



First Quarter Report
(Un Audited)
September 30, 2023





Company Information

Board of Directors

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

Audit Committee

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

HR & R Committee

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

Company Secretary & Chief Financial Officer

Mr. Humza Chaudhry

Head of Internal Audit

Mr. Usman Yousaf

Share Registrar

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

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers / Financial Institutions

Shariah Compliant Islamic Banks

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

Conventional Banks / Financial Institutions

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

Registered Office

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

Project Locations

Kotli Rai Abubakar, Distirct Kasur

AT-TAHUR LIMITED

DIRECTORS' REPORT

It's a pleasure to present on behalf of the Board of Directors of **At-Tahur Limited**, (hereinafter referred to as "the Company"), reviewed financial statements of At-Tahur Limited for the period ended September 30, 2023. The company has continued with its growth trajectory despite economic challenges.

The financial performance for the quarter ended is summarized below:

Description	QUARTER ENDED		
	July - Sep 2023 PKR million	July - Sep 2022 PKR million	Change (YOY) PKR million
Sales	1,327.26	1,012.02	315.24
Gross Profit	526.9	682.75	-155.85
% of sales	39.70%	67.46%	
Operating Profit	112.87	232.2	-119.33
% of sales	8.50%	22.94%	
Net Profit before tax	50.53	186.073	-135.54
% of sales	3.81%	18.39%	
Net Profit after tax	30.55	170.68	-140.13
% of sales	2.30%	16.87%	
Earnings per share	0.14	0.86	

BOARD & ITS COMMITTEES:

The total number of directors are 7 as per following:

- a. Male 06
- b. Female 01

The Composition of Board of Directors is as follows:

a. Independent Directors:

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

b. Other Non-Executive Directors:

- 1. Mr. Shabbi Zahid Ali

c. Executive Director:

- 1. Mr. Rasikh Elahi

AT-TAHUR LIMITED

AUDIT COMMITTEE

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

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

HUMAN RESOURCE & REMUNERATION COMMITTEE

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

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

DIRECTORS' REMUNERATION

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

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

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

Future Outlook:

Despite uncertain economic conditions, the Company is focusing on meeting customer needs through portfolio innovation and optimization of value chain/supply chain to ensure sustainable profitable growth. The company is working on new value-added products along with untapped market regions.

We are grateful to our customers for their continued patronage of our products and wish to acknowledge the efforts of the entire At-Tahur team, including our staff, vendors, dealers and all business partners for their untiring efforts in these challenging times and look forward to their continued support.



Chief Executive
October 27, 2023



Director

الطہور لیمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2023 کو ختم ہونے والی سہ ماہی کے مالی حسابات پیش کرنا میرے لیے باعث مسرت ہے۔ آپ کی کمپنی نے کمپنی نے اقتصادی چیلنجوں کے باوجود اپنی ترقی کی رفتار کو جاری رکھا ہے۔

پہلی سہ ماہی کے لئے مالیاتی کارکردگی ذیل میں دی گئی ہے:

سہ ماہی (ملین روپے)			
تبدیلی (YOY)	30 ستمبر 2022	30 ستمبر 2023	
315.24	1012.02	1327.26	آمدنی
-155.85	682.75	526.9	مجموعی منافع
	67.49	39.70	فروخت کا فیصد
-119.33	232.20	112.87	آپریٹنگ منافع
	22.94	8.50	فروخت کا فیصد
-135.54	186.073	50.53	خالص منافع
	18.39	3.81	فروخت کا فیصد
-140.13	170.68	30.55	بعد ٹیکس خالص منافع
	16.87	2.30	فروخت کا فیصد
	0.86	0.14	فی شیئر آمدنی

بورڈ اور اس کی کمیٹیز

ڈائریکٹرز کی کل تعداد حسب ذیل ہے:

- a. مرد 06
b. خواتین 01

بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

a. آزاد ڈائریکٹرز

1. محترم عابد ستار
2. محترم اورنگزیب فیروز
3. ڈاکٹر فرزانه فیروز
4. محترم اعجاز نثار
5. سید کاشف الحسن شاہ

b. نان ایگزیکٹو ڈائریکٹر

1. محترم شبلی زاہد علی

c. ایگزیکٹو ڈائریکٹر

1. محترم راسخ الہی

آڈٹ کمیٹی

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

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

بیومن ریسورس اینڈ ریمونریشن کمیٹی

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

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

ڈائریکٹرز کامشاہیرہ

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

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

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

مستقبل پر نظر

غیر یقینی معاشی حالات کے باوجود کمپنی پائیدار منافع بخش نمو کو یقینی بنانے کے لیے پورٹ فولیو میں جدت طرازی اور ویلیو جین کی اصلاح کے ذریعے صارفین کی ضروریات کو پورا کرنے پر توجہ دے رہی ہے۔ کمپنی نئی ویلیو ایڈڈ مصنوعات پر کام کر رہی ہے اور نئی مارکیٹ کو بھی ٹارگٹ کر رہی ہے۔

