

3rd Quarter Report
(Un-Audited)
March 31, 2024





Company Information

Board of Directors

Mr. Ijaz Nisar	(Chairman)
Mr. Rasikh Elahi	(Chief Executive Officer)
Mr. Abid Sattar	
Mr. Aurangzeb Firoz	
Dr. Farzana Firoz	
Mr. Shabbi Zahid Ali	
Syed Kashif ul Hassan Shah	

Audit Committee

Syed Kashif ul Hassan Shah	(Chairman)
Mr. Abid Sattar	(Member)
Mr. Shabbi Zahid Ali	(Member)

HR & R Committee

Mr. Ijaz Nisar	(Chairman)
Mr. Rasikh Elahi	(Member)
Mr. Shabbi Zahid Ali	(Member)

Company Secretary & Chief Financial Officer

Mr. Humza Chaudhry

Head of Internal Audit

Mr. Usman Yousaf

Share Registrar

Corplink (Pvt.) Ltd.
Wings Arcade, 1- K Commercial, Model Town, Lahore

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers / Financial Institutions

Shariah Compliant Islamic Banks

Al-Baraka Bank (Pakistan) Limited
Bank Islamic Pakistan Limited
Dubai Islamic Bank Pakistan Limited
MCB Islamic Bank Limited
First Habib Modaraba

Conventional Banks / Financial Institutions

Askari Bank Limited
Allied Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
National Bank of Pakistan
Silk Bank Limited
OLP Financial Services Pakistan Limited

Registered Office

182 Abu Bakar Block,
New Garden Town, Lahore
Ph: +92-42- 111 666 647
Fax: +92-423-5845525
Email: info@at-tahur.com
Web: www.at-tahur.com

Project Locations

Kotli Rai Abubakar, Distirct Kasur

AT-TAHUR LIMITED

DIRECTORS' REPORT

It gives me immense pleasure to present on behalf of the Board of Directors of **At-Tahur Limited**, (hereinafter referred to as "the Company"), financial statements of At-Tahur Limited for the nine months ended March 31, 2024. Your Company continued its journey of success and is poised for growth.

Farm milk production showed stellar growth on account of our timely expansion of farm animals and the ancillary infrastructure. The financial performance for the nine months ended is summarized below:

Description	NINE MONTHS ENDED			QUARTER ENDED		
	July – Mar 2024 PKR million	July – Mar 2023 PKR million	Change	Jan – Mar 2024 PKR million	Jan – Mar 2023 PKR million	Change
Sales	4,289.99	3,569.16	20.20%	1,529.83	1,305.56	17.18%
Gross Profit	1,767.55	2,459.83	-28.14%	609.99	1,202.10	-49.26%
% of sales	41.20%	68.92%		39.87%	92.08%	
Operating Profit	568.89	1,331.98	-57.29%	227.59	842.55	-72.99%
% of sales	13.26%	37.32%		14.88%	64.54%	
Net Profit after tax	236.17	1,151.50	-79.49%	130.88	778.35	-83.18%
% of sales	5.51%	32.26%		8.56%	59.62%	
Earnings per share*	1.08	5.27		0.60	3.56	

* Earning per share of comparative period has been restated due to issue of bonus.

BOARD & ITS COMMITTEES:

The total number of directors are 7 as per following:

- a. Male 06
- b. Female 01

The Composition of Board of Directors is as follows:

a. Independent Directors:

1. Mr. Ijaz Nisar (Justice Rtd.)
2. Mr. Abid Sattar
3. Mr. Aurangzeb Firoz
4. Dr. Farzana Firoz
5. Syed Kashif ul Hassan Shah

b. Non-Executive Director:

1. Mr. Shabbi Zahid Ali

c. Executive Director:

1. Mr. Rasikh Elahi

AT-TAHUR LIMITED

AUDIT COMMITTEE

In Compliance of Listing Companies (Code of Corporate Governance) Regulation, 2019 the names of members of Audit Committee members are as under:

Sr. No.	Name of Directors
1	Mr. Abid Sattar
2	Mr. Shabbi Zahid Ali
3	Syed Kashif ul Hassan Shah

HUMAN RESOURCE & REMUNERATION COMMITTEE

In Compliance of Listing Companies (Code of Corporate Governance) Regulation, 2019 the names of members of Human Resource & Remuneration Committee members are as under:

Sr. No.	Name of Directors
1	Mr. Ijaz Nisar
2	Mr. Shabbi Zahid Ali
3	Mr. Rasikh Elahi

DIRECTORS' REMUNERATION

The Board of Directors has approved Directors' Remuneration Policy. The 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 Board meetings;
- The Company will reimburse or incur expenses of travelling and accommodation of Directors for attending Board meetings;
- The Directors' Remuneration policy will be reviewed and approved by the Board of Directors from time to time.

Moreover, the Board acknowledge the valuable contributions being made by the Non-Executive directors, and currently a meeting fee is being offered for attendance and participation in Board meeting, while this does not reflect compensation of their contributions and just represents a token of appreciation.

