixed assets			
Opening book value		41,256,832	41,076,157
Add: Cost of additions during the period / year	8.1.1	7,499,010	4,313,595
Less: Reversal of provision		-	(98,528)
		48,755,842	45,291,224
Less: Book value of deletions during the period / year	8.1.2	(76,694)	(192,930)
		48,679,148	45,098,294
Less: Depreciation charged during the period / year		(3,161,559)	(3,834,678)
Add / (Less) : Currency retranslation		16,001	(6,784)
		45,533,590	41,256,832

	Un-audited 31 March 2022 (Rupees in thousand)	Audited 30 June 2021
8.1.1 Cost of additions		
Freehold land	120,578	20,823
Buildings on freehold land	830,474	585,474
Plant and machinery	5,981,295	3,148,475
Electric installations	228,970	43,114
Factory equipment	54,138	18,010
Furniture, fixtures and office equipment	116,562	61,356
Computer equipment	37,680	37,682
Vehicles	129,313	398,603
Kitchen equipment and crockery items	-	58
	7,499,010	4,313,595
8.1.2 Book value of deletions		
Freehold land	-	107,722
Buildings on freehold land	-	20,656
Plant and machinery	39,701	24,760
Electric installations	-	45
Furniture, fixtures and office equipment	14	257
Computer equipment	630	693
Vehicles	36,349	38,797
	76,694	192,930
8.2 Capital work-in-progress		
Buildings on freehold land	1,857,159	1,491,950
Plant and machinery	3,089,450	4,668,353
Unallocated capital expenditures	39,290	9,675
Electric installations	800	17,567
Advances against purchase of freehold land	56,904	47,804
Advances against furniture, fixtures and office equipment	11,024	13,152
Advances for purchase of vehicles	110,091	34,782
	5,164,718	6,283,283

Selected Notes to the Consolidated Condensed Interim Financial Statements
For the nine months ended 31 March 2022 (Un-audited)

For the nine months ended 31 March 2022 (Un-audited)

9 REVENUE

9.1 In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition.

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9.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

	Period ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(Rupees in thousand)			
10 COST OF SALES				
Raw materials consumed	73,172,301	40,009,444	24,819,902	13,855,639
Processing charges	730,568	548,454	208,588	186,248
Salaries, wages and other benefits	7,643,532	6,132,757	2,680,953	2,257,245
Stores, spare parts and loose tools consumed	7,625,134	5,718,710	2,793,216	2,217,613
Packing materials consumed	1,888,757	1,388,035	674,631	505,309
Repair and maintenance	522,496	345,584	188,434	114,629
Fuel and power	7,444,748	4,569,878	2,951,095	1,538,490
Insurance	261,433	255,571	89,230	86,145
Royalty	-	6,565	-	1,171
Other factory overheads	805,861	557,196	313,583	207,561
Depreciation and amortization	2,962,801	2,633,939	1,034,464	907,232
	103,057,631	62,166,133	35,754,096	21,877,282
Work-in-process				
Opening stock	3,044,441	2,244,439	4,575,652	2,555,569
Closing stock	(5,094,407)	(3,052,745)	(5,094,407)	(3,052,745)
	(2,049,966)	(808,306)	(518,755)	(497,176)
Cost of goods manufactured	101,007,665	61,357,827	35,235,341	21,380,106
Finished goods				
Opening stock	9,641,809	9,393,252	13,835,717	7,560,647
Closing stock	(13,963,306)	(7,930,462)	(13,963,306)	(7,930,462)
	(4,321,497)	1,462,790	(127,589)	(369,815)
	96,686,168	62,820,617	35,107,752	21,010,291

		Period ended	
		31 March 2022	31 March 2021
11 EARNINGS PER SHARE - BASIC AND DILUTED			
There is no dilutive effect on the basic earnings per share which is based on:			
Profit attributable to ordinary shareholders of Holding Company	(Rupees in thousand)	11,722,689	7,149,779
Weighted average number of ordinary shares of Holding Company	(Numbers)	351,599,848	351,599,848
Earnings per share	(Rupees)	33.34	20.33