ہم اپنے صارفین کی طرف سے اپنی مصنوعات کی مسلسل سرپرستی کے لیے ان کے مشکور ہیں۔ اور اس مشکل وقت میں اپنے عملے ڈیلرز اور تمام کاروباری شراکت داروں اور پوری الطہور کی ٹیم کی کاوشوں کے مشکور ہیں اور مستقبل میں بھی یہی امید رکھتے ہیں۔

ڈائریکٹر

بورڈ آف ڈائریکٹرز کی جانب سے

چیف ایگزیکٹو ڈائریکٹر
27 اکتوبر 2023

STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

	NOTE	30 September 2023 (RUPEES IN THOUSAND)	30 June 2023 (RUPEES IN THOUSAND)		NOTE	30 September 2023 (RUPEES IN THOUSAND)	30 June 2023 (RUPEES IN THOUSAND)
EQUITY AND LIABILITIES				ASSETS			
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorized share capital				Property, plant and equipment	6	1,645,929	1,664,658
220,000,000 (2023: 220,000,000) ordinary shares of Rupees 10 each		<u>2,200,000</u>	<u>2,200,000</u>	Right-of-use assets		214,340	223,763
				Biological assets	7	4,143,774	3,992,849
Issued, subscribed and paid-up share capital		2,186,394	2,186,394	Long term security deposits		65,523	65,523
Capital contribution		42,628	42,628	Deferred income tax asset - net		<u>39,137</u>	<u>39,137</u>
Reserve		<u>2,604,620</u>	<u>2,574,067</u>			6,108,703	5,985,930
Total equity		<u>4,833,642</u>	<u>4,803,089</u>	CURRENT ASSETS			
LIABILITIES				Stores		33,503	45,838
NON-CURRENT LIABILITIES				Inventories		218,721	412,329
Employees' retirement benefit		163,881	150,298	Biological assets	7	988	1,747
Lease liabilities		178,396	191,819	Trade debts		272,448	238,976
Long term financing	4	320,957	336,767	Short term advances and prepayments		48,781	59,538
Deferred liabilities		109,410	115,355	Short term deposits and other receivables		364,121	342,869
		<u>772,644</u>	<u>794,239</u>	Advance income tax - net of provision for taxation		95,753	95,231
CURRENT LIABILITIES				Cash and bank balances		65,430	107,295
Trade and other payables		822,497	944,152			1,099,745	1,303,823
Short term borrowings		502,808	460,376				
Accrued mark-up / profit		50,673	48,627				
Current portion of non-current liabilities		226,149	239,235				
Unclaimed dividend		35	35				
		<u>1,602,162</u>	<u>1,692,425</u>				
Total liabilities		<u>2,374,806</u>	<u>2,486,664</u>				
CONTINGENCIES AND COMMITMENTS							
	5						
TOTAL EQUITY AND LIABILITIES		<u>7,208,448</u>	<u>7,289,753</u>	TOTAL ASSETS		<u>7,208,448</u>	<u>7,289,753</u>

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER ENDED 30 SEPTEMBER 2023**

	NOTE	30 September 2023 (RUPEES IN THOUSAND)	30 September 2022
REVENUE FROM CONTRACTS WITH CUSTOMERS		1,327,259	1,012,025
GAIN ARISING ON INITIAL RECOGNITION OF MILK AT FAIR VALUE LESS COSTS TO SELL AT THE TIME OF MILKING		858,095	704,843
GAINS ARISING FROM CHANGES IN FAIR VALUE LESS COSTS TO SELL OF DAIRY LIVESTOCK	7.1	<u>341,153</u>	<u>537,526</u>
		2,526,507	2,254,394
OPERATING COSTS	8	<u>(1,999,603)</u>	<u>(1,571,645)</u>
		526,904	682,749
ADMINISTRATIVE AND GENERAL EXPENSES		<u>(71,482)</u>	<u>(64,093)</u>
SELLING AND MARKETING EXPENSES		<u>(149,923)</u>	<u>(151,449)</u>
OTHER EXPENSES		<u>(197,394)</u>	<u>(237,688)</u>
		<u>(418,799)</u>	<u>(453,230)</u>
		108,105	229,519
OTHER INCOME		<u>4,761</u>	<u>2,679</u>
PROFIT FROM OPERATIONS		112,866	232,198
FINANCE COST		<u>(62,336)</u>	<u>(46,125)</u>
PROFIT BEFORE TAXATION		50,530	186,073
TAXATION		<u>(19,980)</u>	<u>(15,392)</u>
PROFIT AFTER TAXATION		<u>30,550</u>	<u>170,681</u>
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		<u>0.14</u>	<u>0.86</u>

