

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Shahid Abdullah
Mr. Shayan Abdullah
Mr. Amer Abdullah
Mr. Yousuf Abdullah
Mr. Yousuf Abdullah
Mr. Nabeel Abdullah
Director
Director

Mrs. Madiha Saeed Nagra Independent Director
Mr. Anjum Saleem Independent Director

AUDIT COMMITTEE

Mr. Anjum Saleem Chairman
Mr. Shahid Abdullah Member
Mr. Nabeel Abdullah Member

COMPANY SECRETARY

Mr. Rameez Ghausi

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Anjum Saleem Chairman
Mr. Yousuf Abdullah Member
Mr. Shayan Abdullah Member

CHIEF FINANCIAL OFFICER

Mr. Jawwad Faisal

RISK COMMITTEE

Mr. Shahid Abdullah Chairman Mr. Shayan Abdullah Member Mr. Jawwad Faisal Member

SHARE REGISTRAR

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

TAX CONSULTANTS

Yousuf Adil, Chartered Accountants

AUDITORS

Shinewing Hameed Chaudhri & Company Chartered Accountants

LEGAL ADVISOR

Hassan & Hassan, Advocates

BANKERS

United Bank Limited

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

REGISTERED OFFICE:

312, Cotton Exchange Building, I. I. Chundrigar Road, Karachi. Tel: +92 21 111 000 100 Fax 922132416705

Website: www.sapphire.com.pk/rcsm

CORPORATE OFFICE:

1st Floor,Tricon Corporate Centre, 73-E Main Jail Road, Gulberg II, Lahore. Pakistan.

MILLS:

Feroze Wattoan, District, Sheikhupura, Punjab.

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CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

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Reliance Cotton Spinning Mills Ltd.

DIRECTORS' REPORT

The Directors of the Company are pleased to present un-audited financial statements for the quarter ended 30 September 2023.

Financial Highlights

	30 September		
	<u>2023</u>	2022	
	Rupees in		
Sales	3,499,035	2,529,899	
Profit from operations	548,307	574,670	
Finance cost	(197,432)	(74,725)	
Taxation	(52,716)	(32,108)	
Profit after taxation	298,159	467,837	

Financial Performance

During first quarter of the financial year, your company achieved sales of Rs.3.5 billion compared to Rs.2.53 billion during corresponding period of last year, showing considerable increase of 38.31%. The gross profit as a percentage of sales was 18.53% as compared to last year's 27.98%. Whereas, the company earned profit after tax of Rs.298 million as against Rs.468 million during first quarter of last year.

Earnings per share

The company's earnings per share (EPS) were at Rs.28.97 as compared to Rs.45.46 for the same period of last year.

Future Outlook

In addition to demand slowdown in both domestic and export markets, very high inflation and interest rates in the country have adversely affected profit margins of textile companies. Furthermore, with prevailing uncertainty in terms of cotton prices and exchange rate, it is difficult to predict growth and profitability in remainder of the financial year as well.

In these challenging times, the management of your company is focused on maximizing shareholder value through profitable growth and capital efficiency.

The directors appreciate dedication and hard work of the staff and workers of the company.

For and on behalf of the Board

Shahid Abdulla

Director

Shayan Abdullah Chief Executive

Lahore October 27, 2023

Reliance Cotton Spinning Mills Ltd.

ڈائز یکٹرزر پورٹ

سمپنی کے بورڈ آف ڈائر کیٹرز 30 ستمبر 2023 موکنتم ہونے والی سے ماہی کے لئے کمپنی کے غیرنظر ٹانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوشی محسوں کرتے ہیں۔ مالیاتی جملکیاں

رویے ہزاروں میں

30 تتمبر 2022ء	30 تتبر 2023ء	تفصيل
2,529,899	3,499,035	فروخت
574,670	548,307	آ پریشنز سے منافع
(74,725)	(197,432)	الحالأت
(32,108)	(52,716)	فيكسيش
467,837	298,159	عیس کے بعد منافع

مانی کار کردگی

سکینی نے گزشتہ سال کی اس مدت کے دوران 2.53 بلین روپے کے مقابلے اس مالی سال کی پہلی سہاہی کے دوران 3.5 بلین روپے کی فروخت حاصل کی بہلی سہاہی کے دوران 3.53 بلین روپے کے مقابلے اس مدت کے دوران 18.53 بلین روپے کے مقابلے اس مدت کے دوران 18.53 بلین روپے کے مقابلے اس مدت کے دوران 18.53 بلین روپے کے بعد منافع کر شتہ سال کی پہلی سہاہی کے دوران 468 بلین روپے کے بعد منافع کما ہے۔

في حصص آيدني

سمپنی کی موجودہ سے این کی فیشیر آمدنی (EPS) 28.97 رویے ہے جو کہ پچھلے سال کی اس سے ماہی کی 45.46رویے تھی۔

مستقبل كانقط نظر

دونوں مکی اور برآ مد مادکیٹوں میں طلب کی کی سے علاوہ ، مکی میں بہت زیادہ مہنگائی اورشرح سود نے ٹیکٹائل کمپنیوں سے منافع مارجن کو بُری طرح متاثر کیا ہے۔ مزید برآ ں ، کپاس کی قیمتوں اور شرح مبادلہ کے حوالے سے موجودہ غیر نیٹنی صورتحال ہے جس کی وجہ سے مالی سال کے بقیہ حصے میں نمواور منافع کی پیش گوئی کرنامشکل ہے۔

ان مشکل وقتوں میں ،آپ کی مینی کی انتظامید منافع بخش نمواور سیشل انفی شینس کے ذریعے صص داران کی قدر کوزیادہ سے زیادہ کرنے برتوجہ مرکوز رکھے ہوئے ہے۔

اعتراف

ڈائر یکٹرز کمپنی کے عملے اور کار کنوں کی تخت محنت اور قابلِ ستائش خدمات کوسراہتے ہیں۔

منجانب بوردُ آف ذُ الزيكثرز

معان عبدالله)

چيف ايگزيکڻو

لا بور تاريخ: 127 كتوبر 2023 و

دسالامد (شاپرعبدالله) دُانزيکش RELIANCE COTTON SPINNING MILLS LIMITED UN-AUDITED UN-CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