Future Outlook:

Despite the tough economic environment, the management remains fully committed and optimistic about the future potential of the business and will continue to delight consumers and fulfil their needs with high quality products and consumer centric innovation & renovation of portfolio while remaining focused on optimization of the value chain.



Rasikh Elahi
Chief Executive
April 29, 2024



Shabbi Zahid Ali
Director

ڈائریکٹرز رپورٹ

میں بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2024 کو ختم ہونے والے نو ماہی کے مالی جائزہ کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔ آپ کی کمپنی نے کامیابی کا سفر جاری رکھا ہے اور مزید ترقی کی طرف کوشاں ہے۔ فارم کے دودھ میں اضافہ، بروقت جانوروں کی تعداد میں اضافے اور ذیلی انفراسٹرکچر کی بہتری کی وجہ سے ہوا۔

نو ماہی مالیاتی کارکردگی ذیل میں دی گئی ہے:

سم ماہی (ملین روپے)			نوماہی (ملین روپے)			
تبدیلی	جنوری - مارچ 2023	جنوری۔ مارچ 2024	تبدیلی	جولائی - مارچ 2023	جولائی مارچ 2024	
17.18%	1,305.56	1,529.83	20.20%	3,569.15	4,289.99	آمدنی
-49.26%	1,202.10	609.99	-28.14%	2,459.83	1,767.55	مجموعی منافع مارجن
	92.08	39.87		68.92	41.20	فروخت کا فیصد
-72.99%	842.55	227.59	-57.29%	1,331.98	568.89	اپریٹنگ منافع مارجن
	64.54	14.88		37.32	13.26	فروخت کا فیصد
-83.18%	778.35	130.88	-79.49%	1,151.50	236.17	بعد ٹیکس خالص منافع
	59.62	8.56		32.26	5.51	فروخت کا فیصد
	3.56	0.60		5.27	1.08	فی شیئر آمدنی

بورڈ اور اس کی کمیٹیز

ڈائریکٹرز کی کل تعداد حسب ذیل ہے:

- a. مرد 06
b. خاتون 01

بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

a. آزاد ڈائریکٹرز

1. محترم اعجاز نثار (جسٹس ریٹائرڈ)
2. محترم عابد ستار
3. محترم اورنگزیب فیروز
4. ڈاکٹر فرزانہ فیروز
5. سید کاشف الحسن شاہ

b. نان ایگزیکٹو ڈائریکٹر

1. محترم شبلی زاہد علی

c. ایگزیکٹو ڈائریکٹر

1. محترم راسخ الہی

آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس 2019 کی تعمیل میں بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی تشکیل دی ہے۔ جس کے ارکان کے نام درج ذیل ہیں۔

نمبر شمار	نام ڈائریکٹر
1.	محترم عابد ستار
2.	محترم شبلی زاہد علی
3.	سید کاشف الحسن شاہ

بیومن ریسورس اینڈ ریمونریشن کمیٹی

کوڈ آف کارپوریٹ گورننس 2019 کی تعمیل میں بورڈ آف ڈائریکٹرز نے بیومن ریسورس اینڈ ریمونریشن کمیٹی تشکیل دی ہے۔ جس کے ارکان کے نام درج ذیل ہیں۔

نمبر شمار	نام ڈائریکٹر
1.	محترم اعجاز نثار
2.	محترم شبلی زاہد علی
3.	محترم راسخ الہی

ڈائریکٹرز کامشاہیرہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کا مشاہیرہ طے کرنے کی پالیسی مرتب کی ہے۔ پالیسی کی خصوصیات حسب ذیل ہیں:

1. کمپنی اپنے نان ایگزیکٹو اور آزاد ڈائریکٹرز کو بورڈ اجلاس میں شرکت کے لئے اجلاس فیس کے علاوہ مشاہیرہ ادا نہیں کرے گی۔
2. بورڈ اجلاس میں شرکت کی غرض سے ڈائریکٹرز کی جانب سے رہائش اور سفر پر برداشت کئے جانے والے اخراجات کمپنی ادا کرے گی۔
3. ڈائریکٹرز کی مشاہیرہ پالیسی پر ہمہ وقت نظر ثانی کی جائے گی اور بورڈ آف ڈائریکٹرز اس کی منظوری دیں گے۔

مزید برآں بورڈ نان ایگزیکٹو ڈائریکٹرز کی گراں قدر خدمات کو تسلیم کرتا ہے اور حال میں بورڈ اجلاس میں حاضری اور شرکت کے لئے اجلاس فیس ادا کی جائے گی جب کہ یہ ان کے معاوضہ کی عکاسی نہیں کرتا بلکہ یہ ان کی خدمات کا اعتراف ہے۔

مستقبل پر نظر

غیر یقینی معاشی حالات کے باوجود انتظامیہ کاروبار کے مستقبل کے بارے میں پوری پر اُمید اور پر عزم ہے اور اپنے گاہکوں کو خوش رکھے گی۔ ان کی ضروریات کو اعلیٰ معیار کی چیزوں اور اپنی مصنوعات میں جدت اور بہتری لاکر اور اس کے ساتھ ویلیو چین کو بہتر بنائے گی۔