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED 30 SEPTEMBER 2023

	30 September 2023	30 September 2022
	(RUPEES IN THOUSAND)	
PROFIT AFTER TAXATION	30,550	170,681
OTHER COMPREHENSIVE LOSS		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plan - net of tax	-	-
Other comprehensive loss for the period - net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	30,550	170,681

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2023**

	SHARE CAPITAL	CAPITAL CONTRIBUTION	RESERVES			TOTAL
			CAPITAL RESERVE	REVENUE RESERVE	TOTAL RESERVES	
			SHARE PREMIUM	UN-APPROPRIATED PROFIT		
------(RUPEES IN THOUSAND)-----						
Balance as at 30 June 2022	1,987,631	-	-	1,527,681	1,527,681	3,515,312
Profit for the three months period	-	-	-	170,681	170,681	170,681
Other comprehensive loss for the three months period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	170,681	170,681	170,681
Balance as at 30 September 2022	1,987,631	-	-	1,698,362	1,698,362	3,685,993
Transactions with owners:						
Issue of 1 bonus share for every 10 ordinary shares for the year ended 30 June 2022	198,763	-	-	(198,763)	(198,763)	-
Received from chief executive during the period	-	42,628	-	-	-	42,628
	198,763	42,628	-	(198,763)	(198,763)	42,628
Profit for the nine months period	-	-	-	1,077,101	1,077,101	1,077,101
Other comprehensive loss for the nine months period	-	-	-	(2,630)	(2,630)	(2,630)
Total comprehensive income for the nine months period	-	-	-	1,074,471	1,074,471	1,074,471
Balance as at 30 June 2023	2,186,394	42,628	-	2,574,070	2,574,070	4,803,092
Profit for the three months period	-	-	-	30,550	30,550	30,550
Other comprehensive loss for the three months period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	30,550	30,550	30,550
Balance as at 30 September 2023	2,186,394	42,628	-	2,604,620	2,604,620	4,833,642

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2023**

	NOTE	30 September 2023 (RUPEES IN THOUSAND)	30 September 2022
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	9	36,510	190,631
Finance cost paid		(60,290)	(44,635)
Income tax paid		(20,502)	(13,704)
Net increase in security deposits		-	(957)
Net cash generated from / (used in) operating activities		(44,282)	131,335
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(9,466)	(90,032)
Short term investment made		-	40,000
Short term investment disposed of		-	(40,000)
Proceeds from sale of dairy livestock		14,463	11,430
Return on bank deposits		78	4
Net cash from / (used in) investing activities		5,075	(78,598)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		42,432	(3,769)
Lease liabilities - net		(13,819)	(7,104)
Long term financing - net		(31,271)	(19,828)
Net cash used in financing activities		(2,658)	(30,701)
Net increase / (decrease) in cash and cash equivalents		(41,865)	22,036
Cash and cash equivalents at the beginning of the period		107,295	27,496
Cash and cash equivalents at the end of the period		65,430	49,532

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

AT-TAHUR LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 30 SEPTEMBER 2023

1. THE COMPANY AND ITS OPERATIONS

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

2. BASIS OF PREPARATION

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

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

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

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

3. ACCOUNTING POLICIES

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

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding annual audited published financial statements of the Company for the year ended 30 June 2023.

