



ISMAIL
INDUSTRIES
LIMITED



FORWARD
AND SUCCEED

QUARTERLY REPORT
MARCH 31, 2023

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COMPANY PROFILE

Board of Directors

Mr. Muhammad M. Ismail	Chairman
Mr. Munsarim Saifullah	Chief Executive Officer
Mr. Ahmed Muhammad	Executive Director
Mr. Hamid Maqsood Ismail	Non-Executive Director
Mr. Maqsood Ismail Ahmed	Non-Executive Director
Mr. M. Zubair Motiwala	Independent Director
Ms. Tasneem Yusuf	Independent Director

Audit Committee Members

Ms. Tasneem Yusuf	Chairperson
Mr. Muhammad M. Ismail	Member
Mr. Maqsood Ismail Ahmed	Member

Registered Office

17, Bangalore Town,
Main Shahrah-e-Faisal, Karachi

Factories

Unit-1: C-230, Hub H.I.T.E.,
Balochistan.

Unit-2: B-140, Hub H.I.T.E.,
Balochistan.

Unit-3: G-1, Hub H.I.T.E.,
Balochistan.

Unit-4: G-22, Hub H.I.T.E.,
Balochistan.

Unit-5: 38-C, Sundar Industrial Estate
Raiwind Road, Lahore.

Unit-6: D-91, D-92 & D-94 North Western Zone,
Port Qasim.

Unit-7: E164-168, North Western Zone,
Port Qasim.

Unit-8: E154-157, North Western Zone,
Port Qasim.

Unit-9: G-1A, Hub H.I.T.E.,
Balochistan.

Human Resource & Remuneration Committee

Mr. M. Zubair Motiwala	Chairman
Mr. Maqsood Ismail Ahmed	Member
Mr. Hamid Maqsood Ismail	Member

Company Secretary

Mr. Ghulam Farooq

Chief Financial Officer

Mr. Ahmed Raza Parekh

Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.

Share Registrar

THK Associates (Pvt.) Limited

Bankers / Institutions

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial & Commercial Bank of China Limited
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
PAIR Investment Company Limited
Pak Brunei Investment Co. Ltd
Pak Oman Investment Co. Ltd
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
The Bank of Punjab





DIRECTORS' REVIEW REPORT

The Directors of the Company are pleased to present the brief performance review together with standalone and consolidated un-audited condensed interim financial statements of the Company for the 3rd quarter and nine months period ended March 31, 2023. The overview of Company's performance during the period under review is as under:

Description	March-2023	March-2022	% Change
	PKR in Million		
Gross Sales	72,479	49,280	47%
Gross Profit	13,154	7,478	76%
Operating Profit	7,172	3,089	132%
Profit after Tax	4,335	1,898	128%
EPS in PKR	65.3	28.6	128%

ECONOMIC & BUSINESS OUTLOOK

Our country is currently experiencing one of the worst and most challenging economic phases in its history with inflation rate higher than the ones seen in the decades, drastic current account deficit, currency devaluation and political instabilities. As a result, the State Bank of Pakistan has raised the policy rate to an unprecedented level of 21%. These factors have affected businesses both directly and indirectly, but during the period under review, the Company showed a remarkable growth of 47% in gross revenue resulting in a 76% increase in gross profit and 128% in profit after tax compared to the corresponding period. These milestones were achieved through volumetric growth by exploring local and international markets and increased share from the existing customers with the help of Company's dedicated efforts of satisfying the consumers through a very well-maintained quality of products and branding combined with the prudent decision making and its timely implementations.

Since, the economy is still on the verge of stabilizing and the challenges are still prevailing, the management of the Company is closely monitoring the evolving economic situation, its impact on business environment and devising suitable strategies to steer through these tough times. Despite all these uncertainties and challenges, the Directors and Management of the Company showed a

great level of diligence to drive Company's growth and achieve its targets. They continue to monitor these rapid developments and devise strategies to counter these uncertainties to continue smooth operations & maximize financial performance.

FUTURE OUTLOOK

We continue to have a positive outlook on the long-term potential growth of the business; however, we do predict certain macroeconomic headwinds in the period ahead in the form of even higher inflation, input costs and import difficulties which might have an impact on the future results. The Company remains fully committed towards mitigating these risks, managing these challenges, and delivering sustainable profitable growth based on capitalizing strong brands and operational excellence with consistent mindsets. We believe that our dedicated and focused efforts will allow us to provide better value to meet consumers' everyday needs and deliver profitable growth for the benefit of all stakeholders.

ACKNOWLEDGEMENT

The Board of Directors extends its heartfelt appreciation and gratitude towards the entire management, staff and workers for their untiring efforts, dedication, diligence, and hard work for the Company's performance and acknowledges the trust of all its valuable customers, financial institutions, shareholders and all stakeholders towards the Company.

On behalf of the Board of Directors

Munsarim Saifullah

Chief Executive Officer

Maqsood Ismail Ahmed

Director

Karachi: April 19, 2023

ڈائریکٹریں کی جائزہ رپورٹ

کے اہداف کو حاصل کرنے کے لیے انتہائی مستعدی کا مظاہرہ کیا۔ وہ ان تیز رفتار پیش رفتوں کی نگرانی کرتے رہتے ہیں اور ان غیر یقینی صورتحال کا مقابلہ کرنے کے لیے حکمت عملی وضع کرتے رہتے ہیں تاکہ ہموار آپریشن جاری رکھا جاسکے اور مالی کارکردگی کو بہتر سے بہتر بنایا جاسکے۔


مستقبل کی پیش بینی


ہم کاروبار کی طویل مدتی مہمہ ترقی پر مثبت نقطہ نظر رکھتے ہیں۔ تاہم، ہم بڑھتی ہوئی مہنگائی، خام مال کی درآمدات میں مشکلات اور آنے والے عرصے میں کچھ بڑے معاشی حالات کی پیش گوئی کرتے ہیں جن کا اثر مستقبل کے نتائج پر پڑ سکتا ہے۔ کمپنی ان خطرات کو کم کرنے، ان چیلنجز کے باوجود مضبوط برانڈز میں سرمایہ کاری اور مستقل مزاجی کے ساتھ آپریشنل حکمت عملی کی بنیاد پر پائیدار منافع بخش ترقی فراہم کرنے کے لیے پرعزم ہے۔ ہمیں یقین ہے کہ ہماری مرکوز و مقوف کوششیں، ہمیں صارفین کی روزمرہ کی ضروریات کو پورا کرنے اور تمام متعلقین کو منافع بخش ترقی فراہم کرنے میں مدد دیں گی۔

اعتراف

یورڈ آف ڈائریکٹرز کمپنی کی کارکردگی کے لیے پوری انتظامیہ، عملے اور کارکنوں کی انتہک کوششوں، لگن، تندی اور محنت کے لیے تہ دل سے معترف و مشکور ہیں اور اپنے صارفین، مالکیات اداروں، حصص یافتگان اور تمام متعلقین کے کمپنی پر اعتماد کو تسلیم کرتے ہیں۔

من جانب، یورڈ آف ڈائریکٹرز


مقصود اسماعیل احمد
ڈائریکٹر


منصہ سیف اللہ
چیف ایگزیکٹو آفیسر

کمپنی ڈائریکٹریں انتہائی مسرت کے ساتھ 31 مارچ 2023 تک کے سہ ماہی اور نو ماہ کی مدت کے لیے کمپنی کے انفرادی و مشترکہ غیر آڈٹ شدہ نتائج پیش کر رہے ہیں۔ زیر جائزہ مدت کے دوران کمپنی کی کارکردگی کا جائزہ درج ذیل ہے۔

تفصیل	مارچ 2022	مارچ 2023	تبدیلی %
مجموعی فروخت	49,280	72,479	47%
خام منافع	7,478	13,154	76%
کاروباری منافع	3,089	7,172	132%
منافع بعد از محصول	1,898	4,335	128%
نیٹ حصص آمدن (روپے میں)	28.6	65.3	128%

معاشی و کاروباری پیش بینی

ہمارا ملک اس وقت اپنی تاریخ کے سب سے بدترین اور مشکل معاشی مراحل سے گزر رہا ہے جسکی بنیادی وجوہات میں پچھلی دہائیوں کے متاثرہ مہنگائی کی شرح میں اضافہ، کرنٹ اکاؤنٹ خسارہ، کرنسی کی قدر میں کمی اور سیاسی عدم استحکام شامل ہیں۔ اس کے نتیجے میں اسٹیٹ بینک آف پاکستان نے پالیسی کی شرح کو 21 فیصد کی غیر معمولی سطح تک بڑھا دیا ہے۔ ان عوامل نے کاروبار کو براہ راست اور بالواسطہ طور پر متاثر کیا ہے، لیکن زیر نظر مدت کے دوران، کمپنی نے مجموعی آمدنی میں 47 فیصد کی غیر معمولی نمو کو ظاہر کیا، جس کے نتیجے میں مجموعی منافع میں 76 فیصد اور منافع بعد از محصول میں 128 فیصد کا اضافہ ہوا۔ یہ سنگ میل موجودہ صارفین کی جانب سے بڑھتے ہوئے چھٹی نمو، مقامی اور بین الاقوامی منڈیوں تک رسائی اور کمپنی کی جانب سے صارفین کو مطمئن کرنے کے لیے مصنوعات اور برانڈ کی سطح پر کئی گئی کوششوں اور بروقت فیصلہ سازی کے ذریعے حاصل کیے گئے۔