شبلی زاہد علی
ڈائریکٹر

بورڈ آف ڈائریکٹرز کی جانب سے
راسخ الہی
چیف ایگزیکٹو ڈائریکٹر
29 اپریل 2024

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

		UN-AUDITED 31 MARCH 2024	AUDITED 30 JUNE 2023		UN-AUDITED 31 MARCH 2024	AUDITED 30 JUNE 2023	
	NOTE	----- (Rupees in '000') -----			----- (Rupees in '000') -----		
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorized share capital				Property, plant and equipment	11	1,643,144	1,664,658
220,000,000 (30 June 2023: 220,000,000) ordinary shares of Rupees 10 each				Right-of-use assets	12	186,439	223,763
		2,200,000	2,200,000	Biological assets	13	4,091,439	3,992,849
Issued, subscribed and paid-up share capital		2,186,394	2,186,394	Long term security deposits		52,473	65,523
Capital contribution	4	42,628	42,628	Deferred income tax asset - net		35,181	39,137
Reserves		2,810,232	2,574,067			6,008,676	5,985,930
Total equity		5,039,254	4,803,089	CURRENT ASSETS			
LIABILITIES				Stores		48,262	45,838
NON-CURRENT LIABILITIES				Inventories		270,151	412,329
Employees' retirement benefit		191,045	150,298	Biological assets	13	25	1,747
Lease liabilities	5	155,834	191,819	Trade debts		337,395	238,976
Long term financing	6	307,135	336,767	Short term advances and prepayments		177,164	59,538
Deferred liabilities		97,729	115,355	Short term deposits and other receivables		433,585	342,869
		751,743	794,239	Advance income tax - net of provision for taxation		43,334	95,231
				Cash and bank balances	14	73,647	107,295
						1,383,563	1,303,823
CURRENT LIABILITIES							
Trade and other payables		846,612	944,152				
Short term borrowings	7	457,496	460,376				
Accrued mark-up / profit	8	61,854	48,627				
Current portion of non-current liabilities	9	235,245	239,235				
Unclaimed dividend		35	35				
		1,601,242	1,692,425				
Total liabilities		2,352,985	2,486,664				
CONTINGENCIES AND COMMITMENTS							
	10						
TOTAL EQUITY AND LIABILITIES		7,392,239	7,289,753	TOTAL ASSETS		7,392,239	7,289,753

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024 (UN-AUDITED)**

NOTE	NINE MONTH PERIOD ENDED		THREE MONTH PERIOD ENDED	
	31 MARCH 2024	31 MARCH 2023	31 MARCH 2024	31 MARCH 2023
	----- (Rupees in '000') -----		----- (Rupees in '000') -----	
REVENUE FROM CONTRACTS WITH CUSTOMERS	4,289,993	3,569,157	1,529,829	1,305,559
GAIN ARISING ON INITIAL RECOGNITION OF MILK AT FAIR VALUE LESS COSTS TO SELL AT THE TIME OF MILKING	2,795,776	2,441,005	986,501	936,937
GAINS ARISING FROM CHANGES IN FAIR VALUE LESS COSTS TO SELL OF DAIRY LIVESTOCK	682,879	1,768,802	191,670	896,616
	<u>7,768,648</u>	<u>7,778,964</u>	<u>2,708,000</u>	<u>3,139,112</u>
OPERATING COSTS	15 (6,001,100)	(5,319,135)	(2,098,001)	(1,937,013)
	<u>1,767,548</u>	<u>2,459,829</u>	<u>609,999</u>	<u>1,202,099</u>
ADMINISTRATIVE AND GENERAL EXPENSES	(240,102)	(203,657)	(85,961)	(71,478)
SELLING AND MARKETING EXPENSES	(438,884)	(403,972)	(141,591)	(131,158)
OTHER EXPENSES	(541,231)	(537,370)	(166,534)	(168,483)
	<u>(1,220,217)</u>	<u>(1,144,999)</u>	<u>(394,086)</u>	<u>(371,119)</u>
	547,331	1,314,830	215,913	830,980
OTHER INCOME	<u>21,554</u>	<u>17,154</u>	<u>11,681</u>	<u>11,565</u>
PROFIT FROM OPERATIONS	568,885	1,331,984	227,594	842,545
FINANCE COST	(217,383)	(150,454)	(66,582)	(47,219)
PROFIT BEFORE TAXATION	351,502	1,181,530	161,012	795,326
TAXATION	(115,337)	(30,035)	(30,128)	(16,976)
PROFIT AFTER TAXATION	<u>236,165</u>	<u>1,151,495</u>	<u>130,884</u>	<u>778,350</u>
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	<u>1.08</u>	<u>5.27</u>	<u>0.60</u>	<u>3.56</u>

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024 (UN-AUDITED)**

	NINE MONTH PERIOD ENDED		THREE MONTH PERIOD ENDED	
	31 MARCH 2024	31 MARCH 2023	31 MARCH 2024	31 MARCH 2023
	----- (Rupees in '000') -----		----- (Rupees in '000') -----	
PROFIT AFTER TAXATION	236,165	1,151,495	130,884	778,350
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Items that will not be reclassified to profit or loss	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	236,165	1,151,495	130,884	778,350