		Period ended	
		31 March 2022	31 March 2021
Note		(Rupees in thousand)	
12 CASH (USED IN) / GENERATED FROM OPERATIONS			
Profit before taxation		14,873,227	9,479,949
Adjustments for non-cash charges and other items:			
Depreciation and amortization		3,161,461	3,368,703
Depreciation on right-of-use assets		549,844	-
Gain on sale of property, plant and equipment		(51,920)	(170,929)
Dividend income		(1,543,520)	(1,379,213)
Allowance for expected credit losses recognised / (reversed)		402	(1,283)
Profit on deposits with banks and associated Company		(101,596)	(88,119)
Share of profit from associates		(1,628,899)	(2,585,145)
Net exchange (gain) / loss		(331,749)	60,301
Finance cost		1,823,958	1,476,447
Reversal of provision for slow moving, obsolete and damaged store items		-	(13)
Gain on initial recognition of GIDC payable at amortized cost		-	(110,431)
Loss on termination of leases		3,626	-
Working capital changes	12.1	(24,161,577)	(1,643,511)
		(7,406,743)	8,406,756

12.1 Working capital changes

(Increase) / decrease in current assets:			
- Stores, spare parts and loose tools		(1,087,107)	(421,261)
- Stock in trade		(18,650,444)	(156,430)
- Trade debts		(2,574,192)	(2,747,001)
- Loans and advances		(17,176)	150,534
- Short term deposits and prepayments		(44,933)	(60,831)
- Other receivables		(4,559,478)	1,655
		(26,933,330)	(3,233,334)
Increase in trade and other payables		2,771,753	1,589,823
		(24,161,577)	(1,643,511)

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

13 SEGMENT INFORMATION

- 13.1** The Group has following reportable business segments. The following summary describes the operation in each of the Group's reportable segments:

Spinning Faisalabad (I and II), Feroze Wattwan (I and II) and Lahore:	Producing different qualities of yarn including dyed yarn and sewing thread using natural and artificial fibers.
Weaving (Bhikki and Lahore):	Producing different qualities of greige fabric using yarn.
Dyeing:	Producing dyed fabric using different qualities of grey fabric.
Home Textile and Terry:	Manufacturing of home textile articles using processed fabric produced from greige fabric and manufacturing of terry and bath products.
Garments:	Manufacturing of garments using processed fabric.
Power Generation:	Generation, transmission and distribution of power using gas, oil, steam, coal, solar and biomass.
Hotel:	Business of hotel and allied services.

Transactions among the business segments are recorded at cost. Inter segment sales and purchases have been eliminated from the total.

Total assets for reportable segments
 Discontinued assets
 Long-term investments
 Other receivables
 Cash and bank balances
 Other corporate assets
 Total assets as per consolidated condensed
 interim statement of financial position

Total liabilities for reportable segments
 Discontinued liabilities
 Deferred liabilities
 Other corporate liabilities
 Total liabilities as per consolidated condensed
 interim statement of financial position

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

14 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

i) Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these consolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

At 31 March 2022 - Un-audited

(Rupees in thousand)

Financial assets				
Fair value through other comprehensive income	14,625,798	-	-	14,625,798
Derivative financial assets	-	20,430	-	20,430
Total financial assets	14,625,798	20,430	-	14,646,228
Financial liabilities				
Derivative financial liabilities	-	91,889	-	91,889
Total financial liabilities	-	91,889	-	91,889

Recurring fair value measurements

Level 1	Level 2	Level 3	Total
---------	---------	---------	-------

At 30 June 2021 - Audited

(Rupees in thousand)

Financial assets				
Fair value through other comprehensive income	15,780,453	-	-	15,780,453
Derivative financial assets	-	8,672	-	8,672
Total financial assets	15,780,453	8,672	-	15,789,125
Financial liabilities				
Derivative financial liabilities	-	57,429	-	57,429
Total financial liabilities	-	57,429	-	57,429

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period ended 31 March 2022. Further there was no transfer out of level 3 measurements.

The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

Valuation processes

Independent valuer performs the valuations of non-property items required for financial reporting purposes, including level 3 fair values. The independent valuer reports directly to the Chief Financial Officer of the Holding Company. Discussions of valuation processes and results are held between the Chief Financial Officer of the Holding Company and the valuation team at least once in every six months.