چونکہ، معیشت اب بھی مستحکم ہونے کی راہ پر ہے اور چیلنجز کا بھی سامنا ہے، اس لیے کمپنی کی انتظامیہ اور بھرتی ہوئی معاشی صورتحال اور کاروبار پر پڑنے والے اس کے اثرات پر گہری نظر رکھے ہوئے ہے اور اس مشکل وقت سے نمٹنے کیلئے مناسب حکمت عملی وضع کر رہی ہے۔ ان تمام غیر یقینی صورتحال اور چیلنجز کے باوجود، اسماعیل انڈسٹریز کے ڈائریکٹرز اور انتظامیہ نے کمپنی کی ترقی اور اس

کراچی، 19 اپریل، 2023



**UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD
ENDED MARCH 31, 2023**

**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023**

		(Un-audited) March 31, 2023	(Audited) June 30, 2022
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Property, plant and equipment	7	28,245,110,751	25,100,648,537
Right-of-use assets	7.1	3,377,721	26,661,774
Intangible assets		3,168,889	5,995,440
Long term investments	8	7,113,997,508	7,145,568,786
Long term deposits		26,179,865	23,550,568
Total non-current assets		35,391,834,734	32,302,425,105
Current assets			
Stores and spares		631,370,940	509,098,029
Stock-in-trade	9	14,628,250,275	8,337,857,789
Trade debts	10	12,534,256,792	5,746,087,378
Loans and advances		3,619,547,926	1,963,345,154
Trade deposits and short-term prepayments		456,175,539	37,312,320
Short term investment		1,323,071,710	965,120,059
Other receivables		131,007,939	117,740,491
Taxation - net		1,133,495,220	1,122,685,139
Cash and bank balances	11	994,685,682	242,333,100
Total current assets		35,451,862,023	19,041,579,459
Total assets		70,843,696,757	51,344,004,564
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital 250,000,000 (June 30, 2022: 250,000,000) ordinary share of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up share capital		663,569,400	663,569,400
Reserves		15,945,287,591	11,916,011,853
Total shareholders' equity		16,608,856,991	12,579,581,253
Non-current liabilities			
Long term finances - secured	12	23,250,670,777	19,689,292,674
Lease liabilities		-	2,657,700
Deferred liabilities		2,539,803,219	2,358,751,602
Total non-current liabilities		25,790,473,996	22,050,701,976
Current liabilities			
Trade and other payables	13	5,279,989,939	3,474,859,492
Accrued mark-up		761,178,435	374,333,248
Short term finances - secured	14	18,363,091,795	9,088,758,920
Current portion of:			
- long term finances - secured	12	3,556,376,754	3,380,756,599
- Lease liabilities		341,226	4,829,319
Unclaimed dividend		4,365,285	4,044,553
Advances from customers - unsecured		479,022,336	386,139,204
Total current liabilities		28,444,365,770	16,713,721,335
Total liabilities		54,234,839,766	38,764,423,311
Total equity and liabilities		70,843,696,757	51,344,004,564
Contingencies and commitments	15		

The annexed selected notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Munsarim Saifullah
Chief Executive Officer




Maqsood Ismail Ahmed
Director



Ahmed Raza Parekh
Chief Financial Officer



**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

	Note	Nine-months Period Ended		Three-months Period Ended	
		March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
		-----Rupees-----		-----Rupees-----	
Sales - gross	17.1	72,478,566,812	49,279,638,401	25,673,235,978	17,833,595,383
Sales returns and discounts		(1,624,698,973)	(1,904,847,178)	(518,258,296)	(765,477,555)
Export Rebate		21,495,613	22,879,618	14,129,043	1,903,288
		(1,603,203,360)	(1,881,967,560)	(504,129,253)	(763,574,267)
		70,875,363,452	47,397,670,841	25,169,106,725	17,070,021,116
Sales tax		(6,724,332,690)	(5,770,709,067)	(2,117,860,265)	(1,946,120,682)
Sales - net		64,151,030,762	41,626,961,774	23,051,246,460	15,123,900,434
Cost of sales	17.1	(50,997,201,666)	(34,149,202,410)	(18,432,510,137)	(12,464,102,106)
Gross profit		13,153,829,096	7,477,759,364	4,618,736,323	2,659,798,328
Selling and distribution expenses		(5,115,961,205)	(3,814,329,138)	(1,652,079,229)	(1,199,319,894)
Administrative expenses		(866,023,738)	(574,389,775)	(360,947,427)	(171,722,029)
Operating profit		7,171,844,153	3,089,040,451	2,605,709,667	1,288,756,405
Other operating expenses		(627,355,198)	(384,212,532)	(271,433,305)	(136,927,119)
		6,544,488,955	2,704,827,919	2,334,276,362	1,151,829,286
Other income		1,225,377,024	531,065,588	775,527,530	42,927,676
		7,769,865,979	3,235,893,507	3,109,803,892	1,194,756,962
Finance cost		(2,631,722,466)	(962,865,323)	(1,133,963,748)	(378,301,275)
		5,138,143,513	2,273,028,184	1,975,840,144	816,455,687
Share of profit from associated company - net		15,555,899	121,026,531	42,772,249	79,370,638
Profit before taxation		5,153,699,412	2,394,054,715	2,018,612,393	895,826,325
Taxation		(818,937,814)	(496,283,787)	(440,818,109)	(204,976,616)
Profit after taxation		4,334,761,598	1,897,770,928	1,577,794,284	690,849,709
Other Comprehensive loss					
<i>Item that will not be reclassified to unconsolidated statement of profit or loss in subsequent periods</i>					
Unrealized loss on remeasurement of investment classified as fair value through OCI - net of tax		-	-	(1,728,900)	-
Share of other comprehensive loss from associated company - net of tax		(40,058,100)	(129,106,973)	(75,378,005)	(83,300,708)
Other comprehensive loss for the period - net of		(40,058,100)	(129,106,973)	(77,106,905)	(83,300,708)
Total comprehensive income for the period		4,294,703,498	1,768,663,955	1,500,687,379	607,549,001
Earnings per share - basic & diluted	19	65.32	28.60	23.78	10.41

The annexed selected notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Munsarim Saifullah
Chief Executive Officer


Maqsood Ismail Ahmed
Director


Ahmed Raza Parekh
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

Issued, subscribed and paid-up share capital	Capital reserve				Revenue reserves			Total shareholders' equity
	Share premium	Amalgamation reserves	Remeasurement of investment in associated company	Remeasurement of investments at fair value through OCI	Total reserves			
					Unappropriated profit	Total reserves		
						Total reserves		
663,569,400	1,472,531,500	916,862,067	(91,924,445)	(3,857,616)	8,417,555,738	10,611,167,244	11,274,736,444	
-	-	-	-	-	1,897,770,928	1,897,770,928	1,897,770,928	
-	-	-	(129,106,073)	-	-	(129,106,073)	(129,106,073)	
-	-	-	(129,106,073)	-	1,897,770,928	1,768,663,955	1,768,663,955	
Ruppes								
-	-	-	-	-	(995,354,099)	(995,354,099)	(995,354,099)	
663,569,400	1,472,531,500	916,862,067	(321,031,418)	(3,857,616)	9,319,972,567	11,384,477,100	12,048,046,500	
663,569,400	1,472,531,500	916,862,067	(406,125,879)	(7,645,000)	9,940,389,165	11,916,011,853	12,579,581,253	
-	-	-	-	-	4,334,761,598	4,334,761,598	4,334,761,598	
-	-	-	(40,058,100)	-	-	(40,058,100)	(40,058,100)	
-	-	-	(40,058,100)	-	4,334,761,598	4,294,703,498	4,294,703,498	
-	-	-	-	-	(265,427,760)	(265,427,760)	(265,427,760)	
663,569,400	1,472,531,500	916,862,067	(446,183,979)	(7,645,000)	14,009,723,003	15,945,287,591	16,005,865,991	

Balance as at July 01, 2021 - audited
Total comprehensive income / (loss) for the period
 Profit for the nine months period ended March 31, 2022
 Share of other comprehensive loss from associated company - net of tax
Total comprehensive (loss) / income for the period
Transaction with owners, recognised directly in equity
 Final cash dividend for the year ended June 30, 2021 @ Rs. 15 per share
Balance as at March 31, 2022
Total comprehensive income / (loss) for the period
 Profit for the nine months period ended March 31, 2023
 Share of other comprehensive loss from associated company - net of tax
Total comprehensive (loss) / income for the period
Transaction with owners, recognised directly in equity
 Final cash dividend for the year ended June 30, 2022 @ Rs. 4 per share
Balance as at March 31, 2023

The annexed selected notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Munsarim Saifullah
 Chief Executive Officer