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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024 (UN-AUDITED)**

	SHARE CAPITAL	CAPITAL CONTRIBUTION	RESERVES			TOTAL
			CAPITAL RESERVE	REVENUE RESERVE	TOTAL RESERVES	
			SHARE PREMIUM	UN-APPROPRIATED PROFIT		
----- (Rupees in '000') -----						
Balance as at 30 June 2022 - audited	1,987,631	-	-	1,527,681	1,527,681	3,515,312
Transaction with owners - Issue of 1 bonus shares for every 10 ordinary shares for the year ended 30 June 2022	198,763	-	-	(198,763)	(198,763)	-
Received from chief executive during the period	-	42,628	-	-	-	42,628
<i>Total comprehensive income for the nine months ended March 31, 2023</i>						
Profit after taxation	-	-	-	1,151,495	1,151,495	1,151,495
Other comprehensive income	-	-	-	-	-	-
	-	-	-	1,151,495	1,151,495	1,151,495
Balance as at 31 March 2023 - un-audited	2,186,394	42,628	-	2,480,412	2,480,412	4,709,435
<i>Total comprehensive income for the three months ended June 30, 2023</i>						
Profit after taxation	-	-	-	96,287	96,287	96,287
Other comprehensive loss	-	-	-	(2,633)	(2,633)	(2,633)
	-	-	-	93,654	93,654	93,654
Balance as at 30 June 2023 - audited	2,186,394	42,628	-	2,574,067	2,574,067	4,803,089
<i>Total comprehensive income for the nine months ended March 31, 2024</i>						
Profit after taxation	-	-	-	236,165	236,165	236,165
Other comprehensive income	-	-	-	-	-	-
	-	-	-	236,165	236,165	236,165
Balance as at 31 March 2024 - un-audited	2,186,394	42,628	-	2,810,232	2,810,232	5,039,254

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024 (UN-AUDITED)**

	NOTE	NINE MONTH PERIOD ENDED	
		31 MARCH 2024	31 MARCH 2023
----- (Rupees in '000') -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	252,336	400,115
Finance cost paid		(175,434)	(145,180)
Income tax paid		(59,484)	(45,008)
Net increase in security deposits		13,050	699
Net cash generated from operating activities		30,468	210,626
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(63,125)	(144,744)
Proceeds from sale of operating fixed assets		9,155	-
Proceeds from sale of dairy livestock		70,567	37,060
Return on bank deposits		113	41
Net cash used in investing activities		16,710	(107,643)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		(2,880)	16,748
Capital contribution		-	42,628
Repayment of lease liabilities		(29,810)	(32,751)
Long term financing - net		(48,136)	(76,466)
Net cash from / (used in) financing activities		(80,826)	(49,841)
Net increase in cash and cash equivalents		(33,648)	53,142
Cash and cash equivalents at the beginning of the period		107,295	27,496
Cash and cash equivalents at the end of the period		73,647	80,638

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2024**

1. THE COMPANY AND ITS OPERATIONS

1.1 At-Tahur Limited ("the Company") is a public limited Company incorporated in Pakistan on 16 March 2007 under the Companies Ordinance, 1984 (Now Companies Act, 2017). The Company was incorporated as a private limited Company and subsequently converted into a public limited Company with effect from 28 September 2015. On 23 July 2018, the Company was listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to run dairy farm for the production and processing of milk and dairy products. The registered office of the Company is situated at 182-Abu Bakar Block, New Garden Town, Lahore.

1.2 On 01 November 2023, the Federal Investigation Agency ("the Agency") issued a notification (the "impugned notice") to all banks directing to impose a debit block on all bank accounts of the Company, pursuant to an on-going investigation against chief executive officer ("the accused") of the Company. On the directions of the Agency, banks of the Company have imposed a debit block on all bank accounts of the Company. On 11 November 2023, being aggrieved with the impugned notice, the Company has filed a writ petition ("main petition") before Honourable Lahore High Court, Lahore ("the Court") on the grounds that on-going investigation by the Agency is against the accused and not against the Company and, therefore, it is prayed that impugned notice be declared illegal, without lawful authority and of no legal effect. It is also prayed that the Agency be directed to issue instructions to immediately remove debit block on bank accounts of the Company. On 30 November 2023, the Court granted interim relief to the Company and directed both parties to hold a joint meeting and make suitable arrangements for payment of necessary operational expenses and salaries of employees of the Company. On 05 December 2023, the Agency issued instructions to the banks of the Company to partially release the amounts for payment of operational expenses and salaries of the employees of the Company. On 07 December 2023, upon submission of compliance report by the Agency stating partial compliance of the order of the Court, the Court directed the Agency to make arrangements for payment of 50% amounts of operational expenses as already intimated by the Company to the Agency. On 27 December 2023, the Agency issued instructions to the banks of the Company to release funds for payment of remaining operational expenses as agreed with the Company. The Agency issued multiple letters to the banks for release of funds to meet requirements of operational expenses on monthly basis. On 16 January 2024, the Court further granted interim relief to the Company and directed that the Agency should also consider to permit the Company to transfer amounts to its loan accounts maintained with the banks which are overdue. On 16 February 2024, the Agency issued instructions to the banks of the Company for payment of financing facilities including mark-up on financing facilities which were due to be paid on 31 December 2023 and these were duly adjusted. However, the main petition filed before the Court is still pending adjudication.