The main level 3 inputs used by the Group are derived and evaluated as follows:

Discount rates for financial instruments are determined using a capital asset pricing model to calculate a rate that reflects current market assessments of the time value of money and the risk specific to the asset.

Earnings growth factor for unlisted equity securities are estimated based on market information for similar types of companies.

Changes in level 2 and 3 fair values are analyzed at the end of half yearly reporting period during the valuation discussion between the Chief Financial Officer of the Holding Company and the independent valuer. As part of this discussion the independent valuer presents a report that explains the reason for the fair value movements.

Selected Notes to the Consolidated Condensed Interim Financial Statements

For the nine months ended 31 March 2022 (Un-audited)

15 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related parties, post employment benefit plan and key management personnel. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties is as follows:

i) Transactions

	Period ended		Quarter ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(Rupees in thousand)			
Associated companies				
Investment made	1,326,249	211,328	550,164	-
Short term loans made	76,300	51,300	-	-
Repayment of short term loans	50,100	10,000	50,100	-
Purchase of goods and services	245,160	273,075	48,630	101,831
Sharing of expenses	646	6,926	54	166
Sale of goods and services	68,905	29,228	24,142	3,286
Purchase of operating fixed assets	71,791	15,129	33,454	3,000
Sale of operating fixed assets	-	270	-	-
Rental income	5,140	4,359	1,705	1,672
Rent paid	67,750	62,491	22,466	21,991
Dividend income	1,276,376	1,345,923	440,077	1,320,229
Dividend paid	123,047	122,105	-	-
Insurance premium paid	345,636	344,966	98,152	90,807
Insurance claims received	77,384	57,427	34,537	12,745
Interest income	93,974	9,150	21,787	2,871
Finance cost	34,002	24,209	11,089	8,563
Other related parties				
Dividend income	261,515	32,689	98,068	-
Purchase of goods and services	4,287,125	1,977,329	1,341,110	589,761
Sale of goods and services	225,813	483,623	70,395	194,034
Finance cost	626	361	265	34
Group's contribution to provident fund trust	303,406	248,061	104,188	87,621
Remuneration paid to Chief Executive Officer, Director and Executives of the Holding Company	1,091,069	837,413	363,809	309,033
Dividend paid	354,670	354,670	-	-

ii) Period end balances

	As at 31 March 2022		
	Associated companies	Other related parties	Total
	(Rupees in thousand)		
Trade and other payables	15,375	201,236	216,611
Accrued markup	4,498	-	4,498
Short term borrowings	1,106,608	-	1,106,608
Long term loans	-	289,068	289,068
Property, plant and equipment	44,482	-	44,482
Trade debts	3,631	-	3,631
Loans and advances	131,172	98,738	229,910
Accrued interest	6,048	-	6,048
Cash and bank balances	886,635	26,141	912,776

	As at 30 June 2021 (Audited)		
	Associated	Other related	Total
	companies	parties	
	(Rupees in thousand)		
Trade and other payables	40,969	75,060	116,029
Accrued markup	1,637	-	1,637
Short term borrowings	278,182	-	278,182
Property, plant and equipment	2,878	-	2,878
Long term loans	-	343,184	343,184
Trade debts	3,577	3,274	6,851
Loans and advances	107,833	98,841	206,674
Accrued interest	13,659	-	13,659
Cash and bank balances	5,128,271	705	5,128,976

16 FINANCIAL RISK MANAGEMENT

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

17 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on 28 April 2022.

18 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the consolidated condensed interim statement of financial position and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangement have been made.

19 GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER

ڈائریکٹرز کا مشاہرہ

یورڈ آف ڈائریکٹرز نے ڈائریکٹرز کے معاوضہ کی پالیسی کی منظوری دی ہے۔ پالیسی کی بنیادی خصوصیات مندرجہ ذیل ہیں:

☆ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کی فیس کے سوائے آزاد ڈائریکٹرز سمیت اپنے نان ایگزیکٹو ڈائریکٹرز کو معاوضہ ادا نہیں کرے گی۔

☆ کمپنی بورڈ اور اس کی کمیٹیوں کے اجلاسوں میں شرکت کے سلسلے میں ڈائریکٹرز کے سفر اور رہائش کے اخراجات ادا کرے گی۔