Maqsood Ismail Ahmed
 Director


Ahmed Raza Parekh
 Chief Financial Officer



**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

		March 31, 2023	March 31, 2022
	Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations after working capital changes	16	(2,739,115,846)	6,166,022,427
Gratuity paid		(58,941,473)	(23,533,251)
Income tax paid - net		(747,787,860)	(518,108,099)
Long-term deposits - net		(2,629,297)	7,532,449
Net cash (used in) / generated from operating activities		(3,548,474,476)	5,631,913,526
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		(4,933,893,278)	(4,856,671,078)
Capital expenditure - intangibles		-	(1,000,000)
Investment in subsidiary company- unquoted shares		-	(633,262,500)
Short term investments		(341,223,299)	(643,094,448)
Proceeds from disposal of property, plant and equipment		76,445,456	512,203,201
Net cash used in investing activities		(5,198,671,121)	(5,621,824,825)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from long-term financing - secured		3,736,998,258	2,377,326,481
Lease repayments		(7,145,793)	(49,050,277)
Interest / mark-up paid		(2,244,877,279)	(849,413,913)
Dividends paid		(265,107,028)	(994,108,988)
Net cash generated from financing activities		1,219,868,158	484,753,303
Net (decrease) / increase in cash and cash equivalents		(7,527,277,439)	494,842,004
Cash and cash equivalents at the beginning of the period		(915,742,282)	(1,065,726,882)
Cash and cash equivalents at the end of the period		(8,443,019,721)	(570,884,878)
Cash and bank balances	11	994,685,682	476,777,244
Running finances under mark-up arrangement	14.5	(9,437,705,403)	(1,047,662,122)
		(8,443,019,721)	(570,884,878)

The annexed selected notes from 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Munsarim Saifullah
Chief Executive Officer


Maqsood Ismail Ahmed
Director


Ahmed Raza Parekh
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

1 LEGAL STATUS AND OPERATIONS

Ismail Industries Limited (the Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted into a public limited company. The registered office of the Company is situated at 17 - Bangalore Town, main Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange. Principal activities of the Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips, nutritional products, cast polypropylene (CPP) and biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity', 'Ismail nutrition' and 'Astro films' respectively.

2 SIGNIFICANT EVENTS AND TRANSACTIONS

During the nine-months period, no significant event occurred.

3 STATEMENT OF COMPLIANCE

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

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

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

4 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements of the Company do not include all of the information and disclosure required in the unconsolidated annual audited financial statements and should be read in conjunction with the unconsolidated annual audited financial statements of the Company as at and for the year ended June 30, 2022. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

The figures in the unconsolidated condensed interim statement of financial position, unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows together with the relevant notes to the unconsolidated condensed interim financial statements for the nine-months period ended March 31, 2022 are not audited. Further, the figures for the three-months period ended March 31, 2023 and 2022 have not been reviewed by auditors of Company.

4.1 Functional and presentation currency

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

4.2 Reclassification for better presentation

Prior year figures have been rearranged and/or reclassified, wherever necessary, for better presentation. There is no material reclassification.

5 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2022.

6 USE OF JUDGEMENTS AND ESTIMATES AND FINANCIAL RISK MANAGEMENT

The estimates / judgements and associated assumptions used in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the unconsolidated financial statements of the Company for the year ended June 30, 2022.

The Company's financial risk management objective and policies are consistent with those disclosed in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2022.





	Note	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees-----			
7 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.2	23,066,802,221	21,337,873,957
Capital work in progress - at cost	7.3	5,178,308,530	3,762,774,580
		28,245,110,751	25,100,648,537
7.1 Right-of-use assets	7.2	3,377,721	26,661,774

7.2 Detail of additions and disposals to operating fixed assets and right-of-use assets during the nine-months period are as follows:

	(Un-audited)			
	Additions/Transfers		Disposals	
	-----At cost-----		-----At net book value-----	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
----- Rupees -----				
Owned assets				
Building on leasehold land	164,173,961	398,282,094	-	6,138
Leasehold land	498,886,221	17,818,190	-	119,676,555
Plant and machinery	2,422,986,167	1,502,458,913	47,909	418,479
Furniture and fittings	37,258,220	12,110,724	56,625	531,849
Equipment's	35,452,920	9,005,718	66,100	361,949
Computers	11,051,596	36,379,017	1,661,472	895,572
Vehicles	391,636,788	306,203,500	55,871,468	49,588,353
	3,561,445,873	2,282,258,156	57,703,574	171,478,895
Right-of-use assets				
Vehicles	(43,086,540)	(57,730,421)	-	-
	(43,086,540)	(57,730,421)	-	-
	3,518,359,333	2,224,527,735	57,703,574	171,478,895

7.3 Detail of additions in and transfers from capital work in progress during the nine-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
----- Rupees -----				
Civil works	1,130,358,154	1,523,862,327	164,173,961	398,282,094
Plant and machinery	2,725,342,446	3,009,022,023	2,422,986,167	1,502,458,913
Equipment and Furniture	210,157,556	-	63,164,083	-
	4,065,858,156	4,532,884,350	2,650,324,211	1,900,741,007

	Note	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees-----			
8 LONG-TERM INVESTMENTS			
<i>Investment in subsidiary companies- unquoted shares</i>			
Hudson Pharma (Private) Limited		2,125,984,000	2,125,984,000
Ismail Resin (Private) Limited		1,875,000,000	1,875,000,000
		4,000,984,000	4,000,984,000
<i>Investment in associated undertakings</i>			
The Bank of Khyber - quoted shares	8.1	3,113,013,508	3,144,584,786
		7,113,997,508	7,145,568,786

8.1 The Bank of Khyber

The total shareholding of the Company in the Bank of Khyber (the Bank) is 269,383,781 (June 30, 2022: 269,383,781) shares which represents 24.43% of the paid-up capital of the Bank (June 2022: 24.43%). In addition to this, the Company also has representation on the board of directors of the Bank. The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these unconsolidated condensed interim financial statements have been taken from audited financial statements of the Bank for the year ended December 31, 2022. Adjustment to confirm to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as on March 31, 2023 was Rs. 3,636.68 million (June 30, 2022: Rs. 4,040.76 million).

This investment is accounted for under the equity method. The aggregate amount of the investment in associated company recognized in these financial statements is as follows:

	The Bank of Khyber	
	(Un-audited)	(Audited)
	March 31,	June 30,
	2023	2022
	-----Rupees-----	
Carrying value at beginning of the period	3,144,584,786	3,180,003,578
Share of profit	15,555,899	216,582,895
Share of other comprehensive loss	(47,127,177)	(252,001,687)
	3,113,013,508	3,144,584,786

All transfers of funds to the Company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associated company. During the period, no cash dividend has been received from the Bank (June 30, 2022: Rs. nil per share).

9 STOCK-IN-TRADE

	(Un-audited)	(Audited)
	March 31,	June 30,
	2023	2022
	-----Rupees-----	
Raw materials	9,097,916,839	4,073,577,604
Packing materials	1,837,095,474	1,393,150,814
Work-in-process	773,288,317	414,667,383
Finished goods	2,919,949,645	2,456,461,988
	14,628,250,275	8,337,857,789

10 TRADE DEBTS

Considered good		
- export - secured	4,904,530,417	1,430,204,301
- local - unsecured	7,737,697,015	4,423,853,717
	12,642,227,432	5,854,058,018
Allowance for expected credit loss	(107,970,640)	(107,970,640)
Trade debts - net	12,534,256,792	5,746,087,378

11 CASH AND BANK BALANCES

Cash in hand	36,806,477	4,583,253
Cash with banks in:		
- current accounts- conventional	615,680,377	87,507,426
- current accounts- islamic	342,198,828	150,242,421
	994,685,682	242,333,100

12 LONG TERM FINANCES - secured

	(Un-audited)			(Audited)		
	March 31, 2023			June 30, 2022		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	15,415,662,067	7,654,387,206	23,070,049,273	13,197,885,437	3,364,966,447	16,562,851,884
Obtained during the period / year	6,183,395,721	142,163,389	6,325,559,110	4,895,199,965	5,377,603,698	10,272,803,663
Repaid during the period / year	(2,214,907,660)	(373,653,192)	(2,588,560,852)	(2,677,423,335)	(1,088,182,939)	(3,765,606,274)
	19,384,150,128	7,422,897,403	26,807,047,531	15,415,662,067	7,654,387,206	23,070,049,273
Less: Current maturity	(2,519,816,244)	(1,036,560,510)	(3,556,376,754)	(2,697,752,499)	(683,004,100)	(3,380,756,599)
	16,864,333,884	6,386,336,893	23,250,670,777	12,717,909,568	6,971,383,106	19,689,292,674





- 12.1 These represent financing for property, plant and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and pari-passu / ranking charge over present and future fixed assets of the Company and personal guarantees of directors. Further terms and conditions are consistent with financial information as presented in the unconsolidated financial statements of the Company for the year ended June 30, 2022.
- 12.2 The Company's total limit for long term loan amounting to Rs. 34,037 million. (June 2022: Rs. 29,310 million)

		(Un-audited) March 31, 2023	(Audited) June 30, 2022
		-----Rupees-----	
13	TRADE AND OTHER PAYABLES		
	Trade creditors	3,543,510,519	1,665,882,890
	Other liabilities	1,736,479,420	1,808,976,602
		5,279,989,939	3,474,859,492
14	SHORT TERM FINANCES - SECURED		
	Term finances-conventional	1,064,998,399	530,000,000
	Term finances-islamic	799,761,560	286,170,800
	Export refinances	6,365,500,000	6,215,496,502
	Finance against discounting of export bills / receivables	695,126,433	899,016,236
	Running finance utilized under mark-up arrangement	9,437,705,403	1,158,075,382
		18,363,091,795	9,088,758,920

- 14.1 These represent facilities for term finances arranged from various banks aggregating to Rs. 1,565 million (June 2022: Rs. 1,565 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 16.20% to 21.27% per annum (June 2022: 7.18% to 15% per annum).
- 14.2 These represent facilities for term finances arranged from various banks aggregating to Rs. 800 million (June 2022: Rs. 800 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 12.64% to 21.58% per annum (June 2022: 8.70% to 13.94% per annum).
- 14.3 These represent facilities for export refinance arranged from various banks aggregating to Rs. 6,415 million (June 2022: Rs. 6,265 million). These are secured against pari-passu hypothecation of stocks, book debts and lien on export letters of credit of the Company along with the personal guarantees of the directors. These carried mark-up at the rate ranging from 0.25% to 1% above the State Bank of Pakistan (SBP) rate per annum (June 2022: 0.25% to 1% above SBP rate per annum).
- 14.4 These represent facilities for finance against discounting of export bills / receivable arranged from bank aggregating to Rs. 1400 million (June 2022: Rs. 900 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rate 1% above the State Bank of Pakistan (SBP) rate per annum (June 2022: 1% above SBP rate per annum).
- 14.5 These represent facilities for running finances available from various banks aggregated to Rs. 9,005 million (June 2022: Rs. 4,355 million). These are secured against pari-passu hypothecation of stocks, book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 14.50% to 19.97% per annum (June 2022: 7.61% to 14.81% per annum).

