
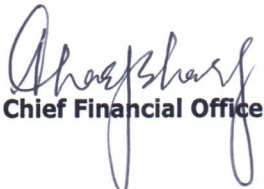



**ITTEFAQ IRON INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2021 (UNAUDITED)**

	<b>Unaudited</b>	Audited
	<b>31 / March / 2021</b>	30 / Jun / 2020
	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>Share capital and reserves</b>		
Share capital	1,443,433,640	1,443,433,640
Share premium	774,507,925	774,507,925
Equity portion of loan from directors	108,750,254	116,622,256
Surplus on revaluation of property, plant and equipment	598,354,434	600,648,346
Un-appropriated profit	1,246,062,200	1,044,147,834
	<b>4,171,108,453</b>	<b>3,979,360,001</b>
<b>NON-CURRENT LIABILITIES</b>		
Long-term finances	207,578,961	199,706,959
Liabilities against asset subject to finance lease	48,618,351	48,618,353
Deferred taxation	173,427,733	170,667,342
Deferred Liabilities	54,252,747	44,847,611
	<b>483,877,792</b>	<b>463,840,265</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	1,057,038,939	501,148,745
Unclaimed dividends	7,241,933	9,286,705
Mark-up accrued on borrowings	67,075,982	66,092,112
Short-term borrowings	1,606,353,373	1,378,552,864
Current portion of against asset subject to finance lease	2,801,161	10,025,781
	<b>2,740,511,388</b>	<b>1,965,106,207</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
	-	-
	<b>7,395,497,633</b>	<b>6,408,306,473</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	1,894,526,954	1,868,322,054
Right to use assets	72,350,087	78,193,144
Long-term deposits	18,972,226	18,972,226
	<b>1,985,849,267</b>	<b>1,965,487,424</b>
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	318,464,384	305,300,914
Stock in trade	2,218,957,216	1,619,455,614
Trade debts	1,700,749,211	1,615,818,104
Loans and advances	478,091,395	389,288,457
Trade deposits and prepayments	241,448,459	131,051,855
Tax refunds due from government	358,199,891	304,689,641
Cash and bank balances	93,737,810	77,214,464
	<b>5,409,648,366</b>	<b>4,442,819,049</b>
	<b>7,395,497,633</b>	<b>6,408,306,473</b>

The annexed notes form an integral part of this condensed interim financial information.

  
**Chief Executive Officer**

  
**Chief Financial Officer**

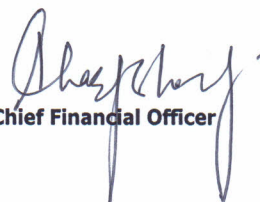
  
**Director**

**ITTEFAQ IRON INDUSTRIES LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT /**  
**STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021**

	9 Months ended		Quarter ended	
	31/Mar/2021	31/Mar/2020	31/Mar/2021	31/Mar/2020
	Rupees	Rupees	Rupees	Rupees
Sales - net	4,338,708,852	2,272,153,212	1,782,343,542	825,634,240
Cost of sales	(3,915,507,444)	2,244,636,697	(1,622,532,135)	806,443,775
Gross (Loss) / Profit	423,201,408	27,516,515	159,811,407	19,190,465
Other income	1,904,345	3,038,879	537,314	313,814
Operating expenses				
Distribution and marketing cost	(66,820,409)	(48,203,633)	(22,555,914)	(3,846,892)
Administrative and selling expenses	(50,889,449)	(71,026,276)	(15,610,102)	(24,763,426)
Other operating cost	(19,700,490)	(630,668)	(9,772,719)	-
Finance cost	(25,374,778)	(84,675,454)	(7,697,829)	(28,554,440)
	(162,785,126)	(204,536,031)	(55,636,564)	(57,164,758)
Profit / (Loss) before taxation	262,320,627	(173,980,637)	104,712,157	(37,660,479)
Taxation	(70,572,175)	(28,401,915)	(25,267,563)	(11,704,350)
Profit / (Loss) after taxation	191,748,452	(202,382,552)	79,444,594	(49,364,829)
<b>Total comprehensive Profit / (Loss)</b>	<b>191,748,452</b>	<b>(202,382,552)</b>	<b>79,444,594</b>	<b>(49,364,829)</b>
<b>Earning/Loss per share - basic and diluted</b>	<b>1.33</b>	<b>(1.40)</b>	<b>0.55</b>	<b>(0.34)</b>