☆ یورڈ آف ڈائریکٹرز وقتاً فوقتاً، ڈائریکٹرز معاوضہ پالیسی کا جائزہ اور اس کی منظوری دے گا۔

اظہار تشکر

یورڈ انتظامیہ، عملہ اور کارکنوں کی کوششوں کو سراہتا ہے۔

منجانب بورڈ آف ڈائریکٹرز

David Jazal

فرید نور علی فضل

ڈائریکٹر

Uma Mansha

میاں عمر منشا

چیف ایگزیکٹو آفیسر

28 اپریل 2022ء

لاہور

یورڈ کی ساخت

یورڈ کی ساخت درج ذیل ہے:

5	(ا) مرد
2	(ب) خواتین

تفصیل

2	(i) آزاد ڈائریکٹرز
4	(ii) نان ایگزیکٹو ڈائریکٹرز
1	(iii) ایگزیکٹو ڈائریکٹر

یورڈ کی کمیٹیاں

آڈٹ کمیٹی

نمبر شمار	نام ڈائریکٹر
1	مسز مہک عادل (چیئر پرسن ارکن)
2	سید زاہد حسین (رکن)
3	جناب محمود اختر (رکن)

ہیومن ریسورس اور مشاہرہ (HR&R) کمیٹی

نمبر شمار	نام ڈائریکٹر
1	میاں عرفشا (رکن)
2	مسز سارہ عقیل (چیئر پرسن ارکن)
3	جناب محمود اختر (رکن)

گارمنٹس	31 مارچ کو اختتام شدہ نو ماہی		اضافہ/(کمی)	
	2021	2022	قدر	فیصد
فروخت- (گارمنٹس '000)	6,153	7,753	1,600	26.00
قیمت فی گارمنٹ	916.61	1,265.22	348.61	38.03
فروخت- ('000 روپے)	5,639,899	9,809,288	4,169,389	73.93

ڈویژن پائیدار ترقی کے لیے پرعزم ہے اور اس کے لیے متعدد اقدامات کر رہی ہے۔ انتظامیہ نے پائیدار کامیابیوں کو ملازمین کے KPIs کا حصہ بنایا ہے تاکہ پائیدار ترقی کی مہم میں سب کو شامل کیا جاسکے۔ ہم نے پانی اور توانائی کے استعمال کو کم کر دیا ہے اور قابل تجدید توانائی کے وسائل پر اپنا انحصار بڑھا دیا ہے۔

پاور جنریشن

مالی سال 2022 کے موجودہ نو ماہی کے دوران کوئلہ اور فرنس آئل جیسے تمام ایندھن کی قیمتوں میں نمایاں اضافہ ہوا۔ اسی طرح حکومت پاکستان نے Export Oriented سیکٹر کے کینٹین پاور پلانٹس کے لیے گیس کی رعایتی شرح کو 6.5 امریکی ڈالر فی ایم بی ٹی یو سے بڑھا کر 9 امریکی ڈالر فی ایم بی ٹی یو کیا۔ مزید برآں، کینٹین پاور پلانٹس کے لیے گیس کی فراہمی محدود کر دی گئی۔ کمپنی کو کینٹین پاور پلانٹس کے لیے جتنی RLNG ورکار ہے اس کی ضرورت کا تقریباً نصف میسر ہے۔ ماحولیاتی پائیداری اور سستی توانائی کمپنی کی اولین ترجیحات ہیں۔ لہذا، ڈویژن مزید سولر پاور پلانٹس حاصل کرنے کے لیے پرعزم ہے۔ اس وقت سولر پاور پلانٹس سے 4.34 میگا واٹ بجلی پیدا کی جا رہی ہے اور 9.86 میگا واٹ کے مزید منصوبے حصول اور تنصیب کے مراحل میں ہیں۔ نیا اوپن اینڈ یارن یونٹ شروع ہونے کے بعد سپننگ ڈویژن، ساہیوالہ کی توانائی کی ضروریات بڑھ گئیں ہیں جس وجہ سے 5.8 میگا واٹ وارنٹیل ڈوئل فیول پاور انجن کے حصول کا منصوبہ زیر غور ہے۔ اسی طرح 4 میگا واٹ کے دو گیس انجنوں کے ساتھ ویسٹ ہیٹ ریکوری یونٹ، ایئر کپریٹر اور 1 میگا واٹ ڈیزل انجن کا حصول بھی جاری ہے تاکہ ہوم ٹیکسٹائل ڈویژن کی تولیہ تیار کرنے کی پیداواری صلاحیت میں اضافے کے بعد برقی ہوئی طلب کو پورا کیا جاسکے۔ گارمنٹس ڈویژن کی توسیع کا عمل جاری ہے اور انتظامیہ نے 1 میگا واٹ کا ڈیزل انجن حاصل کرنے کا بھی منصوبہ بنایا ہے۔