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There are no material changes in the status of contingencies as reported in the note no. 27 to the unconsolidated financial statements of the Company for the year ended June 30, 2022.

With reference to the contingency of associated company, The Bank of Khyber (BOK), please refer the note 22 of audited financial statement for the year ended December 31, 2022.

	(Un-audited) March 31, 2023	(Audited) June 30, 2022	
		-----Rupees-----	
15.2	Commitments		
15.2.1	Outstanding letters of guarantee	3,161,161,058	2,509,325,740

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees-----		
15.2.2 Cross Corporate guarantees issued by the Company on behalf of subsidiaries / associated company	4,163,811,644	4,163,811,644
15.2.3 Outstanding letters of credit for:		
- capital expenditures	1,702,533,893	671,049,690
- others	4,181,499,482	1,529,969,416

15.2.4 The Company has executed sponsors support agreement with the lenders of M/s. Ismail Resin (Private) Limited for investment in the form of equity or subordinated debts to cover the cost over-run, or to cover the funding shortfall or any other obligation that may arise under financing documentations / agreements executed with them.

15.2.2 The Company's share of commitments of associated company is based on the latest available financial information.

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees-----		
The Company's share of commitments of associated company		
- Guarantees	8,046,051,132	5,581,829,733
- Commitments	7,050,195,864	22,334,098,319

	(Un-audited) March 31, 2023	(Un-audited) March 31, 2022
-----Rupees-----		
16 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES		
Note		
Profit before taxation	5,153,699,412	2,394,054,715
Adjustments for non-cash and other items:		
Depreciation	1,755,011,543	1,583,625,407
Amortization charge	2,826,550	25,279,833
Gain on disposal of property, plant and equipment - net	(18,741,882)	(340,724,306)
Provision for staff gratuity scheme - unfunded	148,373,781	80,656,389
Provision for slow moving - Stock in trade	123,154,713	4,151,993
Share of profit from associated undertaking	(15,555,899)	(121,026,531)
Unrealized exchange (gain) / loss	(255,971,604)	66,739,673
Finance cost	2,631,722,466	962,865,323
Net changes in working capital	(12,263,634,926)	1,510,399,931
Cash (used in) / generated from operations after working capital changes	(2,739,115,846)	6,166,022,427
16.1 Working capital changes		
Decrease / (Increase) in current assets		
Stores and spares	(122,272,911)	(23,674,616)
Stock-in-trade	(6,413,547,199)	(385,328,963)
Trade debts	(6,788,169,414)	(4,285,449,352)
Loans and advances	(1,656,202,772)	(542,164,051)
Trade deposits and short-term prepayments	(418,863,219)	(25,079,524)
Other receivables	(13,267,448)	1,197,811
	(15,412,322,963)	(5,260,498,695)
(Decrease) / Increase in current liabilities		
Trade and other payables	2,061,102,051	3,400,726,573
Short term finances - secured	994,702,854	3,582,867,289
Advances from customers - unsecured	92,883,132	(212,695,236)
	3,148,688,037	6,770,898,626
Net changes in working capital	(12,263,634,926)	1,510,399,931





17

SEGMENT INFORMATION

A segment is a distinguishable component of the Company that is engaged in business activities from which the Company can revenues and incur expenses and its results are regularly reviewed by the Company's chief operating decision maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the company is organised into the following two operating segments:

- Food processing
- Plastic film

Management monitors the operating results of above-mentioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

Segment revenue, segment result, costs, assets and liabilities for the period are as follows:

	(Un-audited)					
	Food Processing		Plastic Film		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sales	13,831,200,718	10,441,229,783	3,626,201,176	3,043,665,642	17,457,401,894	13,484,895,425
Local	7,885,210,967	3,338,300,688	630,632,117	810,989,270	8,215,834,084	4,349,289,958
Export	34,229,043	-	-	14,229,043	14,229,043	1,203,288
Export rebates	21,009,537,828	13,991,943,739	4,256,833,293	3,854,054,912	25,067,265,021	17,833,498,671
Less:						
Sales return and discounts	(609,448,720)	(788,374,412)	(8,712,576)	(7,103,143)	(618,258,296)	(765,477,555)
Cost of sales	(1,563,190,867)	(1,492,276,078)	(554,269,399)	(453,144,004)	(2,117,860,265)	(1,946,120,682)
Sales tax	(2,073,136,877)	(2,281,331,090)	(562,981,974)	(460,247,147)	(2,636,186,561)	(2,711,596,237)
Net sales	19,557,295,141	17,790,092,669	3,093,851,319	3,393,807,765	23,087,256,460	15,123,090,434
Cost of sales	(15,225,148,923)	(9,690,602,688)	(3,107,361,214)	(2,865,699,418)	(18,432,570,319)	(12,461,102,106)
Selling and distribution expenses	(1,816,036,410)	(964,378,182)	(536,042,819)	(234,741,712)	(1,652,099,229)	(1,199,319,894)
Administrative expenses	(17,182,144,443)	(11,625,656,389)	(3,293,092,350)	(3,159,087,243)	(20,445,536,793)	(13,855,144,102)
Segment result	2,204,950,707	1,054,035,881	400,358,960	234,220,524	5,857,925,261	2,419,198,334
Unallocated income and expenses						
Other operating income					2,857,564,405	1,313,918,889
Finance cost						
Other operating expenses						
Share of profit from associated company-net						
Profit before taxation						
Profit for the period						

	(Un-audited)					
	Food Processing		Plastic Segment		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Segment result	5,153,699,412	2,398,054,715	1,629,099,412	1,629,099,412	6,782,798,824	4,027,154,127
Unallocated income and expenses						
Other operating income						
Finance cost						
Other operating expenses						
Share of profit from associated company-net						
Profit before taxation						
Profit for the period						

	(Un-audited)					
	Food Processing		Plastic Film		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Sales	13,831,200,718	10,441,229,783	3,626,201,176	3,043,665,642	17,457,401,894	13,484,895,425
Local	7,885,210,967	3,338,300,688	630,632,117	810,989,270	8,215,834,084	4,349,289,958
Export	34,229,043	-	-	14,229,043	14,229,043	1,203,288
Export rebates	21,009,537,828	13,991,943,739	4,256,833,293	3,854,054,912	25,067,265,021	17,833,498,671
Less:						
Sales return and discounts	(609,448,720)	(788,374,412)	(8,712,576)	(7,103,143)	(618,258,296)	(765,477,555)
Cost of sales	(1,563,190,867)	(1,492,276,078)	(554,269,399)	(453,144,004)	(2,117,860,265)	(1,946,120,682)
Sales tax	(2,073,136,877)	(2,281,331,090)	(562,981,974)	(460,247,147)	(2,636,186,561)	(2,711,596,237)
Net sales	19,557,295,141	17,790,092,669	3,093,851,319	3,393,807,765	23,087,256,460	15,123,090,434
Cost of sales	(15,225,148,923)	(9,690,602,688)	(3,107,361,214)	(2,865,699,418)	(18,432,570,319)	(12,461,102,106)
Selling and distribution expenses	(1,816,036,410)	(964,378,182)	(536,042,819)	(234,741,712)	(1,652,099,229)	(1,199,319,894)
Administrative expenses	(17,182,144,443)	(11,625,656,389)	(3,293,092,350)	(3,159,087,243)	(20,445,536,793)	(13,855,144,102)
Segment result	2,204,950,707	1,054,035,881	400,358,960	234,220,524	5,857,925,261	2,419,198,334
Unallocated income and expenses						
Other operating income					2,857,564,405	1,313,918,889
Finance cost						
Other operating expenses						
Share of profit from associated company-net						
Profit before taxation						
Profit for the period						

	(Un-audited)					
	Food Processing		Plastic Segment		Total	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Segment result	5,153,699,412	2,398,054,715	1,629,099,412	1,629,099,412	6,782,798,824	4,027,154,127
Unallocated income and expenses						
Other operating income						
Finance cost						
Other operating expenses						
Share of profit from associated company-net						
Profit before taxation						
Profit for the period						