	2023 (Unaudited)	30 June 2023 (Audited)
	Rupees in thousand	
4 LONG TERM FINANCING		
Long term financing	460,387	491,662
Less: Current portion shown under current liabilities	(139,430)	(154,895)
	<u>320,957</u>	<u>336,767</u>
5 CONTINGENCIES AND COMMITMENTS		
5.1 Contingencies		
5.1.1 There is no significant change in the status of contingencies as disclosed in the preceding audited annual financial statements of the Company for the year ended 30 June 2023.		
5.2 Commitments		
5.2.1 Letters of credit of the Company are of Rupees Nil (30 June 2023: Rupees Nil).		
5.2.2 The Company has obtained vehicles under ijarah arrangements from Askari Bank Limited for a period of five years. The total future monthly Ujrah payments under Ijarah are as follows:		
	2023 (Unaudited)	30 June 2023 (Audited)
	Rupees in thousand	
Not later than one year	13,871	13,839
Later than one year and not later than five years	25,016	28,484
	<u>38,887</u>	<u>42,323</u>
6 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	1,611,334	1,636,527
Capital work-in-progress (Note 6.2)	34,595	28,131
	<u>1,645,929</u>	<u>1,664,658</u>
6.1 Operating fixed assets - owned		
Opening net book value	1,636,527	1,524,815
Add: Cost of additions during the period (Note 6.1.1)	3,002	327,041
Add: Book value of assets transfer from leased asset during the period	-	995
Less: Book value of deletions during the period	-	(95,236)
Less: Depreciation charged during the period	(28,195)	(121,087)
Closing net book value	<u>1,611,334</u>	<u>1,636,528</u>
6.1.1 Cost of additions during the period		
Buildings on freehold land	-	112,869
Plant and machinery	273	51,738
Electric installations	225	107,381
Office equipment	702	2,790
Tools and equipment	1,744	220
Vehicles	-	50,724
Furniture	11	197
Computers	47	1,122
	<u>3,002</u>	<u>327,041</u>
6.2 Capital work-in-progress		
Building on freehold land	25,000	17,234
Plant and machinery	-	-
Advance against plant and machinery	-	-
Advance against contractor for civil works	7,730	9,032
Advances against electric installation	1,865	1,865
Advances for purchase of vehicles	-	-
	<u>34,595</u>	<u>28,131</u>

	2023 (Unaudited)	30 June 2023 (Audited)								
	Rupees in thousand									
7 BIOLOGICAL ASSETS										
Dairy livestock:										
Mature	2,865,600	2,619,874								
Immature	1,279,162	1,374,722								
	4,144,762	3,994,596								
Non-current	4,143,774	3,992,849								
Current	988	1,747								
	4,144,762	3,994,596								
7.1 Reconciliation of carrying amount of dairy livestock:										
Carrying amount at the beginning of the period	3,994,596	2,671,392								
Purchases during the period	-	-								
Fair value gain due to new births	27,054	55,537								
Gain arising from changes in fair value less costs to sell attributable to physical and price changes	314,099	1,893,647								
	341,153	1,949,184								
Decrease due to deaths	(103,523)	(285,870)								
Decrease due to sales	(87,464)	(340,110)								
Carrying amount at the end of the period, which approximates the fair value less costs to sell	4,144,762	3,994,596								
7.2	As at 30 September 2023, the Company held 3,078 (30 June 2023: 3,050) mature assets able to produce milk and 2,271 (30 June 2023: 2,319) immature assets that are being raised to produce milk in the future. During the period, the Company produced approximately 5,630,503 (30 September 2022: 5,638,741) gross litres of milk from these biological assets. As at 30 September 2023, the Company also held 11 (30 June 2023: 22) immature male calves.									
7.3	The valuation of dairy livestock as at 30 June 2023, has been carried out by independent valuers. In this regard, the valuers examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company as at 30 June 2023. Further, in the absence of an active market of the Company's dairy livestock in Pakistan, market and replacement values of similar livestock from active markets in Europe and Australia, have been used as basis of valuation by the independent valuers. The cost of transportation to Pakistan is also considered.									
	<table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th colspan="2" style="text-align: center;">QUARTER ENDED</th> </tr> <tr> <th style="text-align: center;">30 September 2023</th> <th style="text-align: center;">30 September 2022</th> </tr> <tr> <th style="text-align: center;">(Unaudited)</th> <th style="text-align: center;">(Unaudited)</th> </tr> </thead> <tbody> <tr> <td colspan="2" style="text-align: center;">Rupees in thousand</td> </tr> </tbody> </table>		QUARTER ENDED		30 September 2023	30 September 2022	(Unaudited)	(Unaudited)	Rupees in thousand	
QUARTER ENDED										
30 September 2023	30 September 2022									
(Unaudited)	(Unaudited)									
Rupees in thousand										
8 OPERATING COSTS										
Raw milk consumed	860,838	706,221								
Forage consumed	703,196	472,389								
Packing materials consumed	111,635	95,086								
Stores consumed	3,870	2,594								
Salaries, wages and other benefits	48,683	48,616								
Oil and lubricants	82,898	94,463								
Utilities	52,117	42,311								
Insurance	325	608								
Repair and maintenance	23,625	30,825								
Artificial insemination supplies consumed	768	4,818								
Dairy livestock medication consumed	29,507	19,248								
Dairy supplies consumed	33,861	27,178								
Chemicals consumed	-	30								
Vehicles' running	7,726	3,547								
Depreciation	24,828	21,284								
Rent, rates and taxes	2,640	3,104								
Miscellaneous	7,400	664								
	1,993,917	1,572,986								
Finished / manufactured goods										
Opening inventory	20,594	13,304								
Closing inventory	(14,908)	(14,645)								
	5,686	(1,341)								
	1,999,603	1,571,645								