ذیلی کمپنیاں اور کنسولیدٹڈ مالیاتی گوشوارے

نشاط پاور لمیٹڈ، نشاط لینن (پرائیویٹ) لمیٹڈ، نشاط ہاسٹیلٹی (پرائیویٹ) لمیٹڈ، نشاط کموڈٹیز (پرائیویٹ) لمیٹڈ، لال پیر سولر پاور (پرائیویٹ) لمیٹڈ، نشاط یو ایس اے انکارپوریٹڈ، نشاط لینن ٹریڈنگ ایل ایل سی، نشاط انٹرنیشنل FZE اور چائنا گوانگ ژو نشاط گلوبل کمپنی لمیٹڈ کمپنی کے ضمنی ادارے ہیں۔ اس لیے کمپنی نے انٹرنیشنل فی نفل رپورٹنگ سٹینڈرڈ کی مطابقت سے علیحدہ جامع فی نفل اسٹیٹمنٹس کے ساتھ، سبجا جامع فی نفل اسٹیٹمنٹس کو بھی منسلک کیا ہے۔

مالی سال 2022 کی آخری سہ ماہی شروع ہو چکی ہے لیکن موجودہ عالمی صورتحال کی وجہ سے آنے والے مہینوں میں خام مال کی قیمتیں اور پیداواری لاگت زیادہ رہنے کی توقع ہے۔ انتظامیہ ان چیلنجز کے اثرات کو کم کرنے کے لیے تمام ممکنہ اقدامات کر رہی ہے۔ ہمیں یقین ہے کہ ہم مالی سال کی آخری سہ ماہی میں بھی اپنی مثبت کارکردگی کی رفتار کو برقرار رکھنے میں کامیاب ہو جائیں گے۔

گھریلو ٹیکسٹائل (Home Textile)

ڈویژن نے 31 مارچ 2022 کو ختم ہونے والے نو ماہ کے دوران تسلی بخش کارکردگی کا مظاہرہ کیا۔ گزشتہ سال کی اسی نو ماہی کے مقابلے میں رواں نو ماہی کے دوران، ہوم ٹیکسٹائل مصنوعات کی فروخت میں 330.829 ملین روپے (3.02%) کا نمایاں اضافہ ہوا۔

پروسیسڈ کلا تھا اینڈ میڈ ایپس	31 مارچ کو اختتام شدہ نو ماہی		اضافہ/(کمی)	
	2021	2022	قدر	فیصد
فروخت - (میٹرز '000)	24,272	20,720	(3,552)	(14.63)
قیمت فی میٹر	450.79	544.04	93.25	20.69
فروخت - ('000 روپے)	10,941,597	11,272,426	330,829	3.02

خام مال اور شپنگ کے اخراجات میں بے مثال اضافے نے ہمارے تیار شدہ سامان کی پیداواری لاگت میں اضافہ کیا۔ تاہم، ہم اس اضافی لاگت کا صرف ایک چھوٹا سا حصہ اپنے صارفین کو منتقل کرنے میں کامیاب رہے جس نے ڈویژن کے منافع کو متاثر کیا۔

گزشتہ سال ٹیری یونٹ نے اپنی پروڈکشن شروع کی تھی اور اس کے نتائج حوصلہ افزا رہے۔ یونٹ کی پیداواری صلاحیت کو بڑھانے کا منصوبہ بھی جاری ہے۔