On 28 December 2023, the Company also filed writ petition before the Honorable Lahore High Court, Lahore ("the Court") for restraining banks to report the name of the Company as "defaulter" in Credit Information Bureau ("eCIB") based on the premise that the payments of financing facilities including mark-up on financing facilities have been stalled, despite having sufficient funds, in bank accounts of the Company, owing to placement of debit block by the Agency on bank accounts of the Company as explained above. It was also argued that the Company was not a defaulter under the Prudential Regulations of the State Bank of Pakistan. On 29 December 2023, based on the facts, the Court granted interim relief to the Company and ordered that the banks should be refrained from placing the name of the Company on eCIB till next date of hearing. On 01 February 2024, the Court has further extended the interim relief granted to the Company.

Based on the facts and the advice of legal counsel, the management is confident of favorable outcome of these matters. Further, the management has assessed the accounting implications of these developments on these condensed interim financial statements. According to management's assessment, there is no significant impact of the above mentioned developments on these condensed interim financial statements.

AT-TAHUR LIMITED

2. BASIS OF PREPARATION

2.1 These 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 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 2023. These condensed interim financial statements are un-audited, however, have been subjected to limited scope review by the auditors 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. MATERIAL ACCOUNTING POLICY INFORMATION

The material accounting policy information and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding annual audited published financial statements of the Company for the year ended 30 June 2023.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these 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 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 annual audited published financial statements of the Company for the year ended 30 June 2023.

4 CAPITAL CONTRIBUTION

- 4.1** This is from chief executive of the Company. The chief executive has provided interest free loan that is to be repaid at the Company's discretion. Hence, this loan is treated as capital contribution in accordance with The Institute of Chartered Accountants of Pakistan's (ICAP) Technical Release 32 'Accounting Directors' Loan'.

UN-AUDITED	AUDITED
31 MARCH	30 JUNE
2024	2023
(RUPEES IN THOUSAND)	

5 LEASE LIABILITIES

Total lease liabilities	221,672	251,482
Less: Current portion shown under current liabilities	<u>(65,838)</u>	<u>(59,663)</u>
	<u>155,834</u>	<u>191,819</u>

- 5.1** The interest expense on lease liabilities for the period is Rupees 28.899 million (31 March 2023 : Rupees 16.908 million). The total cash outflow for leases for the period ended 31 March 2024 amounted to Rupees 68.289 million (31 March 2023: Rupees 44.653 million).
- 5.2** Implicit rates against lease liabilities range from 25.72% to 28.50% (30 June 2023: Rupees 18.10% to 27.88%) per annum.
- 5.3** Leases from banking companies are secured against the leased assets, specific hypothecation charge over leased assets, demand promissory notes, personal guarantee of chief executive of the Company and security deposits of Rupees 19.718 million (30 June 2023: Rupees 54.313 million).

UN-AUDITED	AUDITED
31 MARCH	30 JUNE
2024	2023
(RUPEES IN THOUSAND)	

6 LONG TERM FINANCING

Opening balance	491,662	612,095
Add: Loan obtained during the period / year	22,200	12,966
Less: Effect of discounting during the period / year	-	(15,053)
Present value of loan obtained during the period / year	22,200	(2,087)
Add: Accrued during the period / year	18,729	20,550
Less: Payments made during the period / year	<u>(89,065)</u>	<u>(138,896)</u>
Closing balance	443,526	491,662
Less: Current portion shown under current liabilities	<u>(136,391)</u>	<u>(154,895)</u>
	<u>307,135</u>	<u>336,767</u>

7 SHORT TERM BORROWINGS

These include short term murabaha amounting to Rupees 107.832 million and cash finances amounting to Rupees 41.348 million which were due to be paid on 31 March 2024 but remained unpaid due to debit block imposed by the Agency on the bank accounts of the Company as more fully explained in note 1.2 to these condensed interim financial statements.

8 ACCRUED MARK-UP / PROFIT

This includes mark-up / profit on long term financing amounting to Rupees 14.762 million, mark-up on lease liabilities amounting to Rupees 5.249 million, mark-up on deferred payment obligation amounting to Rupees 5.596 million and mark-up / profit on short term borrowings amounting to Rupees 17.239 million which were due to be paid on 31 March 2024 but remained unpaid due to debit block imposed by the Agency on the bank accounts of the Company as more fully explained in note 1.2 to these condensed interim financial statements.