30 September 2023 **30 September 2022**
(RUPEES IN THOUSAND)

9 CASH GENERATED FROM OPERATIONS

Profit before taxation	50,530	186,073
Adjustments for non-cash charges and other items:		
Depreciation on operating fixed assets	28,195	25,679
Depreciation on right-of-use assets	9,423	6,570
Gains arising from changes in fair value less costs to sell of dairy livestock	(341,153)	(537,526)
(Gain) / loss on sale of operating fixed assets	-	-
Amortization of deferred income - Government grant	(3,170)	(1,729)
Loss on sale of dairy livestock - net	73,001	61,206
Loss due to death of dairy livestock	103,523	133,869
Allowance / (reversal of allowance) for expected credit losses	20,870	42,613
Gain on termination of lease	-	-
Provision for Workers' Profit Participation Fund	-	-
Provision for Workers' Welfare Fund	-	-
Provision for expired / damaged stock	-	-
Unrealized exchange loss	-	-
Return on bank deposits	(78)	(4)
Interest on term deposit receipts	-	-
Advances to suppliers written off	-	-
Provision for doubtful advances to suppliers	-	-
Provision for employees' retirement benefit	13,583	10,060
Finance cost	62,336	46,125
Working capital changes (Note 9.1)	19,450	217,695
	36,510	190,631
	36,510	190,631

9.1 Working capital changes

(Increase) / decrease in current assets:

- Stores	12,335	5,371
- Inventories	193,608	118,102
- Trade debts	(54,342)	(18,252)
- Short term advances and prepayments	10,757	14,328
- Short term deposits and other receivables	(21,252)	(32,470)
	141,106	87,079
Increase in trade and other payables	(121,656)	130,616
	19,450	217,695

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

Certain financial assets and financial liabilities are not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in these financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company classify its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

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

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

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

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

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

At 30 September 2023	Level 1	Level 2	Level 3	Total
----- Rupees in thousand-----				
Biological assets	-	4,144,762	-	4,144,762
Total non-financial assets	-	<u>4,144,762</u>	-	<u>4,144,762</u>
At 30 June 2023	Level 1	Level 2	Level 3	Total
----- Rupees in thousand-----				
Biological assets	-	3,994,596	-	3,994,596
Total non-financial assets	-	<u>3,994,596</u>	-	<u>3,994,596</u>

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

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

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

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

Valuation processes

The Company engages external, independent valuers to determine the fair value of the Company's biological assets at the end of every year. As at 30 June 2023, the fair value of the biological assets was determined by M/s Profarm Pakistan (Private) Limited and M/s Andersen Consulting (Private) Limited.

Changes in fair values are analysed between the chief financial officer and the valuers. As part of this discussion the team presents a report that explains the reason for the fair value movements.

12 TRANSACTIONS WITH RELATED

The Company carries out transactions with related parties in the normal course of business. Detail of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	30 September 2023	30 September 2022
	(Unaudited)	(Unaudited)
	(RUPEES IN THOUSAND)	
Associated company		
Purchase of goods	-	-

13 FINANCIAL RISK MANAGEMENT

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

14 SEGMENT INFORMATION

These financial statements has been prepared on the basis of single reportable segment. All of the sales of the Company relates to customers in Pakistan. All non-current assets of the Company as at reporting date were located in Pakistan.

15 DATE OF APPROVAL

These financial statements were approved on 27 October 2023 by Board of Directors of the Company.

16 CORRESPONDING FIGURES

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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