17.2

Segment assets

17.3

Unallocated assets

17.4

Segment liabilities

17.5

Unallocated liabilities

		(Un-audited) March 31, 2023	(Audited) June 30, 2022
18 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES	Note	-----Rupees-----	
Assets			
Total assets for reportable segments	17.2	60,619,492,414	41,896,526,842
Administrative capital assets		1,787,135,125	1,336,788,877
Long term investments	8	7,113,997,508	7,145,568,786
Short term investments		1,323,071,710	965,120,059
Total assets		<u>70,843,696,757</u>	<u>51,344,004,564</u>
Liabilities			
Total liabilities for reportable segments	17.4	25,552,237,048	13,893,633,094
Deferred liabilities		1,875,213,961	1,793,253,925
Long term finance - secured	12	26,807,047,531	23,070,049,273
Lease liabilities		341,226	7,487,019
Total liabilities		<u>54,234,839,766</u>	<u>38,764,423,311</u>
		(Un-audited) March 31, 2023	(Un-audited) March 31, 2022
19 EARNINGS PER SHARE - Basic and Diluted		-----Rupees-----	
Earnings per share			
Profit for the period		<u>4,334,761,598</u>	1,897,770,928
		----- (Number) -----	
Weighted average number of ordinary shares during the period		<u>66,356,940</u>	66,356,940
		----- (Rupees) -----	
Basic earnings per share		<u>65.32</u>	28.60
There is no dilutive potential ordinary shares outstanding as at March 31, 2023.			
20 TRANSACTIONS AND BALANCES WITH RELATED PARTIES			
Detail of transactions and balances with related parties during the period, other than those which have been specifically disclosed elsewhere in the unconsolidated condensed interim financial statements are as follows:			
		(Un-audited)	
		March 31, 2023	March 31, 2022
Transactions		-----Rupees-----	
Plastiflex Films (Private) Limited			
<i>Common Directorship</i>			
- Purchase of raw and packing materials		<u>49,199,529</u>	46,488,528
- Metallization service		<u>(3,978,621)</u>	(23,635,147)
- Recovery against sales		<u>3,978,621</u>	29,376,871
- Payment against purchases		<u>(42,599,116)</u>	(31,048,726)
Ismail Resin (Private) Limited			
Sale of land		-	446,500,000
Bank Guarantee issued		-	20,000,000
Others			
Remuneration to directors and other key management personnel:			
Chief Executive Officer		13,725,000	12,841,668
Directors		11,737,503	10,854,167
Executives		658,244,144	455,819,399
		<u>683,706,647</u>	<u>479,515,234</u>





In addition to the above, Company maintained cars are provided to the chief executive officer, directors and executives.

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
Balances		
	-----Rupees-----	
Plastiflex Films (Private) Limited		
-Payable to associate - net	12,310,874	5,710,461

21 FAIR VALUE MEASUREMENT

The Company's policies with the regards to fair value measurement are consistent with that disclosed in the annual financial statements for the year ended June 30, 2022. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended June 30, 2022.

The carrying values of financial assets and liabilities are approximate of their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

The Company held the following financial assets at fair value;

	March 31, 2023			Total	June 30, 2022
	(Level 1)	(Level 2)	(Level 3)		
	-----Rupees-----				
Investment in associated company	3,113,013,508	-	-	3,113,013,508	3,144,584,786
Short term investment	190,000,000	1,133,071,710	-	1,323,071,710	190,000,000
	3,303,013,508	1,133,071,710	-	4,436,085,218	3,334,584,786

22 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated financial statements for the year ended June 30, 2022.

23 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on April 19, 2023 by the Board of the Company.


Munsarim Saifullah
Chief Executive Officer


Maqsood Ismail Ahmed
Director


Ahmed Raza Parekh
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD
ENDED MARCH 31, 2023**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023**

	Note	(Un-audited)	(Audited)
		March 31, 2023	June 30, 2022
		-----Rupees-----	
ASSETS			
Non-current assets			
Property, plant and equipment	7	37,612,065,859	29,570,611,863
Right-of-use assets	7.1	32,646,924	26,661,774
Intangible assets		3,168,889	5,995,440
Goodwill		12,173,553	12,173,553
Long term investments	8	3,113,013,508	3,144,584,786
Long term deposits		34,328,985	27,390,426
Total non-current assets		40,807,397,718	32,787,417,842
Current assets			
Stores and spares		666,189,234	536,173,317
Stock-in-trade	9	14,892,909,606	8,501,109,463
Trade debts	10	12,682,622,965	5,827,408,364
Loans and advances		3,673,092,025	1,994,072,521
Trade deposits and short-term prepayments		513,549,045	50,442,888
Short term investment		1,707,870,294	1,318,192,640
Other receivables		131,007,939	117,740,491
Taxation - net		1,247,482,814	1,166,745,442
Cash and bank balances	11	1,064,612,142	373,050,231
Total current assets		36,579,336,064	19,884,935,357
Total assets		77,386,733,782	52,672,353,199
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
250,000,000 (June 30, 2022: 250,000,000) ordinary share of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up share capital		663,569,400	663,569,400
Non-controlling interest		748,540,486	812,707,126
Reserves		14,588,660,155	10,790,536,824
Total shareholders' equity		16,000,770,041	12,266,813,350
Non-current liabilities			
Long-term finances - secured	12	27,699,451,361	21,115,340,979
Lease liabilities		27,750,147	11,329,635
Sponsors' loan		2,862,297,724	-
Deferred liabilities		2,575,642,109	2,392,609,675
Total non-current liabilities		33,165,141,341	23,519,280,289
Current liabilities			
Trade and other payable	13	4,867,420,572	3,504,621,771
Accrued mark-up		847,721,201	387,140,074
Short-term finances - secured	14	18,363,091,795	9,088,758,920
Current portion of:			
- long-term finances - secured	12	3,651,599,123	3,507,663,033
- lease liabilities		7,602,088	7,892,005
Unclaimed dividend		4,365,285	4,044,553
Advances from customers - unsecured		479,022,336	386,139,204
Total current liabilities		28,220,822,400	16,886,259,560
Total liabilities		61,385,963,741	40,405,539,849
Total equity and liabilities		77,386,733,782	52,672,353,199

Contingencies and commitments

15

The annexed selected notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.



Munsarim Saifullah
Chief Executive Officer




Maqsood Ismail Ahmed
Director



Ahmed Raza Parekh
Chief Financial Officer



**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER
COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

Note	Nine-months Period Ended		Three-months Period Ended		
	March 31, 2023 Rupees	March 31, 2022 Rupees	March 31, 2023 Rupees	March 31, 2022 Rupees	
Sales - gross	17.1	73,094,654,560	49,672,941,230	25,895,480,389	18,019,174,965
Sales returns and discounts		(1,747,477,703)	(1,956,940,916)	(553,148,396)	(787,957,444)
Export Rebate		21,495,613	22,879,618	14,129,043	1,903,288
		(1,725,982,090)	(1,934,061,298)	(539,019,353)	(786,054,156)
		71,368,672,470	47,738,879,932	25,356,461,036	17,233,120,809
Sales tax		(6,724,332,690)	(5,770,709,067)	(2,117,860,265)	(1,946,120,682)
Sales - net		64,644,339,780	41,968,170,865	23,238,600,771	15,287,000,127
Cost of sales	17.1	(51,399,481,161)	(34,382,236,386)	(18,589,674,402)	(12,535,308,700)
Gross profit		13,244,858,619	7,585,934,479	4,648,926,369	2,751,691,427
Selling and distribution expenses		(5,338,487,364)	(3,934,371,193)	(1,742,722,394)	(1,256,614,321)
Administrative expenses		(1,053,892,277)	(681,411,818)	(419,596,173)	(207,916,264)
Operating profit		6,852,478,978	2,970,151,468	2,486,607,802	1,287,160,842
Other operating expenses		(630,038,078)	(385,004,773)	(270,219,944)	(137,176,381)
		6,222,440,900	2,585,146,695	2,216,387,858	1,149,984,461
Other income		1,294,538,230	555,250,729	818,503,439	54,121,396
		7,516,979,130	3,140,397,424	3,034,891,297	1,204,105,857
Finance cost		(2,673,768,954)	(994,700,445)	(1,146,519,818)	(390,196,110)
		4,843,210,176	2,145,696,979	1,888,371,479	813,909,747
Share of profit from associated company		15,555,899	121,026,531	42,772,249	79,370,638
Profit before taxation		4,858,766,075	2,266,723,510	1,931,143,728	893,280,385
Taxation		(819,323,524)	(502,585,197)	(441,203,819)	(208,206,212)
Profit after taxation		4,039,442,551	1,764,138,313	1,489,939,909	685,074,173
Profit for the period attributable to:					
Shareholders of the Holding Company		4,103,609,191	1,793,498,153	1,508,992,394	686,146,593
Non-controlling interest		(64,166,640)	(29,359,840)	(19,052,485)	(1,072,420)
		4,039,442,551	1,764,138,313	1,489,939,909	685,074,173
Other Comprehensive loss					
<i>Item that will not be reclassified to consolidated statement of profit or loss in subsequent periods</i>					
Unrealized loss on remeasurement of investment classified as fair value through OCI - net of tax		-	-	(1,728,900)	-
Share of other comprehensive loss from associated undertaking - net of tax		(40,058,100)	(129,106,973)	(75,378,005)	(83,300,708)
Other comprehensive loss for the period - net of tax		(40,058,100)	(129,106,973)	(77,106,905)	(83,300,708)
Total comprehensive income for the period		3,999,384,451	1,635,031,340	1,412,833,004	601,773,465
Total comprehensive income for the period attributable to:					
Shareholders of the Holding Company		4,063,551,091	1,664,391,180	1,431,885,489	602,845,885
Non-controlling interest		(64,166,640)	(29,359,840)	(19,052,485)	(1,072,420)
		3,999,384,451	1,635,031,340	1,412,833,004	601,773,465
Earnings per share - basic & diluted	18	61.84	27.03	22.74	10.34

The annexed selected notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.