Reliance Cotton Spinning Mills Limited Statement Of Financial Position

Chief Executive Officer

As at Septemer 30, 2023	2023		Audited June 30, 2023		
	Note	Rupe	es		
Assets					
Non current assets					
Property, plant and equipment	4	3,971,346,741	3,591,288,186		
Long term investments	5	518,127,246	518,127,246		
Long term advances and deposits	-	8,987,690	8,987,690		
_		4,498,461,677	4,118,403,122		
Current assets	r				
Stores, spare parts and loose tools		90,715,500	74,977,863		
Stock-in-trade	ŀ	6,976,922,518	6,203,133,931		
Trade debts		2,057,940,051	2,012,865,224		
Loans and advances		187,400,438	32,906,723		
Short term deposits and prepayments Short term investments		28,918,088	4,559,315		
Other receivables	Ì	16,087,773	14,088,516		
Tax refunds due from Government	I	176,821,759	149,220,766		
Cash and bank balances		575,283,972 258,790,276	575,764,159 197,752,154		
Odor and barn balances	L	10,368,880,375	9,265,268,651		
		10,000,000,010	9,200,200,001		
Total assets	-	14,867,342,052	13,383,671,773		
Equity and Liabilities Share capital and reserves					
Authorised capital 12,000,000 ordinary shares of Rs.10 each	=	120,000,000	120,000,000		
Issued, subscribed and paid-up capital		102,920,000	102,920,000		
Reserves		129,502,270	127,503,013		
Unappropriated profit		7,101,467,559	6,803,308,914		
Total equity	_	7,333,889,829	7,033,731,927		
Non current liabilities					
Long term liabilities		1,585,514,063	1,640,499,005		
Staff retirement benefit - gratuity		119,057,902	113,293,444		
Deferred taxation		34,081,405	28,921,440		
Current liabilities		1,738,653,370	1,782,713,889		
Trade and other payables	Γ	1,157,545,844	1,567,481,110		
Contract liabilities		131,842,474	64,937,119		
Accrued mark-up / interest		105,644,457	94,526,249		
Short term borrowings		3,826,657,556	2,331,143,302		
Current portion of long term liabilities		341,658,332	325,244,097		
Unclaimed dividend		801,640	801,640		
Provision for taxation		230,648,550	183,092,440		
	_	5,794,798,853	4,567,225,957		
Total liabilities		7,533,452,223	6,349,939,846		
Contingencies and commitments	6 _				
Total equity and liabilities		14,867,342,052	13,383,671,773		
The annexed notes 1 to 10 form an integral part of these financial statements.					

Reliance Cotton Spinning Mills Limited Statement Of Profit Or Loss For the First Quarter Ended September 30, 2023

		Un-Audite	
		September 30, 2023	September 30, 2022
	Note	R	
Sales		3,499,034,764	2,529,899,488
Cost of sales	7	(2,850,510,180)	(1,821,831,484)
Gross profit		648,524,584	708,068,004
Distribution cost		(46,040,930)	(48,091,483)
Administrative expenses		(38,350,478)	(53,816,531)
Other income		7,569,166	5,821,467
Other expenses		(23,395,782)	(37,311,747)
Profit from operations	-	548,306,560	574,669,710
Finance cost	_	(197,431,841)	(74,724,616)
Profit before taxation		350,874,719	499,945,094
Taxation		(52,716,074)	(32,107,986)
Profit after taxation	- =	298,158,645	467,837,108
Earnings per share - basic and diluted	=	28.97	45.46

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

Strict Everything Officer

Chief Executive Officer

Director

Reliance Cotton Spinning Mills Limited Statement Of Other Comprehensive Income For the First Quarter Ended September 30, 2023

Un-Audited September 30, September 30, 2023 2022 -----Rupees-----Profit for the period 298,158,645 467,837,108 Other comprehensive income/(loss) Items that will not be reclassified to statement of profit or loss subsequently Unrealised income / (loss) on remeasurement of investment at fair value through other comprehensive income 1,999,257 (4,756,052)Impact of deferred tax (486,580)1,999,257 (5,242,632)Total comprehensive income for the period 300,157,902 462,594,476

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

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Chief Executive Officer

Director

	September 30, 2023	September 30, 2022
	R(ıpees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	350,874,719	499,945,094
Adjustments for non-cash and other items:		
Depreciation	73,437,345	61,083,306
Staff retirement benefit - gratuity	11,100,000	8,850,000
Provision for workers' profit participation fund Provision for workers' welfare fund	16,187,023	25,209,814
Gain on disposal of operating fixed assets	7,208,759	12,101,933
Unwinding of interest of GIDC	(912,068)	(109,497)
Dividend income	606,511	-
Finance cost	(198,184)	(1,120,675)
Titalioc dost	196,825,330	74,724,616
Working capital changes	655,129,434	680,684,591
Decrease / (increase) in current assets:		
- stores, spare parts and loose tools	(6E 727 COT)	T 445 140 5 151
- stock-in-trade	(15,737,637)	(17,112,716)
- trade debts	(773,788,587)	(605,776,547)
- loans and advances	(45,074,827) (154,493,715)	791,939,884
- short term deposit and prepayments	(24,358,773)	(76,717,178)
- other receivables and sales tax	789,091	(3,044,000)
	(1,012,664,448)	(29,460) 89,259,983
Increase / (decrease) in current liabilities:	(1,512,004,440)	69,259,983
for the season of the		
- trade and other payables	(433,331,049)	(390,154,124)
- contract liabilities	66,905,355	71,031,016
Makements	(366,425,694)	(319,123,108)
Net working capital changes	(723,960,708)	450,821,466
Staff retirement benefits paid	(5,335,542)	(6,174,992)
Finance cost paid Taxes paid / refunds	(185,707,122)	(59,219,265)
Rebate income received	(27,974,625)	(169,654,116)
Long ferm advances and deposits - net	64,730	1,234,352
Long term advances and deposits - fiet	(242.25.75.)	250,000
Net cash (used in) / generated from operating activities	(218,952,559)	(233,564,021)
CASH FLOWS FROM INVESTING ACTIVITIES	(942,913,267)	217,257,445
Fixed capital expenditure	(458,677,831)	(80,619,702)
Proceeds from disposal of operating fixed assets	6,094,000	800,000
Dividend income received	198,184	1,120,675
Net cash (used in) investing activities CASH FLOWS FROM FINANCING ACTIVITIES	(452,385,647)	(78,699,027)
Long term finances - obtained	-	45,961,999
- repaid	(39,177,218)	(37,812,352)
Dividend paid	-	(142,450)
Short term borrowings - net	1,495,514,254	(86,704,038)
Net cash generated from I(used in) financing activities	1,456,337,036	(78,696,841)
Net increase in cash and cash equivalents	61,038,122	59,861,577
Cash and cash equivalents - at beginning of the period	197,752,154	27,494,124
Cash and cash equivalents - at end of the period	258,790,276	87,355,701
The second secon	. 1	

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

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Chief Executive Officer

Director

Chief Financial Officer

Un-Audited

Reliance Cotton Spinning Mills Limited Statement Of Changes In Equity For the First Quarter Ended September 30, 2023

(Un-audited)