The annexed notes form an integral part of this condensed interim financial information.

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

**ITTEFAQ IRON INDUSTRIES LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021**

	----- 9 Months ended -----	
	31/Mar/2021	31/Mar/2020
	Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit / (Loss) before taxation	262,320,627	(173,980,637)
Adjustments for non-cash charges / items:		
Depreciation of property, plant and equipment	101,742,897	86,595,689
Provision for gratuity	7,854,316	10,854,382
WWF and WPPF	19,700,490	-
Gain on sale of fixed asset	481,001	(20,063)
Finance cost	25,374,778	84,675,454
	<b>155,153,482</b>	<b>182,105,462</b>
Loss before working capital changes	<b>417,474,109</b>	<b>8,124,825</b>
Working capital changes		
(Increase) / Decrease in current assets		
Stores, spare parts and loose tools	(13,163,470)	(96,499,395)
Stock in trade	(599,501,602)	344,051,430
Trade debts	(84,931,107)	(388,795,863)
Loans and advances	(88,802,938)	247,705,935
Trade deposits and prepayments	(110,396,604)	44,032,928
Tax refunds due from government	(53,510,250)	(190,455,562)
(Decrease) in trade and other payables	561,138,196	50,629,136
	<b>(389,167,775)</b>	10,668,609
Cash (used in) / generated from operations	28,306,334	18,793,434
Income tax paid	(92,515,642)	(62,854,810)
Finance cost paid	(24,390,908)	(50,602,188)
Gratuity paid	(1,550,820)	(3,413,541)
<b>Net cash (used in) / generated from operating activities</b>	<b>(90,151,036)</b>	<b>(98,077,105)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(61,675,969)	(43,828,935)
Capital work in progress	(58,084,768)	-
Proceeds from disposal of fixed assets	32,000	-
Security deposits	-	-
<b>Net cash in / (out) flow from investing activities</b>	<b>(119,728,737)</b>	<b>(43,828,935)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend Paid	(2,044,772)	(6,118,835)
Loan from directors	7,872,002	19,589,194
Short term borrowings	227,800,509	112,068,458
Repayment of lease liabilities	(7,224,620)	(9,267,483)
<b>Net cash in / (out) flow from financing activities</b>	<b>226,403,119</b>	<b>116,271,334</b>
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>16,523,346</b>	<b>(25,634,705)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>77,214,464</b>	<b>136,050,186</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>93,737,810</b>	<b>110,415,481</b>

The annexed notes form an integral part of this condensed interim financial information.