Munsarint Saifullah
Chief Executive Officer


Maqsood Ismail Ahmed
Director


Ahmed Raza Parekh
Chief Financial Officer

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

Issued, subscribed and paid-up share capital	Capital reserve		Total reserves				Total reserves	None Controlling Interest	Total shareholders' equity
	Share premium	Amalgamation reserves	Share of OCI from associated company	Share of OCI from associated company	Unappropriated profit	Revenue reserve			
663,569,400	1,472,531,500	916,862,067	(191,924,445)	(3,857,616)	7,492,756,277	9,686,368,083	116,056,838	10,465,974,321	
-	-	-	-	-	1,793,498,153	1,793,498,153	(29,359,840)	1,764,138,313	
-	-	-	-	-	-	-	375,000,000	375,000,000	
-	-	-	(129,106,073)	-	(129,106,073)	(129,106,073)	-	(129,106,073)	
-	-	-	(129,106,073)	-	1,793,498,153	1,664,391,180	345,600,160	2,010,031,340	
-	-	-	-	-	(995,354,099)	(995,354,099)	-	(995,354,099)	
663,569,400	1,472,531,500	916,862,067	(321,021,418)	(3,857,616)	8,290,900,631	10,355,405,164	461,676,998	11,480,651,462	
663,569,400	1,472,531,500	916,862,067	(406,125,879)	(7,645,000)	8,814,914,136	10,790,536,824	812,707,126	12,266,813,350	
-	-	-	-	-	4,105,609,991	4,105,609,991	(64,166,640)	4,039,442,551	
-	-	-	-	-	-	-	-	-	
-	-	-	(40,058,100)	-	(40,058,100)	(40,058,100)	-	(40,058,100)	
-	-	-	(40,058,100)	-	(40,058,100)	(40,058,100)	-	(40,058,100)	
-	-	-	-	-	4,105,609,991	4,105,609,991	(64,166,640)	3,999,384,451	
663,569,400	1,472,531,500	916,862,067	(446,183,979)	(7,645,000)	12,653,095,567	14,588,690,155	748,540,486	16,000,770,041	

Balance as at July 01, 2021 - audited
Total comprehensive income / (loss) for the period
 Profit for the nine months period ended March 31, 2022
 NCI recognized on acquisition
 Share of other comprehensive loss from associated company - net of tax
Total comprehensive income / (loss) for the period
Transaction with owners, recognised directly in equity
 Final cash dividend for the year ended June 30, 2021 @ Rs. 15 per share
Balance as at March 31, 2022
Balance as at July 01, 2022 - audited
Total comprehensive income / (loss) for the period
 Profit / (loss) for the nine months period ended March 31, 2023
 NCI recognized on acquisition
 Share of other comprehensive loss from associated company - net of tax
Total comprehensive income / (loss) for the period
 Final cash dividend for the year ended June 30, 2022 @ Rs. 4 per share
Balance as at March 31, 2023

The annexed selected notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.



Munsarim Saifullah
Chief Executive Officer



Maqsood Ismail Ahmed
Director



Ahmed Raza Parekh
Chief Financial Officer



**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023**

	Note	March 31, 2023 Rupees	March 31, 2022 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations after working capital changes	16	(3,541,250,232)	6,194,904,095
Gratuity paid		(66,526,830)	(28,949,393)
Income taxes paid - net		(818,100,860)	(533,938,238)
Long-term deposits - net		(6,938,559)	6,795,149
Net cash (used in) / generated from operating activities		(4,432,816,481)	5,638,811,613
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		(10,126,363,731)	(6,240,129,055)
Capital expenditure - intangibles		-	(1,000,000)
Acquisition of subsidiary net of cash acquired		-	(450,855,596)
Short term investments		(372,949,302)	(730,981,430)
Proceeds from disposal of property, plant and equipment		239,157,856	513,546,485
Net cash used in investing activities		(10,260,155,177)	(6,909,419,596)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net receipts from long-term financing - secured		6,728,046,472	2,529,260,287
Sponsors' loan		2,862,297,724	1,163,126,504
Lease repayments		(7,145,793)	(49,050,277)
Interest / mark-up paid		(2,213,187,827)	(875,400,065)
Dividends paid		(265,107,028)	(994,108,988)
Net cash generated from financing activities		7,104,903,548	1,773,827,461
Net (decrease) / increase in cash and cash equivalents		(7,588,068,110)	503,219,478
Cash and cash equivalents at the beginning of the period		(785,025,151)	(1,050,744,701)
Cash and cash equivalents at the end of the period		(8,373,093,261)	(547,525,223)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	11	1,064,612,142	500,136,899
Running finances under mark-up arrangement	14.5	(9,437,705,403)	(1,047,662,122)
		(8,373,093,261)	(547,525,223)


Munsarim Saifullah
Chief Executive Officer


Maqsood Ismail Ahmed
Director


Ahmed Raza Parekh
Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2023

1 LEGAL STATUS AND OPERATIONS

The Group consists of:

Holding Company: Ismail Industries Limited

Subsidiary Companies: Hudson Pharma (Private) Limited and Ismail Resin (Private) Limited

a) Ismail Industries Limited

The Holding Company was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Holding Company was converted into a public limited company. The registered office of the Holding Company is situated at 17 - Bangalore Town, Main Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Holding Company are quoted on Pakistan Stock Exchange. The principal activities of the Holding Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips, nutritional products, cast polypropylene (CPP) and biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity', 'Ismail nutrition' and 'Astro films' respectively.

b) Hudson Pharma (Private) Limited

Hudson Pharma (Private) Limited was incorporated in Pakistan as a private limited company on May 5, 2010. The registered office of the subsidiary company is located at 17 - Bangalore Town, Main Shahrah-e-Faisal, Karachi. Principal activities of the company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail, trading and selling of all kinds of pharmaceutical, animal health, allied consumer products, drugs, derma products and medicines.

c) Ismail Resin (Private) Limited

Ismail Resin (Private) Limited was incorporated in Karachi, Pakistan on January 13, 2021. The registered office/ head office of the subsidiary company is situated at 17 - Bangalore Town, Main Shahrah-e-Faisal, Karachi, Pakistan. Principal activities of the company are manufacturing and selling of Polyester Resin.

2 SIGNIFICANT EVENTS & TRANSACTIONS

During the nine-months period, there was no significant event occurred.

3 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements of the Group 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 from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4 BASIS OF PREPARATION

These consolidated condensed interim financial statements of the Group do not include all of the information and disclosure required in the consolidated annual audited financial statements and should be read in conjunction with the consolidated annual audited financial statements of the Group as at and for the year ended June 30, 2022. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The figures in the consolidated condensed interim statement of financial position, consolidated condensed interim statement of profit or loss and other comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows together with the relevant notes to the consolidated condensed interim financial statements for the nine-months period ended March 31, 2022 are not audited. Further, the figures for the three-months period ended March 31, 2023 and 2022 have not been reviewed by auditors of the Group.





4.1 Functional And Presentation Currency

These consolidated condensed interim financial statements are presented in Pakistani Rupees which is also Group's functional currency and presentation currency.

4.2 Reclassification For Better Presentation

Prior year figures have been rearranged and/or reclassified, wherever necessary, for better presentation. There is no material reclassification.

5 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted for the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2022.

6 USE OF JUDGEMENTS AND ESTIMATES AND FINANCIAL RISK MANAGEMENT

The estimates / judgements and associated assumptions used in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the consolidated financial statements of the Group for the year ended June 30, 2022.

The Group's financial risk management objectives and policies are consistent with those disclosed in the Group's consolidated annual audited financial statements for the year ended June 30, 2022.