			Rese		CONTENTION TO SECULIAR TO SECULIAR SECU	
			Reve	nue		
	Issued, subscribed and paid-up capital	Unrealised loss on financial assets at fair value through other comprehensive income	General	Sub-total	Unappropriated profit	Total
				e e s		
Balance as at July 01, 2022	102,920,000	(5,245,266)	130,000,000	124,754,734	6,059,364,729	6,287,039,463
Total comprehensive income / (loss) for the quarter ended September 30, 2022						
Profit for the quarter	-	-	-	-	467,837,108	467,837,108
Other comprehensive (loss)	-	(4,756,052)	<u>.</u>	(4,756,052)	(486,580)	(5,242,632)
	-	(4,756,052)	-	(4,756,052)	467,350,528	462,594,476
Balance as at September 30, 2022	102,920,000	(10,001,318)	130,000,000	119,998,682	6,526,715,257	6,749,633,939
Balance as at July 01, 2023	102,920,000	(2,496,987)	130,000,000	127,503,013	6,803,308,914	7,033,731,927
Total comprehensive income for the quarter ended September 30, 2023						
Profit for the quarter	-	-			298,158,645	298,158,645
Other comprehensive income	**	1,999,257	-	1,999,257		1,999,257
	-	1,999,257	•	1,999,257	298,158,645	300,157,902
Balance as at September 30, 2023	102,920,000	(497, Z30)	130,000,000	129,502,270	7,101,467,559	7,333,889,829
					/	

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

Chief Executive Officer

Director

Chief Inandial Office

RELIANCE COTTON SPINNING MILLS LIMITED

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

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

1 LEGAL STATUS AND OPERATIONS

1.1 Reliance Cotton Spinning Mills Limited ("the Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn.

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

Karachi Purpose

312, Cotton Exchange Building, I.I Chundrigar Road

Registered office

Lahore

1st Floor, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II.

Head office

Sheikhupura

Feroze Wattoan,

Production plant

- 1.2 These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.
- 1.3 These are the standalone financial statements of the company in which investments in subsidiary and associates are accounted for on cost. Consolidated financial statements are prepared separately.

2 BASIS OF PREPARATION

2.1 Statement of compliance

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

International Financial Reporting Standards (IFRS Standards) issued by the International Accounting

- Standards Board (IASB) as notified under the Companies Act, 2017; and
- _ Provisions of and directives issued under the Companies Act, 2017.

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

2.2 Separate financial statements

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

3 ACCOUNTING POLICIES AND ESTIMATES

3.1 The accounting policies and methods of computation adopted for preparation of these unconsolidated condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2023.

- 3.2 The preparation of this unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2023.

-	Un-audited	Audited
	September 30, 2023	June 30,
Note	Rupees	2023 Rupees
	Nupees	Rupees
4 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets 4.1	2,911,520,496	2,990,289,649
Capital work in progress 4.2	1,059,826,245	600,998,537
_	3,971,346,741	3,591,288,186
4.1 Operating assets		
Opening book value Additions during the period / year	2,990,289,649	2,484,217,013
Vehicles	-	16,985,000
Transfer from capital work in progress	***************************************	
Factory building	_	140,197,477
Plant and machinery	_	637,937,175
Electric installation		4,261,358
		799,381,010
Book value of assets disposed off during the period / year	(5,331,808)	(7,684,133)
Depreciation charged during the period /year	(73,437,345)	(285,624,241)
Closing book value	2,911,520,496	2,990,289,649
4.2 Capital work in progress		
Building - civil work	164,091,758	154 670 040
Plant and machinery	895,734,487	154,678,918 446,319,619
	1,059,826,245	600,998,537
5 LONG TERM INVESTMENTS	-	
Investment in subsidiary - at cost: Un-quoted:		
RCSM Company (Private) Limited	2,600,000	2,600,000
	2,000,000	2,000,000
Investments in associates - at cost:		
Quoted:	100 Ti 1 000	3 44
Sapphire Fibres Limited Sapphire Textile Mills Limited	468,514,083	468,514,083
	8,114,578	8,114,578
Un-quoted:		_
SFL Limited	2,439,475	2,439,475
Sapphire Finishing Mills Limited	16,509,160	16,509,160
Sapphire Holding Limited Sapphire Power Generation Limited	524,950	524,950
	19,425,000	19,425,000
_	518,127,246	518,127,246

			Un-audited September 30, 2023 Rupees	Audited June 30, 2023 Rupees
6	CONTINCENCIES AND CORRESTANTO		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	Mupces
Ü	CONTINGENCIES AND COMMITMENTS			
6.1	Contingencies Guarantees have been issued by banks on behalf of the Companormal course of business	ny in the	386,662,298	386,662,29
	Post dated cheques issued			
			5,343,701,000	5,343,701,00
6.2	Claims of Input Sales Tax			
	There has been no material change in the status of contingencie June, 30 2023.	s pointed	in the financial statemen	ts for the year ende
6.3	Commitments			
	Irrevocable letters of credit for import of: -Plant and machinery			
	-Raw material and spare parts & chemicals		556,813,957	571,789,42
			349,309,387	308,063,32
			Un-Aud	litad
			Quarter e	
			September 30,	September 30,
			2023	2022
7	COST OF SALES	·	Rupe	es
	Stocks - opening		843,332,923	400,139,69
	Stocks - opening Cost of goods manufactured	7.1	843,332,923 2,744,965,346	
	•	7.1		2,034,181,618
	•	7.1	2,744,965,346	2,034,181,618
	Cost of goods manufactured	7.1 -	2,744,965,346 3,588,298,269	2,034,181,618 2,434,321,318 (612,489,832
7.1	Cost of goods manufactured	7.1	2,744,965,346 3,588,298,269 (737,788,089)	2,034,181,610 2,434,321,310 (612,489,832
7.1	Cost of goods manufactured Stocks - closing	7.1	2,744,965,346 3,588,298,269 (737,788,089)	2,034,181,610 2,434,321,310 (612,489,832 1,821,831,484
7.1	Cost of goods manufactured Stocks - closing Cost of goods manufactured	7.1 - - -	2,744,965,346 3,588,298,269 (737,788,089) 2,850,510,180	2,034,181,618 2,434,321,316 (612,489,832 1,821,831,484 309,372,499
7.1	Cost of goods manufactured Stocks - closing Cost of goods manufactured Work in process - opening	7.1	2,744,965,346 3,588,298,269 (737,788,089) 2,850,510,180 609,784,835	2,034,181,618 2,434,321,318 (612,489,832 1,821,831,484 309,372,498 1,465,863,388
7.1	Cost of goods manufactured Stocks - closing Cost of goods manufactured Work in process - opening Raw material consumed Overheads	7.1	2,744,965,346 3,588,298,269 (737,788,089) 2,850,510,180 609,784,835 2,104,803,203	2,034,181,618 2,434,321,316 (612,489,832 1,821,831,484 309,372,499 1,465,863,388 589,224,597
7.1	Cost of goods manufactured Stocks - closing Cost of goods manufactured Work in process - opening Raw material consumed	7.1	2,744,965,346 3,588,298,269 (737,788,089) 2,850,510,180 609,784,835 2,104,803,203 648,564,293	400,139,698 2,034,181,618 2,434,321,316 (612,489,832 1,821,831,484 309,372,499 1,465,863,388 589,224,597 2,055,087,985 (330,278,866 2,034,181,618

8 TRANSACTIONS WITH RELATED PARTIES

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

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

		Un-Audited			
	_	Quarter ended			
		September 30,	September 30,		
	_	2023	2022		
Nature of Relationship	Nature of Transaction	Rupees			
Associated companies					
	Sales of finished goods, raw material / stores and spare parts	312,123,421	322,433,631		
	Purchases of;	- 1-,1-4,1-1	0LL,100,001		
	 finished goods, raw material / stores and spare parts/ fixed assets 	368,050,966	8,366,445		
	Shared expenses paid Donation	2,006,387	1,518,805		
	Donation	•	21,300,000		

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

9 DATE OF AUTHORIZATION FOR ISSUE

These un-consolidated financial statements were authorized for issue on October 27, 2023 by the Board of Directors of the Company.