  
**Chief Executive Officer**

  
**Chief Financial Officer**

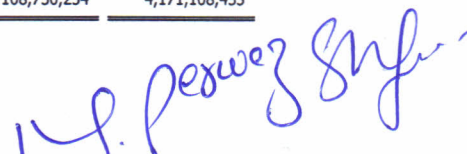
  
**Director**

**ITTEFAQ IRON INDUSTRIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021**

	Reserves					Equity portion of loan from directors	Total equity
	Share capital	Capital		Revenue	Un-appropriated profit		
		Share premium	Surplus on revaluation of operating asset				
	----- Rupees -----						
<b>Balance as at 30 June 2019</b>	1,443,433,640	774,507,925	628,655,446	1,226,215,557	26,118,927	4,098,931,495	
Profit after taxation for the year	-	-	-	(238,925,792)	-	(238,925,792)	
Other comprehensive income							
Employee retirement benefits							
Remeasurements of	-	-	-	3,847,947	-	3,847,947	
Less: Related deferred ta	-	-	-	(1,115,905)	-	(1,115,905)	
	-	-	-	2,732,042	-	2,732,042	
Present value adjustment of interest free loan from directors	-	-	-	-	116,622,256	116,622,256	
Amortization of unwinding of interest on loan from directors	-	-	-	26,118,927	(26,118,927)	-	
Transfer from revaluation surplus (net of deferred tax) - note 10	-	-	(28,007,100)	28,007,100	-	-	
<b>Balance as at 30 June 2020</b>	1,443,433,640	774,507,925	600,648,346	1,044,147,834	116,622,256	3,979,360,001	
Profit after taxation for the year	-	-	-	191,748,452	-	191,748,452	
Other comprehensive income							
Employee retirement benefits							
benefit plan	-	-	-	-	-	-	
Less: Related deferred ta	-	-	-	-	-	-	
Amortization of unwinding of interest on loan from directors				7,872,002	(7,872,002)	-	
Transfer from revaluation surplus (net of deferred tax)			(2,293,912)	2,293,912		-	
<b>Balance as at 31 March 2021 un-audited</b>	1,443,433,640	774,507,925	598,354,434	1,246,062,200	108,750,254	4,171,108,453	

  
**Chief Executive Officer**

  
**Chief Financial Officer**

  
**Director**

**ITTEFAQ IRON INDUSTRIES LIMITED**  
**SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL**  
**INFORMATION (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2021**

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**1 STATUS AND ACTIVITIES**

Ittefaq Iron Industries Limited ("the Company") was incorporated on 13 April 2007 as a private limited company under the repealed Companies Ordinance, 1984 (now Companies Act, 2017) on 20 February 2004. On 5 January 2017 the Company is converted into an unquoted public company. The Company was listed on Pakistan Stock Exchange on 3 July 2017. The principal business of the Company is the manufacturing of iron bars, girders and related products. The registered office of the Company is situated at 40 B / II. Gulbera III. M. M. Alam Road. Lahore.

**2 STATEMENT OF COMPLIANCE**

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard 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 provisions of and directives issued under the Companies Act, 2017 differ from the IAS 34 and IFRSs, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information has, however, been subjected to limited scope review by the auditors, as required by the Code of Corporate Governance, and should be read in conjunction with the audited annual financial statements of the Company for the year ended 30 June 2020.

**3 BASIS OF MEASUREMENT**

This condensed interim financial information has been prepared under the historical cost convention modified by adjustment of revaluation of certain assets. In this condensed interim financial information, except for the cash flow statements, all the transactions have been accounted for on accrual basis.

**4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and method for computation adopted for the preparation of this condensed interim financial information is the same as those applied in preparation of the financial statements for the year ended June 30, 2020.

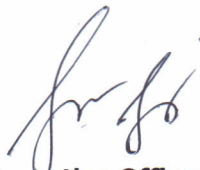
**5 AUTHORIZATION FOR ISSUE**

These financial statements have been approved by the board of directors of the Company and authorized for issue on 26 April 2021.

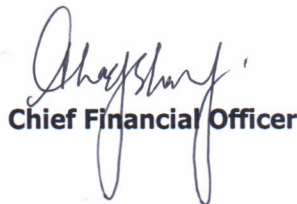
**6 CORRESPONDING FIGURES**

**6.1** Corresponding figures have been re-arranged, wherever necessary to the facilitation of comparison.

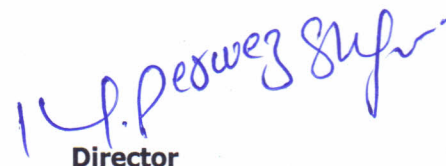
**6.2** Figures have been rounded off to the nearest of rupees.



Chief Executive Officer



Chief Financial Officer



Director