9 CURRENT PORTION OF NON CURRENT LIABILITIES

	UN-AUDITED	AUDITED
	31 MARCH	30 JUNE
	2024	2023
	(RUPEES IN THOUSAND)	
Lease liabilities (Note 9.1)	65,838	59,663
Long term financing (Note 9.2)	136,391	154,895
Deferred income - Government grant	11,208	12,215
Deferred payment obligation (Note 9.3)	21,808	12,462
	<u>235,245</u>	<u>239,235</u>

9.1 Current portion of lease liabilities includes an amount of Rupees 9.8 million which was due to be paid on 31 March 2024 but remained unpaid due to debit block imposed by the Agency on the bank accounts of the Company as more fully explained in note 1.2 to these condensed interim financial statements.

9.2 Current portion of long term financing includes long term musharakah amounting to Rupees 13.627 million and long term loans amounting to Rupees 25.046 million which were due to be paid on 31 March 2024 but remained unpaid due to debit block imposed by the Agency on the bank accounts of the Company as more fully explained in note 1.2 to these condensed interim financial statements.

9.3 Current portion of deferred payment obligation includes an amount of Rupees 21.808 million which was due to be paid on 31 March 2024 but remained unpaid due to debit block imposed by the Agency on the bank accounts of the Company.

10 CONTINGENCIES AND COMMITMENTS**10.1 Contingencies**

There is no significant change in the status of contingencies as disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023 except for the following:

10.1.1 On 02 May 2023, the Additional Commissioner Inland Revenue (ACIR) passed an order under section 122(5A) of the Income Tax Ordinance, 2001 for tax year 2017 wherein additions / disallowances of Rupees 5.742 million has been made. Further, the ACIR also rejected tax credit of Rupees 2.441 million claimed by the Company under section 65B of the Income Tax Ordinance, 2001 and charged workers' welfare fund of Rupees 0.115 million. Against the order passed by ACIR, the Company filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] on 29 May 2023. On 27 November 2023, CIR(A) decided the case in favour of the Company. The department has not served any notice against the order passed by CIR(A) to-date.

10.1.2 On 28 November 2023, Deputy Commissioner Inland Revenue (DCIR) obtained search warrants from the concerned Judicial Magistrate / Senior Civil Judge, Kasur under section 40 of the Sales Tax Act, 1990 for search of both business and manufacturing premises of the Company against the allegations of sales tax evasion by the Company. During the search of above said premises, DCIR confiscated certain records / documents. The Company filed writ petition in the Honorable Lahore High Court, challenging the issuance of search warrants dated 28-11-2023 issued under section 40 of the Sales Tax Act, 1990 and the conduct of search pursuant to the said warrants and the seizure / confiscation of record / material / items from the business and manufacturing premises of the petitioner Company in Lahore and Kasur respectively. On 05 April 2024, the majority of the seized records were recovered under Honorable Lahore High Court order.

10.2 Commitments

10.2.1 The Company obtained vehicles under Ijarah arrangements from Askari Bank Limited for a period of five years and ijarah rentals are payable on monthly basis. Future Ujrah payments under ijarah are as follows:

	UN-AUDITED 31 MARCH 2024	AUDITED 30 JUNE 2023
	(RUPEES IN THOUSAND)	
Not later than one year	14,517	13,839
Later than one year but not later than five years	19,007	28,484
	<u>33,524</u>	<u>42,323</u>

11 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 11.1)	1,591,238	1,636,528
Capital work-in-progress (Note 11.2)	51,906	28,130
	<u>1,643,144</u>	<u>1,664,658</u>

11.1 Operating fixed assets

Opening net book value	1,636,528	1,524,814
Add: Cost of additions made during the period / year (Note 11.1.1)	39,347	327,040
Less: Book value of deletions during the period / year (Note 11.1.2)	(1,754)	(95,235)
Add: Book value of asset transferred from right-of-use-assets during the period / year (Note 12.2)	3,003	996
Less: Depreciation charged during the period / year	<u>(85,887)</u>	<u>(121,087)</u>
Closing net book value	<u>1,591,238</u>	<u>1,636,528</u>

11.1.1 Cost of additions during the period / year

Buildings on freehold land	2,749	112,869
Plant and machinery	5,738	51,738
Electric installations	1,162	107,380
Tools and equipment	2,007	220
Office equipment	4,642	2,790
Vehicles	22,388	50,724
Furniture	10	197
Computers	651	1,122
	<u>39,347</u>	<u>327,040</u>

UN-AUDITED	AUDITED
31 MARCH	30 JUNE
2024	2023
(RUPEES IN THOUSAND)	

11.1.2 Book value of deletions during the period / year

Cost:

Vehicles

Electric installations

8,641	-
-	98,568
8,641	98,568
6,887	3,333
1,754	95,235
<u>1,754</u>	<u>95,235</u>

Less: Accumulated depreciation

11.2 Capital work-in-progress

Buildings on freehold land

Advances to contractors against civil work

Advances against electric installations

38,215	17,234
13,691	9,031
-	1,865
51,906	28,130
<u>51,906</u>	<u>28,130</u>

12 RIGHT-OF-USE ASSETS

Opening book value

Add: Cost of additions during the period / year (Note 12.1)