10 GENERAL

Figures have been rounded off to the nearest rupee

Chief Executive Officer

Director

312, Cotton Exchange Building, I.I. Chundrigar Road, Karachi (Pakistan). UAN: +92 21 3241 0930, Fax: +92 1 3241 6705 7A-K, Main Boulevard, Gulberg II,Lahore (Pakistan). Phone: +92 42 35750410, Fax: +92 42 35758783 World Fax: +1 917 5913166



Reliance Cotton Spinning Mills Ltd.

Directors' report to the shareholders

The directors are pleased to present their report together with consolidated financial statements of Reliance Cotton Spinning Mills Limited and its subsidiary RCSM Company (Pvt.) Limited for the period ended September 30, 2023. The Company has annexed consolidated financial statements along with its separate financial statements in accordance with the requirements of the International Accounting Standard-27 (Consolidated and Separate Financial Statements)

RCSM Company (Pvt.) Limited

Reliance Cotton Spinning Mills Limited ("the Holding Company") and its wholly owned subsidiary RCSM Company (Private) Limited collectively referred to as 'the Group' was incorporated in Pakistan under the Companies Ordinance, 1984. The Holding Company is listed on Pakistan Stock Exchange Limited (formerly known as Karachi Stock Exchange Limited and Lahore Stock Exchange Limited). The wholly owned subsidiary was incorporated on November 8, 2017.

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

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

For and on behalf of the Board

(Director)

(Shayan Abdullah) (Chief Executive)

Lahore October 27, 2023



Reliance Cotton Spinning Mills Ltd.

د ائر یکشرز کی حصص داران کور بورث

ڈائر کیٹرز30 متبر 2023ءکونتم ہونے والی مت کے لئے ریاؤنٹ کاٹن سیننگ ملزلمیٹڈ اورائکی ذیلی میپنی (برائیویٹ) کمیٹ کرتے ہوئے خوشی محسوس کرتے ہیں کمپنی نے بین الاقوامی اکاؤنٹنگ معیار-27 (اشتمال شدہ اورالگ مالی گوشوارے) کی ضروریات کے مطابق اشتمال شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے نسلک کئے ہیں۔

RCSM كمبنى (يرائيويث) لميثلة:

RCSM سمینی (پرائیویٹ) لمیٹڈ (ہولڈنگ سمینی) اوراس کی کمل ملکیتی ذیلی کمپنی (برائیویٹ) لمیٹڈ جو مجموق طورایک" گردپ" کبلا تاہے کمیٹیز آرڈینس، 1984 کے تحت پاکستان میں قائم ہوا۔ ہولڈنگ کبنی پاکستان طاک ایجی کی لمیٹڈ میں درج ہے (جو پہلے کراچی سٹاک ایجی کھیٹڈ اورالا ہور سٹاک ایجی کھیٹڈ اورالا ہور سٹاک ایجی کھیٹڈ کے نام سے جانا جاتا تھا کیمل ملکیتی ذیلی کمپنی 8 نومبر 2017 و گو تائم ہوئی تھی۔

RCSM کمپنی (یرائیویٹ) لمینکینیز آرڈینس،1984 کے تحت 08 نومبر 2017 کوریلائنس کاٹن سپنگ ملز لمیٹر کی کمل ملکیتی شیئرز کے ذریعے ایک بیلک لمیٹر کی حشیت سے یا کتان میں قائم ہوئی۔

ذیلی مینی کا بنیا دی کار و بارکسی دیگر ممینی کے صف لینا یا دوسری صورت میں خرید نا اور ہولڈ کرنا میکن سر ماییکاری ممینی کے طور کام کرنائہیں ہے۔

منجانب بوردْ آف دْ انز يكثرز

59 ASUR

(شامان عبدالله) چف ایگزیکو

لا ہور تارخُ:201 کۆپر 2023 RELIANCE COTTON SPINNING MILLS LIMITED UN-AUDITED CONSOLIDATED FINANCIAL STATEMENTS FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023

Reliance Cotton Spinning Mills Limited Consolidated Statement Of Financial Position As at September 30, 2023

•		Un-Audited	Audited
		September , 30	June , 30
		2023	2023
	Note	Rup) e e s
Assets		•	
Non current assets			
Property, plant and equipment	4	3,971,346,741	3,591,288,186
Long term investments	5	2,578,085,233	2,446,709,699
Long term advances and deposits		8,987,690	8,987,690
		6,558,419,664	6,046,985,575
Current assets			
Stores, spare parts and loose tools		90,715,500	74,977,863
Stock-in-trade		6,976,922,518	6,203,133,931
Trade debts -		2,057,940,051	2,012,865,224
Loans and advances		187,400,438	32,906,723
Short term deposits and prepayments		28,918,088	4,559,315
Short term investments		18,866,362	16,937,774
Other receivables		176,821,759	149,220,766
Tax refunds due from Government		575,283,972	575,764,159
Cash and bank balances		258,932,577	197,801,997
		10,371,801,265	9,268,167,752
Total assets		16,930,220,929	15,315,153,327
Equity and Liabilities			
Share capital and reserves			
.			
Authorised capital		400 000 000	
12,000,000 ordinary shares of Rs.10 each		120,000,000	120,000,000
langed authorithed and maid on spatial		400 000 000	400 000 000
Issued, subscribed and paid-up capital Reserves		102,920,000	102,920,000
		58,223,590	24,478,689
Unappropriated profit Total equity		9,015,257,493 9,176,401,083	8,619,232,451
rotal equity		9,170,401,003	8,746,631,140
Non current liabilities			
Long term liabilities		1,585,514,063	1,640,499,005
Staff retirement benefit - gratuity		119,057,902	113,293,444
Deferred taxation		254,378,529	247,350,781
		1,958,950,494	2,001,143,230
Current liabilities		,,0,000,101	_,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Trade and other payables		1,157,616,344	1,567,634,110
Contract liabilities		131,842,474	64,937,119
Accrued mark-up / interest		105,644,457	94,526,249
Short term borrowings		3,826,657,556	2,331,143,302
Current portion of long term liabilities		341,658,332	325,244,097
Unclaimed dividend		801,640	801,640
Provision for taxation		230,648,549	183,092,440
		5,794,869,352	4,567,378,957
Total liabilities		7,753,819,846	6,568,522,187
Contingencies and commitments	6	• •	
Total equity and liabilities		16,930,220,929	15,315,153,327
• •			

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

Chief Executive Officer

Director

Reliance Cotton Spinning Mills Limited Consolidated Statement Of Profit Or Loss For the First Quarter Ended September 30, 2023