	Note	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees-----			
7 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.2	25,459,346,628	23,875,831,327
Capital work in progress - at cost	7.3	12,152,719,231	5,694,780,536
		37,612,065,859	29,570,611,863
7.1 Right-of-use assets	7.2	32,646,924	26,661,774
7.2 Detail of additions and disposals of operating and right-of-use assets during the nine-months period are as follows:			

	(Un-audited)			
	Additions/Transfers		Disposals	
	-----At cost-----		-----At net book value-----	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
----- Rupees -----				
Owned assets				
Building on leasehold land	225,196,954	399,395,726	-	6,138
Leasehold land	498,886,221	450,718,190	-	119,676,555
Plant and machinery	2,472,209,307	1,502,562,619	157,497,340	418,479
Furniture and fittings	40,477,234	13,104,066	56,625	531,849
Equipment	43,194,806	156,620,242	66,100	361,949
Computers	16,841,747	38,847,830	1,661,472	895,572
Vehicles	406,064,300	310,971,322	60,557,867	50,742,621
	3,702,870,569	2,872,219,995	219,839,404	172,633,163
Right-of-use assets				
Vehicles	(11,169,140)	(57,730,421)	-	-
	(11,169,140)	(57,730,421)	-	-
	3,691,701,429	2,814,489,574	219,839,404	172,633,163

7.3 Detail of additions in and transfers from capital work-in-progress during the nine-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
----- Rupees -----				
Civil works	1,488,364,163	2,225,082,005	164,173,961	398,282,094
Leasehold land	-	942,130,856	-	432,900,000
Plant and machinery	7,382,408,041	3,743,416,700	2,422,986,167	1,502,458,913
Equipment and computers	237,490,698	111,698,768	63,164,083	-
	9,108,262,902	7,022,328,329	2,650,324,211	2,333,641,007

8 LONG-TERM INVESTMENTS

Investment in associated undertakings

The Bank of Khyber - quoted shares

Note	(Un-audited)	(Audited)
	March 31, 2023	June 30, 2022
	----- Rupees -----	
8.1	3,113,013,508	3,144,584,786
	3,113,013,508	3,144,584,786

8.1 The Bank of Khyber

The total shareholding of the Holding Company in the Bank of Khyber (the Bank) is 269,383,781 (June 30, 2022: 269,383,781) shares which represents 24.43% of paid-up capital of the Bank (June 2022: 24.43%). In addition to this, the Holding Company also has representation on the board of directors of the Bank. The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these consolidated condensed interim financial statements have been taken from audited financial statements of the Bank for the year ended December 31, 2022. Adjustment to confirm to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as on March 31, 2023 was Rs. 3,636.68 million (June 30, 2022: Rs. 4,040.76 million).

This investment is accounted for under the equity method. The aggregate amount of the investment in associated company recognized in these financial statements is as follows:

	The Bank of Khyber	
	(Un-audited)	(Audited)
	March 31, 2023	June 30, 2022
Carrying value at beginning of the period	3,144,584,786	3,180,003,578
Share of profit	15,555,899	216,582,895
Share of other comprehensive loss	(47,127,177)	(252,001,687)
	3,113,013,508	3,144,584,786

All transfers of funds to the Company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associated company. During the period, no bonus shares and no cash dividend have been received from the Bank of Khyber (June 30, 2022: 5% and Rs. nil per share).





	(Un-audited) March 31, 2023	(Audited) June 30, 2022
	-----Rupees-----	
9 STOCK-IN-TRADE		
Raw materials	9,206,529,200	4,137,933,253
Packing materials	1,880,472,545	1,419,657,519
Work-in-process	784,251,042	416,878,374
Finished goods	3,021,656,819	2,526,640,317
	14,892,909,606	8,501,109,463
10 TRADE DEBTS		
Considered good		
- export - secured	4,904,530,417	1,430,204,301
- local - unsecured	7,886,063,188	4,505,174,703
	12,790,593,605	5,935,379,004
Allowance for expected credit loss	(107,970,640)	(107,970,640)
Trade debts - net	12,682,622,965	5,827,408,364
11 CASH AND BANK BALANCES		
Cash in hand	37,656,714	4,896,610
Cash with banks in:		
- current accounts- conventional	681,564,204	217,301,926
- current accounts- islamic	345,391,224	150,851,695
	1,064,612,142	373,050,231

12 LONG TERM FINANCES - secured

	(Un-audited)			(Audited)		
	March 31, 2023			June 30, 2022		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	16,698,616,806	7,924,387,206	24,623,004,012	13,468,937,853	3,524,966,447	16,993,904,300
Obtained during the period / year	9,285,794,814	142,163,389	9,427,958,203	6,073,640,265	5,527,603,698	11,601,243,963
Repaid during the period / year	(2,296,258,539)	(403,653,192)	(2,699,911,731)	(2,843,961,312)	(1,128,182,939)	(3,972,144,251)
	23,688,153,081	7,662,897,403	31,351,050,484	16,698,616,806	7,924,387,206	24,623,004,012
Less: Current maturity	(2,552,538,613)	(1,099,060,510)	(3,651,599,123)	(2,784,658,932)	(723,004,101)	(3,507,663,033)
	21,135,614,468	6,563,836,893	27,699,451,361	13,913,957,874	7,201,383,105	21,115,340,979

12.1 These represent financing for property, plant and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and pari-passu / ranking charge over present and future fixed assets of the Group and personal guarantees of directors. Further terms and conditions are consistent with financial information as presented in the consolidated financial statements of the Group for the year ended June 30, 2022.

12.2 The Group's total limit for long term loan amounting to Rs. 39,132 million. (June 2022: Rs. 34,187 million)

		(Un-audited) March 31, 2023	(Audited) June 30, 2022
		-----Rupees-----	
13	TRADE AND OTHER PAYABLES		
	Trade creditors	3,049,374,320	1,817,476,508
	Other liabilities	1,818,046,252	1,687,145,263
		4,867,420,572	3,504,621,771
14	SHORT TERM FINANCES - SECURED		
	Term finances - conventional	1,064,998,399	530,000,000
	Term finances - islamic	799,761,560	286,170,800
	Export refinances	6,365,500,000	6,215,496,502
	Finance against discounting of export bills / receivables	695,126,433	899,016,236
	Running finance utilized under mark-up arrangement	9,437,705,403	1,158,075,382
		18,363,091,795	9,088,758,920

14.1 These represent facilities for term finances arranged from various banks aggregating to Rs. 1,565 million (June 2022: Rs. 1,565 million). These are secured against pari-passu hypothecation over stocks and book debts of the Group along with the personal guarantees of directors. These carry mark-up at the rates ranging from 16.20% to 21.27% per annum (June 2022: 7.18% to 15% per annum).

14.2 These represent facilities for term finances arranged from various banks aggregating to Rs. 800 million (June 2022: Rs. 800 million). These are secured against pari-passu hypothecation over stocks and book debts of the Group along with the personal guarantees of directors. These carry mark-up at the rates ranging from 12.64% to 21.58% per annum (June 2022: 8.70% to 13.94% per annum).

14.3 These represent facilities for export refinance arranged from various banks aggregating to Rs. 6,415 million (June 2022: Rs. 6,265 million). These are secured against pari-passu / ranking hypothecation of stocks, book debts and lien on export letters of credit of the Company along with the personal guarantees of directors. These carried mark-up at the rate ranging from 0.25% to 1% above the State Bank of Pakistan (SBP) rate per annum (June 2022: 0.25% to 1% above SBP rate per annum).

14.4 These represent facilities for finance against discounting of export bills / receivable arranged from bank aggregating to Rs. 1,400 million (June 2022: Rs. 900 million). These are secured against pari-passu hypothecation over stocks and book debts of the Group along with the personal guarantees of directors. These carry mark-up at the rate 1% above the State Bank of Pakistan (SBP) rate per annum (June 2022: 1% above SBP rate per annum).

14.5 These represent facilities for running finances available from various banks aggregated to Rs. 9,005 million (June 2022: Rs. 4,355 million). These are secured against pari-passu hypothecation of stocks, book debts and personal guarantees of directors. These carry mark-up at the rates ranging from 14.50% to 19.97% per annum (June 2022: 7.61% to 14.81% per annum).





15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There are no material changes in the status of contingencies as reported in the note no. 28 to the consolidated financial statements of the Company for the year ended June 30, 2022.

With reference to contingency of associated company, The Bank of Khyber (BOK), please refer the note 22 of audited financial statement for the year ended December 31, 2022.

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
-----Rupees-----		
15.2 Commitments		
15.2.1 Outstanding letter of guarantees	3,201,161,058	2,531,442,605
15.2.2 Cross Corporate guarantees issued by the Holding Company on behalf of subsidiaries / associated company	4,163,811,644	4,163,811,644
15.2.3 Outstanding letters of credit for:		
- capital expenditures	2,542,974,213	4,143,155,291
- others	4,181,499,482	1,529,969,416
The Holding Company's share of commitments of associated company		
- Guarantees	8,046,051,132	5,581,829,733
- Commitments	7,050,195,864	22,334,098,319
15.2.4 The Group's share of commitments of associated company is based on latest available financial information.		

16 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES

	(Un-audited) March 31, 2023	(Un-audited) March 31, 2022
-----Rupees-----		
Profit before taxation	4,858,766,075	2,266,723,510
Adjustments for non-cash and other items:		
Depreciation	1,882,361,568	1,661,781,079
Ammortization charge	2,826,550	25,279,833
Gain on disposal of property, plant and equipment - net	(19,318,451)	(340,913,322)
Provision for staff gratuity scheme - unfunded	157,939,954	84,261,139
Provision for slow moving - Stock in trade	123,154,713	4,151,993
Share of profit from associated undertaking	(15,555,899)	(121,026,531)
Unrealized exchange (gain) / loss	(255,971,604)	66,739,673
Finance cost	2,673,768,954	994,700,445
Net (increase)/ decrease in working capital	(12,949,222,092)	1,553,206,276
Cash (used in) / generated from operations after working capital changes	(3,541,250,232)	6,194,904,095
16.1 Working capital changes		
Decrease / (Increase) in current assets		
Stores and spares	(130,015,917)	(28,897,408)
Stock-in-trade	(6,514,954,856)	(385,139,019)
Trade debts	(6,855,214,601)	(3,562,988,137)
Loan and advances	(1,679,019,504)	(1,329,130,600)
Trade deposits and short-term prepayments	(463,106,157)	(37,581,095)
Other receivables	(13,267,448)	(79,311,795)
	(15,655,578,483)	(5,423,048,054)
(Decrease) / Increase in current liabilities		
Trade and other payables	1,618,770,405	3,563,481,074
Short term finances - secured	994,702,854	3,627,867,289
Advances from customers - unsecured	92,883,132	(215,094,033)
	2,706,356,391	6,976,254,330
Net (increase) / decrease in working capital	(12,949,222,092)	1,553,206,276



17. SEGMENT INFORMATION

A segment is a distinguishable component of the Group that engages in business activities from which the Group earns revenues and incurs expenses and is identifiable in its financial statements. Further, discrete financial information is available for each segment.