ٹیری مصنوعات	31 مارچ کو اختتام شدہ نو ماہی		اضافہ/(کمی)	
	2021	2022	قدر	فیصد
فروخت - (کلوگرام '000)	360	1,912	1,552	431.11
قیمت فی کلوگرام	876.64	1,116.57	239.93	27.37
فروخت - ('000 روپے)	315,590	2,134,878	1,819,288	576.47

گارمنٹس

ڈویژن نے مالی سال 2021-22 کی اسی نو ماہی کے دوران زبردست مالی کارکردگی کا مظاہرہ کیا۔ گزشتہ سال کی اسی نو ماہی کے مقابلے میں رواں نو ماہی کے دوران ڈویژن نے گارمنٹس کی فروخت میں 4.169 ملین روپے (73.93%) کا نمایاں اضافہ حاصل کیا۔ ہماری مصنوعات کی مانگ میں اضافے کو دیکھتے ہوئے، انتظامیہ نے پیداواری صلاحیت کو بڑھایا، تحقیق اور ترقی کے طریقہ کار کو اپ ڈیٹ کیا اور نئی ٹیکنالوجیز میں سرمایہ کاری کی۔

بین الاقوامی اور مقامی کپاس کے منظر نامے، چین میں نئی Covid لہر میں اضافے کے باعث اور دنیا بھر میں اعلیٰ سطح کی مہنگائی کو مد نظر رکھتے ہوئے، توقع ہے کہ سال کا باقی حصہ دھماگے کی برآمد کے لیے چیلنجنگ رہے گا اور مقامی دھماگے کی قیمتیں بھی بلند رہیں گی۔ انتظامیہ نے ان چیلنجز کے اثرات کو کم کرنے کے لیے coarser counts کے بجائے finer counts پیش کرنے کا منصوبہ بنایا ہے۔

بائی (Weaving)

مالی سال 2022 کے پہلے نو مہینوں کے دوران، خام مال کی لاگت میں اضافے کی وجہ سے گرینج کپڑے کی قیمتوں میں اضافہ ہوا۔ خریداروں کے پاس اسٹاک کی مناسب دستیابی اور روس/یوکرین جنگ کے باعث تیسری سہ ماہی میں گرینج کلاتھ مارکیٹ سست رہی۔ اس عرصے کے دوران سب سے زیادہ مستحکم مصنوعات، تکنیکی کپڑا (Abrasive/Sun protectors) تھا۔ ورک ویئر اور فیشن کے شعبے سست روی پر تھے۔ ہوم ٹیکسٹائل کے گرینج کپڑوں کی فروخت میں بڑی کمی دیکھنے میں آئی جب مغرب کے بیشتر حصوں میں لاک ڈاؤن میں نرمی کے بعد لوگ گھروں سے باہر نکلے اور اس وجہ نے گھریلو ٹیکسٹائل مصنوعات کی ضرورت کو کم کر دیا۔

گرے کلاتھ	31 مارچ کو اختتام شدہ نو ماہی		اضافہ/(کمی)	
	2021	2022	قدر	فیصد
فروخت - (میٹر '000)	65,788	72,985	7,197	10.94
قیمت فی میٹر	184.39	265.44	81.05	43.96
فروخت - ('000 روپے)	12,130,814	19,373,214	7,242,400	59.70

کمپنی نے اکتوبر 2021 کے پہلے ہفتے کے دوران نئی سوڈا کو مائین ای او 001 وسیع چوڑائی والی لومز کو پروڈکشن میں شامل کیا۔ فیشن/تکنیکی سیکٹرز کے لیے وسیع چوڑائی والے کپڑے کی مانگ میں اضافے کی وجہ سے انتظامیہ نے ستر 190CM لومز کو 210/230CM لومز سے تبدیل کرنے پر مزید غور کر رہی ہے۔

رنگائی (Dyeing)

خام مال کی بڑھتی ہوئی قیمت اور مارکیٹ کی غیر یقینی صورتحال کے باوجود، ڈائینگ ڈویژن اپنی آمدنی میں 89.96% اضافہ حاصل کرنے میں کامیاب رہی جو 8.616 بلین روپے سے بڑھ کر 16.368 بلین روپے تک جا پہنچی۔ Covid-19 کے اثرات سے عالمی معیشت کی بحالی کے بعد انتظامیہ پیداواری صلاحیت کو مکمل طور پر استعمال کرنے میں کامیاب رہی۔