	,	<u>Un-Audited</u>		
		September , 30 2023	September , 30 2022	
	Note	Rup		
Sales		3,499,034,764	2,529,899,488	
Cost of sales	7	(2,850,510,180)	(1,821,831,484)	
Gross profit		648,524,584	708,068,004	
Distribution cost		(46,040,930)	(48,091,483)	
Administrative expenses		(38,350,478)	(53,816,531)	
Other income		7,720,479	5,915,299	
Other expenses		(23,420,824)	(37,324,247)	
Profit from operations		548,432,831	574,751,042	
Finance cost		(197,431,841)	(74,724,616)	
		351,000,990	500,026,426	
Share of profit from Associated Companies		99,611,701	94,866,884	
Profit before taxation		450,612,691	594,893,310	
Taxation		(54,605,838)	(37,446,415)	
Profit after taxation		396,006,853	557,446,895	
Earnings per share - basic and diluted		38.48	54.16	

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

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Chief Executive Officer

Director

Reliance Cotton Spinning Mills Limited Consolidated Statement Of Other Comprehensive Income For the First Quarter Ended September 30, 2023

U	n	-A	ud	ited	
---	---	----	----	------	--

September, 30

September, 30

2023

2022

---Rupees---

Profit for the period

396,006,853

557,446,895

Other comprehensive income/(loss)

Items that will not be reclassified to statement of profit or loss subsequently

Unrealised income /(loss) on remeasurement of investment at fair value through other comprehensive income

Share of fair value income/(loss) on remeasurement of investment at fair value through other comprehensive income by Associates

Impact of deferred tax

1,999,257	(4,756,052)
29,146,906	(18,504,806)
31,146,163	(23,260,858)
-	(486,580)
-	(486,580)
24 440 400	

31,146,163

(23,747,438)

Items that will be reclassified to statement of profit or loss subsequently

Forward foreign exchange contracts

Share of unrealised gain on remeasurement of forward foreign currency contract of Associates

2,598,738

267,647

Other comprehensive income / (loss) for the period

33,744,901

(23,479,791)

Total comprehensive income for the period

429,751,754

533,967,104

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

Chief Executive Officer

Director

Reliance Cotton Spinning Mills Limited Consolidated Statement Of Cash Flows For the First Quarter Ended September 30, 2023

For the riest Quarter Ended September 30, 2023	44		
	<u>Un-Audited</u>		
	September , 30	September, 30	
CASH FLOWS FROM OPERATING ACTIVITIES	Rup 2023	2022	
	2020	2022	
Profit before taxation	450,612,691	594,893,310	
Adjustments for non-cash and other items:	, ,	, , ,	
Depreciation	73,437,345	61,083,306	
Staff retirement benefit - gratuity	11,100,000	8,850,000	
Provision for workers' profit participation fund	16,187,023	25,209,814	
Provision for workers' welfare fund	7,208,759	12,101,933	
Gain on disposal of operating fixed assets	(912,068)	(109,497)	
Unwinding of interest of GIDC	606,511	-	
Dividend income Finance cost	(198,184)	(1,214,507)	
· · · · · · · · · · · · · · · · · · ·	196,825,330	74,724,616	
Share of profit from associates	(99,611,701)	(94,866,884)	
Working capital changes	655,255,705	680,672,091	
Increase in current assets:			
- stores, spare parts and loose tools	(45 727 007)	(17.415.71.71	
- stock-in-trade	(15,737,637) (773,788,587)	(17,112,716)	
- trade debts	(45,074,826)	(605,776,547)	
- loans and advances	(154,493,715)	791,939,884 (76,717,178)	
- short term deposit and prepayments	(24,358,773)	(3,044,000)	
- other receivables and sales tax	789,091	(3,044,000)	
	(1,012,664,447)	89,259,983	
	(-7-7-1-4,)	00,200,000	
Increase / (decrease) in current liabilities:			
- trade and other payables	(433,413,550)	(390,141,624)	
- contract liabilities	66,905,355	71,031,016	
Not working posited aboves	(366,508,195)	(319,110,608)	
Net working capital changes	(723,916,937)	450,821,466	
Staff retirement benefits paid	(F 22F 540)	70 474 0001	
Finance cost paid	(5,335,542)	(6,174,992)	
Taxes refunds / (paid)	(185,707,122) (27,996,607)	(59,219,265)	
Rebate income received	64,730	(169,668,190) 1,234,352	
Long term advances and deposits - net	04,700	250,000	
·	(218,974,541)	(233,578,095)	
Net cash (used in) / generated from operating activities	(942,891,478)	217,243,371	
CASH FLOWS FROM INVESTING ACTIVITIES		,,	
Fixed capital expenditure	(458,677,831)	(80,619,702)	
Proceeds from disposal of operating fixed assets	6,094,000	800,000	
Short term investment	70,669	(79,758)	
Dividend income received	198,184	1,214,507	
Net cash (used in) investing activities	(452,314,978)	(78,684,953)	
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finances - obtained	(00.477.040)	45,961,999	
- repaid Dividend paid	(39,177,218)	(37,812,352)	
Short term borrowings - net	4 405 544 054	(142,450)	
Net cash generated from / (used in) financing activities	1,495,514,254	(86,704,038)	
Net increase in cash and cash equivalents	1,456,337,036 61,130,580	(78,696,841)	
The state of the s	01,130,500	59,861,577	
Cash and cash equivalents - at beginning of the period	197,801,997	27,546,250	
	,,,	,0.10,200	
Cash and cash equivalents - at end of the period	258,932,577	87,407,827	
The approved notes 1 to 10 form an interfal not of the appropriate			
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The annexed notes 1 to 10 form an integral part of these consolidated financial statements.

Chief Executive Officer

Director

(Un-Audited)

				Possense			r
		Reserves Revenue					
	issued, subscribed and paid-up capital	Unrealised (loss) / gain on financial assets at fair value through other comprehensive income	On hedging instruments	General	Sub-total	Unappropriated profit	Total
		~ ~ ~ ~ ~ ~ ~ ~ ~		-Rupees			
Balance as at July 01, 2022	102,920,000	(57,891,148)	510,485	118,353,673	60,973,010	7,214,445,036	7,378,338,046
Total comprehensive income / (loss) for the quarter ended September 30, 2022					;		
Profit for the quarter	-	-		-	-	557,446,895	557,446,895
Other comprehensive (loss) / income		(23,260,858)	267,647	<u> </u>	(22,993,211)	(486,580)	(23,479,791)
Share of decrease in reserves of associated companies under equity method	-	(23,260,858)	267,647	-	(22,993,211)	556,960,315 (88,451)	533,967,104 (88,451)
Balance as at September 30, 2022	102,920,000	(81,152,006)	778,132	118,353,673	37,979,799	7,771,316,900	7,912,216,699
Balance as at July 01. 2023	102,920,000	(95,855,381)	1,980,397	118,353,673	24,478,689	8,619,232,451	8,746,631,140
Total comprehensive income for the quarter ended September 30, 2023					Ŷ.		
Profit for the quarter	-	-	-		:	396,006,853	396,006,853
Other comprehensive income	-	31,146,163	2,598,738	-	33,744,901		33,744,901
	-	31,146,163	2,598,738	-	33,744,901	396,006,853	429,751,754
Share of increase in reserves of associated companies under equity method		-	-	-	17 - - 	18,189	18,189
Balance as at September 30, 2023	102,920,000	(64,709,218)	4,579,135	118,353,673	58,223,590	9,015,257,493	9,176,401,083
						1	211,014011002

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

Chief Executive Officer

Director

RELIANCE COTTON SPINNING MILLS LIMITED SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2023.