Less: Book value of assets transferred to operating fixed assets during the period / year (Note 12.2)

Less: Depreciation expense for the period / year

Closing book value

223,764	136,572
-	128,999
(3,003)	(996)
(34,322)	(40,812)
186,439	223,763
<u>186,439</u>	<u>223,763</u>

12.1 Cost of additions during the period / year

Building

Plant and machinery

-	16,358
-	112,641
-	128,999
<u>-</u>	<u>128,999</u>

12.2 Book value of assets transferred to operating fixed asse during the period / year

Plant and machinery

Vehicles

3,003	473
-	523
3,003	996
<u>3,003</u>	<u>996</u>

	UN-AUDITED	AUDITED
	31 MARCH	30 JUNE
	2024	2023
	(RUPEES IN THOUSAND)	
13. BIOLOGICAL ASSETS		
Dairy livestock:		
Mature	2,537,163	2,619,874
Immature	1,554,301	1,374,722
	<u>4,091,464</u>	<u>3,994,596</u>
Non-current	4,091,439	3,992,849
Current	25	1,747
	<u>4,091,464</u>	<u>3,994,596</u>
13.1 Reconciliation of carrying amount of dairy livestock:		
Carrying amount at the beginning of the period / year	3,994,596	2,671,392
Fair value gain due to new births	43,390	55,537
Gain arising from changes in fair value less costs to sell attributable to physical and price changes	639,489	1,893,647
	682,879	1,949,184
Loss due to deaths of dairy livestock	(227,359)	(285,870)
Decrease due to sales of dairy livestock	(358,652)	(340,110)
Carrying amount at the end of the period / year, which approximates the fair value less costs to sell	<u>4,091,464</u>	<u>3,994,596</u>
13.2	As at 31 March 2023, the Company held 3,049 (30 June 2023: 3,050) mature assets able to produce milk and 2,750 (30 June 2023: 2,319) immature assets that are being raised to produce milk in the future. During the period ended 31 March 2024, the Company produced approximately 19.258 million (30 June 2023: 25.674 million) gross liters of milk from these biological assets. As at 31 March 2023, the Company also held 5 (30 June 2023: 22) immature male calves.	
13.3	The valuation of dairy livestock as at 31 December 2023 has been carried out by independent valuers. In this regard, the valuers examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company as at 31 December 2023. Further, in the absence of an active market of the Company's dairy livestock in Pakistan, market and replacement values of similar livestock from active markets in Europe and Australia, have been used as basis of valuation by the independent valuers. The cost of transportation to Pakistan is also considered.	
14. CASH AND BANK BALANCES		
14.1	On 01 November 2023, the Agency issued the impugned notice to all banks directing to impose a debit block on all bank accounts of the Company. Consequently, the banks have imposed debit block on all bank accounts of the Company. Being aggrieved with the impugned notice, the Company has filed a write petition before Honourable Lahore High Court, Lahore as detailed in note 1.2 in these condensed interim financial statements.	
14.2	Cheques amounting to Rupess 23.170 million are given to suppliers of the Company which remained uncleared due to debit block imposed by the Agency on the bank accounts of the Company.	

UN-AUDITED			
NINE MONTH PERIOD ENDED		QUARTER ENDED	
31 MARCH 2024	31 MARCH 2023	31 MARCH 2024	31 MARCH 2023
(RUPEES IN THOUSAND)		(RUPEES IN THOUSAND)	

15. OPERATING COSTS

Raw milk consumed	2,809,046	2,443,293	991,571	937,128
Forage consumed	1,968,115	1,814,972	692,126	648,904
Packing materials consumed	350,844	282,754	120,594	99,425
Stores consumed	8,906	5,139	3,013	1,041
Salaries, wages and other benefits	148,685	133,897	50,211	45,298
Oil and lubricants	156,392	199,775	30,081	59,161
Utilities	135,072	112,398	40,412	28,798
Insurance	3,201	1,312	1,106	369
Repair and maintenance	68,327	72,048	26,356	20,701
Artificial insemination supplies consumed	10,595	9,743	4,738	1,394
Dairy livestock medication consumed	94,579	71,670	30,307	28,095
Dairy supplies consumed	134,843	73,708	62,345	26,912
Chemicals consumed	-	67	-	26
Vehicles' running	13,727	7,690	539	2,149
Depreciation on operating fixed assets	56,257	55,656	22,667	25,525
Depreciation on right-of-use assets	17,026	15,380	2,967	6,003
Rent, rates and taxes	10,488	7,851	1,912	1,212
Miscellaneous	21,165	15,185	9,693	7,696
	6,007,268	5,322,538	2,090,638	1,939,837
Finished / manufactured goods				
Opening inventory	20,594	13,304	34,125	13,883
Closing inventory	(26,762)	(16,707)	(26,762)	(16,707)
	(6,168)	(3,403)	7,363	(2,824)
	6,001,100	5,319,135	2,098,001	1,937,013