پروسیسڈ کلاتھ	31 مارچ کو اختتام شدہ نو ماہی		اضافہ/(کمی)	
	2021	2022	قدر	فیصد
فروخت - (میٹر '000)	23,913	34,859	10,946	45.77
قیمت فی میٹر	360.32	469.54	109.22	30.31
فروخت - ('000 روپے)	8,616,344	16,367,589	7,751,245	89.96

مالی سال 2021-2022 کے پہلے نو مہینوں میں امریکی ڈالر کے مقابلے میں پاک روپیہ کی قدر میں 16.75% کمی نے ٹیکسٹائل Exporters کو عارضی ریلیف دیا، کیونکہ انہیں کچھوں پر روپے کی قدر میں کمی کا فائدہ ملا جس کے لیے خام مال پہلے سے خرید لیا گیا تھا۔ تاہم، بعد میں آنے والے آڈرز کے لیے خام مال کی لاگت بھی بڑھ گئی۔

اسٹیٹ بینک آف پاکستان ("SBP") نے 08 اپریل 2022 سے ایکسپورٹ فنانس سکیم (EFS) کے تحت فنانسنگ کے لیے مارک اپ کی شرح میں 2.5% اضافہ کیا۔ اس کے مطابق، EFS کے لیے مارک اپ کی شرح اب 5.5% p.a ہے۔ جو کہ ٹیکسٹائل سیکٹر کے لیے تشویش کا باعث ہے کیونکہ اس سے کاروبار کرنے کی لاگت میں اضافہ ہوگا۔

سیکٹ تجربہ

کمپنی کی طبقاتی کارکردگی کا مختصر جائزہ درج ذیل ہے:

کٹائی (Spinning)

امریکہ اور چین کے تجارتی وعدوں اور Covid-19 کی صورتحال میں بہتری کے باعث 31 مارچ 2022 کو ختم ہونے والے نو ماہ کے دوران، بین الاقوامی مارکیٹ میں خام کپاس کی قیمتوں میں مسلسل اضافہ جاری رہا۔ عالمی سطح پر شارٹ سپلائی اور اسپنرز کی جانب سے جلد بازی میں خریداری کے باعث مقامی کپاس کی قیمتوں میں بھی اضافہ کا رجحان ریکارڈ کیا گیا۔ کمپنی نے مارکیٹ کی صورتحال کا جائزہ لیتے ہوئے سالانہ خام کپاس کی ضرورت کو پورا کرنے کے لیے مقامی اور بین الاقوامی منڈیوں سے کپاس کی خریداری کرنے کا منصوبہ بنایا۔ اس لیے، کمپنی نے خام کپاس مارکیٹ میں دستیاب ہوتے ہی مربوط قیمتوں پر خریدنا شروع کر دیا۔

مقامی دھاگے کی قیمتیں خام کپاس کی قیمتوں کے ساتھ ساتھ بڑھیں، لیکن برآمدی دھاگے کی قیمتیں دباؤ میں رہیں اور بین الاقوامی مارکیٹ میں بڑھتی ہوئی مانگ کے باوجود کپاس کی قیمتوں کے ساتھ نہیں بڑھیں۔ بھارت، ویتنام اور انڈونیشیا سے کم قیمتوں پر دھاگے کی فراہمی نے ہمارے لیے مسابقتی قیمتوں پر ایکسپورٹ مارکیٹ میں فروخت کرنا مشکل بنایا۔ تاہم، اسی نو ماہ کے دوران مقامی مارکیٹ معاون رہی۔ یارن مارکیٹ کی صورتحال کا جائزہ لیتے ہوئے، کمپنی نے ایکسپورٹ مارکیٹ کے مقابلے میں اپنی پیداوار کا بڑا حصہ مقامی مارکیٹ میں فروخت کیا۔ اس حکمت عملی کے نتیجے میں مالی سال کے نو مہینوں میں اچھا منافع ہوا۔

یارن	31 مارچ کو اختتام شدہ نو ماہی		اضافہ/(کمی)	
	2021	2022	قدر	فیصد
فروخت - (کلوگرام '000)	17,005	27,878	10,873	63.94
قیمت فی کلوگرام	417.72	641.58	223.86	53.59
فروخت - ('000 روپے)	7,103,339	17,885,936	10,782,597	151.80