Principal activity

Business segment

Management segment

Segment revenue, segment result, costs, and attributable to the parent are as follows:

	Q1 2023						Q1 2022						Q1 2021					
	March 31, 2023		March 31, 2022		March 31, 2021		March 31, 2023		March 31, 2022		March 31, 2021		March 31, 2023		March 31, 2022		March 31, 2021	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue	14,182,263.74	14,512,329.43	6,626,201.76	6,574,079.43	10,197,128.19	10,147,028.94	18,765,207.29	18,765,207.29	9,782,252.67	9,782,252.67	18,765,207.29	18,765,207.29	14,833,121.28	13,765,207.29	13,765,207.29	13,765,207.29	13,765,207.29	13,765,207.29
Cost of sales	(2,400,001.28)	(1,529,942.79)	(2,060,013.29)	(2,018,641.61)	(3,099,698.83)	(3,099,698.83)	(6,022,849.89)	(6,022,849.89)	(4,212,849.89)	(4,212,849.89)	(6,022,849.89)	(6,022,849.89)	(11,236,539.97)	(11,236,539.97)	(11,236,539.97)	(11,236,539.97)	(11,236,539.97)	(11,236,539.97)
Net sales	11,782,262.46	12,982,386.64	4,566,188.47	4,555,437.82	7,097,429.36	7,047,330.11	12,742,357.40	12,742,357.40	5,569,407.78	5,569,407.78	12,742,357.40	12,742,357.40	3,596,581.31	2,528,667.32	2,528,667.32	2,528,667.32	2,528,667.32	2,528,667.32
Other income	66,589,279.06	11,052,279.12	68,121,208.18	11,052,279.12	6,468,969.36	6,468,969.36	(179,253,549.21)	(179,253,549.21)	6,468,969.36	6,468,969.36	(179,253,549.21)	(179,253,549.21)	6,468,969.36	6,468,969.36	6,468,969.36	6,468,969.36	6,468,969.36	6,468,969.36
Net result	11,848,840.24	14,505,723.97	4,574,165.26	4,566,666.84	3,504,700.89	3,504,700.89	12,523,513.91	12,523,513.91	10,047,567.34	10,047,567.34	12,523,513.91	12,523,513.91	3,673,101.64	1,302,127.35	1,302,127.35	1,302,127.35	1,302,127.35	1,302,127.35
Cost of sales	(1,535,849,202)	(9,019,422,488)	(1,437,803,264)	(1,356,919,485)	(1,524,709,248)	(1,524,709,248)	(2,524,709,248)	(2,524,709,248)	(1,524,709,248)	(1,524,709,248)	(2,524,709,248)	(2,524,709,248)	(4,022,709,248)	(3,254,282,614)	(3,254,282,614)	(3,254,282,614)	(3,254,282,614)	(3,254,282,614)
Other income	(11,768,934)	(11,052,279)	(11,768,934)	(11,052,279)	(6,468,969)	(6,468,969)	(179,253,549)	(179,253,549)	(6,468,969)	(6,468,969)	(179,253,549)	(179,253,549)	(6,468,969)	(6,468,969)	(6,468,969)	(6,468,969)	(6,468,969)	(6,468,969)
Administrative expenses	(41,208,501)	(11,052,279)	(41,208,501)	(11,052,279)	(25,709,248)	(25,709,248)	(47,209,248)	(47,209,248)	(25,709,248)	(25,709,248)	(47,209,248)	(47,209,248)	(18,209,248)	(18,209,248)	(18,209,248)	(18,209,248)	(18,209,248)	(18,209,248)
Other income	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)	(1,234,518,937)	(12,034,518,937)
Segment result	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937	12,384,518,937
Unallocated income and expenses																		
Income tax																		
Other income																		
Profit before tax																		
Income tax expense																		
Profit after tax																		
Segment assets																		
Segment liabilities																		
Other income																		
Profit after tax																		

122 Segment assets
 123 Segment liabilities
 124 Other income
 125 Profit after tax



		(Un-audited) March 31, 2023	(Audited) June 30, 2022
		-----Rupees-----	
17.6 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES			
Assets			
Total assets for reportable segments	17.2	70,778,714,855	47,225,859,477
Unallocated capital assets		1,787,135,125	986,716,296
Long term investment	8	3,113,013,508	3,144,584,786
Short term investment		1,707,870,294	1,318,192,640
Total assets		<u>77,386,733,782</u>	<u>52,672,353,199</u>
Liabilities			
Total liabilities for reportable segments	17.4	28,124,347,061	14,115,571,393
Deferred tax		1,875,213,961	1,647,742,804
Long term finance - secured	12	31,351,050,484	24,623,004,012
Lease liabilities		35,352,235	19,221,640
Total liabilities		<u>61,385,963,741</u>	<u>40,405,539,849</u>
		(Un-audited) March 31, 2023	(Un-audited) March 31, 2022
		-----Rupees-----	
18 EARNINGS PER SHARE - Basic and Diluted			
Basic earnings per share			
Profit for the period		<u>4,103,609,191</u>	1,793,498,153
		-----Number-----	
Weighted average number of ordinary shares as at March 31.		<u>66,356,940</u>	66,356,940
		-----Rupees-----	
Basic and diluted earnings per share		<u>61.84</u>	27.03

As at March 31, 2023 there is no diluted effect on the basic earnings per share of the Group.

19 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Details of transactions and balances with related parties during the period, other than those which have been specifically disclosed elsewhere in the consolidated condensed interim financial statements are as follows:

		(Un-audited) March 31, 2023	March 31, 2022
		-----Rupees-----	
Transactions			
Plastiflex Films (Private) Limited			
Common Directorship			
- Purchase of raw and packing materials		49,199,529	46,488,528
- Metallization service		(3,978,621)	(23,635,147)
- Recovery against sales		3,978,621	29,376,871
- Payment against purchases		(42,599,116)	(31,048,726)
Others			
Remuneration to directors and other key management personnel:			
Chief Executive Officer		36,450,000	34,441,668
Directors		23,475,087	21,654,167
Executives		710,248,160	491,971,378
		<u>770,173,247</u>	<u>548,067,213</u>

In addition to the above, Group maintained cars are provided to the chief executive officer, directors and executives.

	(Un-audited) March 31, 2023	(Audited) June 30, 2022
Balances		
Plastiflex Films (Private) Limited		
- Payable to associate - net	<u>12,310,874</u>	<u>5,710,461</u>

-----Rupees-----

20 FAIR VALUE MEASUREMENT

The Group's policies with the regards to fair value measurement are consistent with that disclosed in the annual financial statements for the year ended June 30, 2022. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Group for the year ended June 30, 2022.

The carrying values of financial assets and liabilities are approximate at their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

The Group held the following financial assets at fair value;

	March 31, 2023			Total	June 30, 2022
	(Level 1)	(Level 2)	(Level 3)		
	-----Rupees-----				
Investment in associated undertaking	3,113,013,508	-	-	3,113,013,508	3,144,584,786
Short term investment	190,000,000	1,517,870,294	-	1,707,870,294	190,000,000
	<u>3,303,013,508</u>	<u>1,517,870,294</u>	<u>-</u>	<u>4,820,883,802</u>	<u>3,334,584,786</u>

21 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the consolidated financial statements for the year ended June 30, 2022.

22 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on April 19, 2023 by the Board of Directors of the Group.




Munsarim Saifullah
Chief Executive Officer


Maqsood Ismail Ahmed
Director


Ahmed Raza Parekh
Chief Financial Officer



ISMAIL INDUSTRIES LIMITED

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UNIT 2 : B-140, H.I.T.E., HUB, BALOCHISTAN, PAKISTAN.
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UNIT 3 : G-1, H.I.T.E., HUB, BALOCHISTAN, PAKISTAN.
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UNIT 4 : G-22, 23, H.I.T.E., HUB, BALOCHISTAN, PAKISTAN.
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UNIT 5 : 38-C, 39, 39-A, 42-C, SUNDAR INDUSTRIAL ESTATE,
RAIWIND ROAD, LAHORE, PAKISTAN, TEL: (92-42) 36140972

UNIT 6 : D-91, D-92 & D-94 NORTH WESTERN INDUSTRIAL ZONE,
PORT QASIM AUTHORITY, KARACHI, TEL.: (92-21) 34154169-70, FAX: (92-21) 34154176

UNIT 7 : E-164 TO E-168, NORTH WESTERN INDUSTRIAL ZONE,
PORT QASIM AUTHORITY, KARACHI, TEL.: (92-21) 34154171-73, FAX: (92-21) 34154176

UNIT 8 : E154-157, NORTH WESTERN INDUSTRIAL ZONE,
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