1 **LEGAL STATUS AND OPERATIONS**

Reliance Cotton Spinning Mills Limited ("The Parent Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Parent Company was listed on June 16, 1993 on Pakistan stock exchange limited. The principal activity of the Holding Company is manufacturing and sale of yarn.

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

Karachi Purpose

312, Cotton Exchange Building,

Registered office I.I Chundrigar Road

Lahore

1st Floor, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II,

Head office

Sheikhupura

Feroze Wattoan, Production plant

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

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

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

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

BASIS OF PREPARATION 2

2.1 Statement of compliance

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

> International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

_ Provisions of and directives issued under the Companies Act, 2017.

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

2.2 Separate financial statements

These consolidated condensed interim financial statements does not include all the information required for the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2023.

3 ACCOUNTING POLICIES AND ESTIMATES

- 3.1 The accounting policies and methods of computation adopted for preparation of these consolidated financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2023.
- 3.2 The preparation of this consolidated financial statements in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2023.

Note Rupees Rup				Un-audited	Audited
PROPERTY, PLANT AND EQUIPMENT				September 30,	
Note Rupees Rupees Rupees Rupees Rupees PROPERTY, PLANT AND EQUIPMENT				2023	· · · · · · · · · · · · · · · · · · ·
Operating fixed assets			Note	Rupees	
Capital work in progress 4.2 1,053,826,245 600,998,537 4.1 Operating assets 3,971,346,741 3,591,286,186 Opening book value 2,990,289,649 2,484,217,013 Additions during the period / year	.4	PROPERTY, PLANT AND EQUIPMENT			
Capital work in progress 4.2 1,059,826,245 600,996,537 4.1 Operating assets 2,990,289,649 2,484,217,013 Opening book value 2,990,289,649 2,484,217,013 Additions during the period / year - 16,985,000 Transfer from capital work in progress - - 140,197,477 Factory building - - 637,937,175 Plant and machinery - 637,937,175 4,261,358 Plant and machinery - - 799,381,010 Book value of assets disposed off during the period / year (5,331,609) (7,684,133) Depreciation charged during the period / year (5,331,608) (7,684,133) Closing book value 2,911,520,496 2,990,289,649 4.2 Capital work in progress 164,091,758 154,678,918 Building - civil work 164,091,758 154,678,918 Plant and machinery 895,734,487 446,319,619 Investments in associates - at cost: 2 239,779,653 215,873,353		Operating fixed assets	4 1	2.911.520.496	2 990 280 640
4.1 Operating assets 3,971,346,741 3,591,286,186 Opening book value 2,990,289,649 2,484,217,013 Additions during the period / year - 16,985,000 Transfer from capital work in progress - 140,197,477 Factory building - 637,937,175 Plant and machinery - 4,261,355 Electric Installation - 799,381,010 Book value of assets disposed off during the period / year (5,331,808) (7,684,133) Depreciation charged during the period / year (5,331,808) (7,684,133) Closing book value 2,911,520,496 2,990,289,649 4.2 Capital work in progress 891,344,87 446,319,619 Building - civil work 164,091,758 154,678,918 Plant and machinery 895,734,487 446,319,619 Investments in associates - at cost: None of the period of the per		Capital work in progress			
Additions during the period / year 2,990,289,649 2,484,217,013					
Additions during the period / year Vehicles Transfer from capital work in progress Factory building Plant and machinery Electric Installation Book value of assets disposed off during the period / year Closing book value Closing book value Capital work in progress Building - civil work Plant and machinery Capital work in progress Building - civil work Plant and machinery Supprice Textile Mills Limited Sapphire Fibres Limited Sapphire Fibrishing Mills Limited Sapphire Finishing Mills Limited Sapphire Fi	4.1	Operating assets	;		3,701,1207,100
Additions during the period / year Vehicles Transfer from capital work in progress Factory building Factor		Opening book value		2.990.289.649	2 484 217 013
Transfer from capital work in progress Factory building Factory Fact		Additions during the period / year		,,,,	2,707,217,010
Factory building Plant and machinery Plant and machinery Electric Installation Book value of assets disposed off during the period / year Closing book value Capital work in progress Building - civil work Plant and machinery Plant and machinery LONG TERM INVESTMENTS Investments in associates - at cost: Quoted: Sapphire Fibres Limited Sapphire Textile Mills Limited Sapphire Finishing Mills Limited Sapphire Holding Limited Sapphire Finishing Mills Limited Sapphire Holding Limited Sapphire Holding Limited Sapphire Finishing Mills Limited Sapphire Finishing Mi		Vehicles		•	16,985,000
Factory building Plant and machinery Plant and machinery Electric Installation Book value of assets disposed off during the period / year Closing book value Capital work in progress Building - civil work Plant and machinery Plant and machinery LONG TERM INVESTMENTS Investments in associates - at cost: Quoted: Sapphire Fibres Limited Sapphire Textile Mills Limited Sapphire Finishing Mills Limited Sapphire Holding Limited Sapphire Finishing Mills Limited Sapphire Holding Limited Sapphire Holding Limited Sapphire Finishing Mills Limited		Transfer from capital work in progress			
Plant and machinery 637,937,175 637,93					
Electric Installation				-	
Book value of assets disposed off during the period / year		•	j	•	1
Book value of assets disposed off during the period / year (5,331,808) (7,684,133) Depreciation charged during the period /year (73,437,345) (285,624,241) (2990,289,649) (2991,520,496) (2990,289,649) (2990,2		=	L		
Depreciation charged during the period /year Closing book value		Book value of assets disposed off during the period / year		/E:224 0003	· ·
Closing book value 2,911,520,496 2,990,289,649 4.2 Capital work in progress Building - civil work Plant and machinery 164,678,918 Plant and machinery 17,059,826,245 164,678,918 Investments in associates - at cost: Quoted: Sapphire Fibres Limited 5.1 1,661,065,775 1,585,853,521 Sapphire Textile Mills Limited 5.2 239,779,653 215,873,353 Un-quoted: SFL Limited 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570				· · · · · ·	
4.2 Capital work in progress Building - civil work Plant and machinery 5 LONG TERM INVESTMENTS Investments in associates - at cost: Quoted: Sapphire Fibres Limited Sapphire Textile Mills Limited SFL Limited Sapphire Finishing Mills Limited			-		
Building - civil work Plant and machinery Building - civil work Plant and machinery Building - civil work Plant and machinery Bay5,734,487 446,319,619 1,059,826,245 600,998,537 LONG TERM INVESTMENTS Investments in associates - at cost: Quoted: Sapphire Fibres Limited 5.1 Sapphire Fibres Limited 5.2 Sapphire Textile Mills Limited 5.2 Sapphire Fibres Limited 5.3 Un-quoted: SFL Limited 5.3 Sapphire Finishing Mills Limited 5.4 Sapphire Finishing Mills Limited 5.4 Sapphire Holding Limited 5.5 Sapphire Finishing Limited 5.5 Sapphire Holding Limited 5.5 Sapphire Finishing Mills Limited 5.5 Sapphire Finishing Mills Limited 5.5 Sapphire Finishing Mills Limited 5.5 Sapphire Finishing Limited		•	=	2,311,320,436	2,990,289,649
Plant and machinery 895,734,487 446,319,619 5 LONG TERM INVESTMENTS Investments in associates - at cost: Quoted: Sapphire Fibres Limited 5.1 1,661,065,775 1,585,853,521 Sapphire Textile Mills Limited 5.2 239,779,653 215,873,353 Un-quoted: SFL Limited 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570	4.2	· · · · · · · · · · · · · · · · · · ·			
Plant and machinery 895,734,487 446,319,619 1,059,826,245 600,998,537		-		164,091,758	154.678.918
LONG TERM INVESTMENTS Investments in associates - at cost: Quoted: Sapphire Fibres Limited 5.1 1,661,065,775 1,585,853,521 Sapphire Textile Mills Limited 5.2 239,779,653 215,873,353 Un-quoted: SFL Limited 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570		Plant and machinery	_		
Investments in associates - at cost: Quoted: Sapphire Fibres Limited Sapphire Textile Mills Limited Un-quoted: SFL Limited Sapphire Finishing Mills Limited 5.1 5.2 5.2 5.3 5.3 5.3 5.3 5.4 5.4 5.4 5.5 5.5 5.7 5.5 5.7 5.7 5.7 5.7 5.7 5.7			=	1,059,826,245	600,998,537
Quoted: Sapphire Fibres Limited 5.1 1,661,065,775 1,585,853,521 Sapphire Textile Mills Limited 5.2 239,779,653 215,873,353 Un-quoted: SFL Limited 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570	5	LONG TERM INVESTMENTS			
Sapphire Fibres Limited 5.1 1,661,065,775 1,585,853,521 Sapphire Textile Mills Limited 5.2 239,779,653 215,873,353 Un-quoted: SFL Limited 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570					
Sapphire Textile Mills Limited 5.1 1,303,303,773 1,303,833,321 Un-quoted: 5.2 239,779,653 215,873,353 Un-quoted: 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570					
Un-quoted: SFL Limited Sapphire Finishing Mills Limited Sapphire Holding Limited		· ·	5.1	1,661,065,775	1,585,853,521
SFL Limited 5.3 217,861,373 206,129,848 Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570		Sapphire Textile Mills Limited	5.2	239,779,653	215,873,353
Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570					
Sapphire Finishing Mills Limited 5.4 297,318,853 285,370,250 Sapphire Holding Limited 5.5 97,188,351 91,769,570			5.3	217,861,373	206,129,848
Sapphire Holding Limited 5.5 97,188,351 91,769,570		- · · · · - · · · · · · · · · · · · · ·	5.4	297,318,853	and the second s
		- · · · · · · · · · · · · · · · · · · ·	5.5	97,188,351	91,769,570
Sapphire Power Generation Limited 5.6 64,871,228 61,713,157		Sapphire Power Generation Limited	5.6	64,871,228	
2,578,085,233 2,446,709,699			<u></u>	2,578,085,233	2,446,709,699