ڈائریکٹرز کی رپورٹ

نشاط ملز لمیٹڈ ("کمپنی") کے ڈائریکٹرز 31 مارچ 2022 کو اختتام شدہ نو ماہی کے لیے ڈائریکٹرز رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

آپریٹنگ مالی نتائج

کمپنی کی فی حصص آمدنی میں 15.38 روپے فی شیئر کا اضافہ ہوا جو مالی سال 2021 کی اسی نو ماہی میں 10.37 روپے فی حصص سے بڑھ کر مالی سال 2022 کی موجودہ نو ماہی میں 25.75 روپے فی حصص تک جا پہنچی۔ ان شاندار نتائج کی وجہ مجموعی منافع میں 124.79% کا اضافہ تھا جو 6.092 بلین روپے سے بڑھ کر 13.696 بلین روپے تک جا پہنچا۔ مجموعی منافع میں اضافے کی بنیادی وجہ کمپنی کی آمدنی میں 63.57% کا اضافہ تھا جو حجم اور شرح میں موافق فرق کے باعث ہوا۔ خام کپاس کی قیمتوں میں اضافہ، RLNG کی شرح میں اضافہ، گیس سپلائی کی بندش، عالمی سپلائی چین میں خلل اور Covid-19 وبائی مرض جیسے چیلنجز کے باوجود کمپنی نے آمدنی میں یہ بے مثال اضافہ حاصل کیا۔ برآمدات پر مبنی ادارہ ہونے کے ناطے، کمپنی نے نو ماہ کے دوران امریکی ڈالر کے مقابلے پاک روپیہ کی قدر میں 16.75% کمی سے بھی فائدہ اٹھایا۔

اضافہ/(کمی) فیصد	31 مارچ کو اختتام شدہ نو ماہی		مالی جھلکیاں
	2021	2022	
63.57	51,507,344	84,252,725	آمدنی (روپے '000)
124.79	6,092,841	13,696,146	مجموعی منافع (روپے '000)
148.41	3,644,929	9,054,317	بعد از ٹیکس منافع (روپے '000)
	11.83	16.26	مجموعی منافع (فیصد)
	7.08	10.75	بعد از ٹیکس منافع (فیصد)
	10.37	25.75	منافع فی حصص - (روپے)

ڈیویڈنڈ آمدنی میں 773 بلین روپے کا اضافہ ہوا جو 2.088 بلین روپے سے بڑھ کر 2.861 بلین روپے تک جا پہنچی۔ اوسط قرض لینے کی لاگت اور قلیل مدتی قرضوں میں اضافے کی وجہ سے موجودہ مدت میں کمپنی کی مالیاتی لاگت میں اضافہ ہوا جو رکنگ کیونٹل کی بڑھتی ہوئی ضروریات کو پورا کرنے کے لیے حاصل کیے گئے تھے۔

مارکیٹ کا عمومی جائزہ اور مستقبل کے امکانات

31 مارچ 2022 کو ختم ہونے والے نو مہینوں کے دوران Covid-19 وبائی مرض سے عالمی معیشت کی بتدریج بحالی ٹیکسٹائل سیکٹر کے لیے اچھی علامت تھی۔ تاہم، اس مدت میں کپاس اور پالیسٹر فائبر کی بڑھتی ہوئی قیمتوں، RLNG کی شرح میں اضافے اور گیس سپلائی کی بندش کے مسائل چھائے رہے۔ ان تمام عوامل نے ٹیکسٹائل سیکٹر کی کارکردگی کو بری طرح متاثر کیا۔ ایک اور چیلنج جس کا ویڈیو ایڈیڈ طبقہ کو خاص طور پر سامنا کرنا پڑا، وہ جہازوں کا انتہائی پریشان کن شیڈول تھا، جس نے برآمدی اور درآمدی ترسیل کے لیے ٹرانزٹ اوقات میں اضافہ کیا۔ اس مسئلہ نے نہ صرف عالمی سطح پر سپلائی چین کو متاثر کیا بلکہ شپنگ لاگت میں بھی نمایاں اضافہ کیا۔



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