	UN-AUDITED	UN-AUDITED
	31 MARCH	31 MARCH
	2024	2023
	(RUPEES IN THOUSAND)	
16. CASH GENERATED FROM OPERATIONS		
Profit before taxation	351,502	1,181,530
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	85,888	87,176
Depreciation on right-of-use assets	34,322	23,303
Gain on sale of operating fixed assets	(7,401)	-
Gains arising from changes in fair value less costs to sell of dairy live stock	(682,879)	(1,768,802)
Loss on sale of dairy livestock - net	288,084	223,400
Loss due to death of dairy livestock	227,359	240,507
Profit on bank deposits	(113)	(41)
Amortization of deferred income - Government grant	(9,287)	(5,731)
Allowance for expected credit losses	20,867	72,050
Provision for Workers' Profit Participation Fund	3,780	-
Provision for Workers' Welfare Fund	1,141	-
Provision for expired / damaged stock	-	1,413
Provision for employees' retirement benefit	40,747	30,179
Finance cost	217,383	150,454
Working capital changes (Note 16.1)	<u>(319,057)</u>	<u>164,677</u>
	<u>252,336</u>	<u>400,115</u>
16.1 Working capital changes		
(Increase) / decrease in current assets:		
- Stores	(2,424)	(3,143)
- Inventories	142,178	211,486
- Trade debts	(119,286)	(94,710)
- Short term advances and prepayments	(117,626)	9,356
- Short term deposits and other receivables	<u>(90,716)</u>	<u>(111,097)</u>
	(187,874)	11,892
(Decrease) / increase in trade and other payables	<u>(131,183)</u>	<u>152,785</u>
	<u>(319,057)</u>	<u>164,677</u>

17. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS**(i) Fair value hierarchy**

Certain financial assets and financial liabilities are 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. Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classifies its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

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 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.

18. RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS**(i) Fair value hierarchy**

Judgements and estimates are made for non-financial assets that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its non-financial assets into the following three levels.

AT 31 MARCH 2024	Level 1	Level 2	Level 3	Total
-----RUPEES IN THOUSAND-----				
Biological assets	-	4,091,464	-	4,091,464
Total non-financial assets	-	4,091,464	-	4,091,464
At 30 JUNE 2023	Level 1	Level 2	Level 3	Total
-----RUPEES IN THOUSAND-----				
Biological assets	-	3,994,596	-	3,994,596
Total non-financial assets	-	3,994,596	-	3,994,596

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

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period ended 31 March 2024. Further, there was no transfer in and out of level 3 measurements.

(ii) Valuation techniques used to determine level 2 fair values

The fair value of these assets is determined by independent valuers. Fair value of biological assets has been determined using a replacement cost approach, whereby, current cost of similar dairy cattle in the international market has been adjusted for transportation costs to arrive at fair value.

Valuation processes

The Company engages external and independent valuers to determine the fair value of the Company's biological assets at the end of reporting period. Most recent valuation of biological asset was carried out on 31 December 2023 by Anderson Consulting (Private) Limited and M/s Profarm Pakistan (Private) Limited.

19 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties are as follows:

(i) Transactions:

		UN-AUDITED			
		NINE MONTH PERIOD ENDED		THREE MONTH PERIOD ENDED	
		31 MARCH 2024	31 MARCH 2023	31 MARCH 2024	31 MARCH 2023
Associated company					
Purchase of goods	Rupees in thousand	1,371	1,832	1,371	1,141
Other related parties					
Bonus shares issued	Number of shares	-	15,090,080	-	-
Remuneration of chief executive officer and executives	Rupees in thousand	72,128	82,113	24,724	30,385
				UN-AUDITED 31 MARCH 2024	AUDITED 30 JUNE 2023
				----- (Rupees in '000') -----	-----

(ii) Period end balances**Bahera (Private) Limited - associated company**

Short term advances / (payables) for purchase of feed

3,989 (57)

20 DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX**Description****Loan / advances obtained as per Islamic mode:**

Loans 534,900 632,374

Shariah compliant bank deposits / bank balances

Bank balances 2,833 46,472

UN-AUDITED **UN-AUDITED**
31 MARCH **31 MARCH**
2024 **2023**
----- (Rupees in '000') -----

Profit earned from shariah compliant bank deposits / bank balances

Profit on deposits with banks 113 41

Revenue earned from shariah compliant business

4,289,993 3,569,157

Gain or dividend earned from shariah complaint investments

- -

Exchange loss

- -

Mark-up paid on Islamic mode of financing

58,110 60,677

Profits earned or interest paid on any conventional loan / advance

Interest paid on loans 65,484 57,017

Mark-up on lease liabilities 28,899 15,528

Interest on workers' profit participation fund 28,722 15,286

Profit earned on deposits with banks - -

Relationship with shariah compliant banks / financial institutions

Name	Relationship
BankIslami Pakistan Limited	Bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
MCB Islamic Bank Limited	Bank balance, long term and short term borrowings
First Habib Modaraba	Long tern financing
OLP Modaraba	Long tern financing
Al Baraka Bank (Pakistan) Limited	Bank balance

21 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding annual audited published financial statements of the Company for the year ended 30 June 2023.

22 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 29 April 2024.

23 CORRESPONDING FIGURES

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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