September 30, June 30, 2023 2023			Un-audited	Audited
5.1 Investment in Sapphire Fibres Limited			September 30,	
Investment in Sapphire Fibres Limited Rupees Rupers Rupees Rupers Rupees Rupers				
798,798 (June 30, 2023: 798,796) ordinary shares of Rs. 10 each - cost	5 4	invocament in Complian Fiture Limited		
1,661,065,775 1,565,853,521	5,1	• •	468,514,083	468,514,083
5.2 investment in Sapphire Textile Mills Limited 100 223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost 8,114,578 8,114,578 Share of post acquisition profit 231,665,075 207,758,775 239,779,663 215,873,353 5.3 Investment in SFL Limited 401,570 (June 30, 2023: 401,570) ordinary shares of Rs. 10 each - cost 2,439,475 2,439,475 Share of post acquisition profit 215,421,888 203,890,373 5.4 Investment in Sapphire Finishing Mills Limited 15,550,000 (June 30, 2023: 1,555,000) ordinary shares of Rs. 10 each - cost 16,509,160 16,509,160 Share of post acquisition profit 280,899,893 268,861,090 297,318,853 285,370,250 5.5 Investment in Sapphire Holding Limited 524,950 100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost 524,950 5.6 Investment in Sapphire Power Generation Limited 555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost 19,425,000 5.6 Investment in Sapphire Power Generation Limited 45,446,228 42,288,157 6 CONTINGENCIES AND COMMITMENTS 45,446,228 42,288,157 6 CONTINGENCIES AND COMMITMENTS 53,433,701,000 5,343,701,000 6.2 Claims of input S		Share of post acquisition profit	1,192,551,692	1.117.339.438
100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost				
100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost	5.2	invoctment in Cannhire Taytile Mille Limited		
Share of post acquisition profit 231,665,075 239,779,653 215,673,363	0.2		Q 11 <i>1</i> 570	0 114 570
5.3 Investment in SFL Limited 401,570 (June 30, 2023: 401,570) ordinary shares of Rs. 10 each - cost 2,439,475 203,680,373 201,881,373 203,128,848 203,680,373 201,881,373 203,128,848 203,680,373 201,881,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,373 203,128,848 203,680,180 203,138,853 268,681,090 203,138,853 268				
1.5.3 Investment in SFL Limited 401,570 (June 30, 2023: 401,570) ordinary shares of Rs. 10 each - cost 2,439,475 2,439,475 203,690,373 217,861,373 206,129,848 203,690,373 217,861,373 206,129,848 203,690,373 217,861,373 206,129,848 203,690,373 217,861,373 206,129,848 203,690,373 217,861,373 206,129,848 203,690,373 217,861,373 206,129,848 217,861,373 206,129,848 217,861,373 206,129,848 217,861,373 206,129,848 217,861,373 206,129,848 217,861,373 206,129,848 217,861,373 228,800,969 228,800,693 268,861,090 2297,318,853 2285,370,250 2297,318,853 2285,370,250 2297,318,853 2285,370,250 2297,318,853 2285,370,250 2297,318,853 2285,370,250 2297,318,853 2285,370,250 2297,318,853 2285,370,250 2297,318,351 2244,620 2277,318,351 2244,620 2277,318,351 2244,620 2277,318,351 2244,620 2277,318,351 2244,620 2277,318,351 2244,620 2277,318,351 22		orace or post acquisition prom		
401,570 (June 30, 2023: 401,570) ordinary shares of Rs. 10 each - cost			239,779,053	215,873,353
Share of post acquisition profit 215,421,898 203,690,373 5.4 Investment in Sapphire Finishing Mills Limited 1,556,000 (June 30, 2023; 1,556,000) ordinary shares of Rs. 10 each - cost 16,509,160 16,509,160 5.5 Share of post acquisition profit 280,809,693 288,861,090 5.5 Investment in Sapphire Holding Limited 329,318,853 524,950 5.5 Investment in Sapphire Power Generation Limited 95,663,401 91,244,620 5.6 Investment in Sapphire Power Generation Limited 97,188,351 91,769,570 5.6 Investment in Sapphire Power Generation Limited 19,425,000 19,425,000 5.5 Share of post acquisition profit 45,446,228 42,288,157 5.5 Share of post acquisition profit 45,446,228 42,288,157 5.6 CONTINGENCIES AND COMMITMENTS 45,446,228 42,288,157 6 CONTINGENCIES AND COMMITMENTS 386,662,298 386,662,298 6.2 Calims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the var ended June, and 2023. 6.3 Calims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the var ended June, and 2023. 571,789,427	5.3	Investment in SFL Limited		
Share of post acquisition profit 215,421,898 203,690,373 5.4 Investment in Sapphire Finishing Mills Limited 1,556,000 (June 30, 2023; 1,556,000) ordinary shares of Rs. 10 each - cost 16,509,160 16,509,160 5.5 Share of post acquisition profit 280,809,693 288,861,090 5.5 Investment in Sapphire Holding Limited 329,318,853 524,950 5.5 Investment in Sapphire Power Generation Limited 95,663,401 91,244,620 5.6 Investment in Sapphire Power Generation Limited 97,188,351 91,769,570 5.6 Investment in Sapphire Power Generation Limited 19,425,000 19,425,000 5.5 Share of post acquisition profit 45,446,228 42,288,157 5.5 Share of post acquisition profit 45,446,228 42,288,157 5.6 CONTINGENCIES AND COMMITMENTS 45,446,228 42,288,157 6 CONTINGENCIES AND COMMITMENTS 386,662,298 386,662,298 6.2 Calims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the var ended June, and 2023. 6.3 Calims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the var ended June, and 2023. 571,789,427		401,570 (June 30, 2023: 401,570) ordinary shares of Rs. 10 each - cost	2,439,475	2.439.475
5.4 Investment in Sapphire Finishing Mills Limited				
1,556,000 (June 30, 2023: 1,556,000) ordinary shares of Rs. 10 each - cost Share of post acquisition profit 280,809,693 280,809,693 297,318,853 285,370,250 5.5 Investment in Sapphire Holding Limited 100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost 96,663,401 91,244,620 97,188,351 91,769,570 5.6 Investment in Sapphire Power Generation Limited 555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost 19,425,000 19,425,000 Share of post acquisition profit 45,446,228 42,288,157 64,871,228 61,713,157 6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 55,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427				
1,556,000 (June 30, 2023: 1,556,000) ordinary shares of Rs. 10 each - cost Share of post acquisition profit 280,809,693 280,809,693 297,318,853 285,370,250 5.5 Investment in Sapphire Holding Limited 100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost 96,663,401 91,244,620 97,188,351 91,769,570 5.6 Investment in Sapphire Power Generation Limited 555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost 19,425,000 19,425,000 Share of post acquisition profit 45,446,228 42,288,157 64,871,228 61,713,157 6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 55,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427				
Share of post acquisition profit 280,809,693 268,861,090 297,318,853 285,370,250 285,370	5.4	• • • • • • • • • • • • • • • • • • • •		
State Stat			16,509,160	16,509,160
		Share of post acquisition profit		
100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost 524,950 91,244,620 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570			297,318,853	285,370,250
100,223 (June 30, 2023: 100,223) ordinary shares of Rs. 10 each - cost 524,950 91,244,620 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570 97,188,351 91,769,570	5.5	Investment in Sapphire Holding Limited		
Share of post acquisition profit 96,663,401 91,244,620 97,188,351 91,769,570 5.6 Investment in Sapphire Power Generation Limited 555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost 19,425,000 45,446,228 42,288,157 6.1 CONTINGENCIES AND COMMITMENTS 45,446,228 61,713,157 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business 386,662,298 386,662,298 Post dated cheques issued 5,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427	0.0		524 050	E04:050
5.6 Investment in Sapphire Power Generation Limited		· · · · · · · · · · · · · · · · · · ·		
5.6 Investment in Sapphire Power Generation Limited 555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost 19,425,000 19,425,000 Share of post acquisition profit 45,446,228 42,288,157 64,871,228 61,713,157 6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 55,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427		and at post adjusting profit		
555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost Share of post acquisition profit 45,446,228 42,288,157 64,871,228 61,713,157 6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427				31,709,370
Share of post acquisition profit 45,446,228 42,288,157 64,871,228 61,713,157 6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 5,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427	5.6	Investment in Sapphire Power Generation Limited		
Share of post acquisition profit 45,446,228 42,288,157 64,871,228 61,713,157 6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 5,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427		555,000 (June 30, 2023: 555,000) ordinary shares of Rs. 10 each - cost	19,425,000	19,425,000
6 CONTINGENCIES AND COMMITMENTS 6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 6.4 CONTINGENCIES AND COMMITMENTS 6.5 Contingencies 6.6 Contingencies 6.7 Commitments 6.8 Commitments 6.9		Share of post acquisition profit		
6.1 Contingencies Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427				
Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427	6	CONTINGENCIES AND COMMITMENTS		
Guarantees have been issued by banks on behalf of the Company in the normal course of business Post dated cheques issued 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427				
normal course of business Post dated cheques issued 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427	6.1	-		
Post dated cheques issued 5,343,701,000 5,343,701,000 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427				
 6.2 Claims of Input Sales Tax There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427 				
There has been no material change in the status of contingencies pointed in the financial statements for the year ended June, 30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427		Post dated cheques issued	5,343,701,000	5,343,701,000
30 2023. 6.3 Commitments Irrevocable letters of credit for import of: -Plant and machinery 556,813,957 571,789,427	6.2	Claims of Input Sales Tax		
Irrevocable letters of credit for import of: -Plant and machinery556,813,957571,789,427		There has been no material change in the status of contingencies pointed in the 30 2023.	financial statements for the	year ended June ,
-Plant and machinery 556,813,957 571,789,427	6.3			
-Raw material, Stores parts and chemicals 349,309,387 308,063,329		·		
		-Raw material , Stores parts and chemicals	349,309,387	308,063,329

9 DATE OF AUTHORIZATION FOR ISSUE

These consolidated financial statements were authorized for issue on October 27, 2023 by the Board of Directors of the Company.

10 GENERAL

Figures have been rounded off to the nearest rupee.

Chief Executive Officer

Director



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LAHORE OFFICE

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