



Century Paper & Board Mills Limited



empowering **WOMEN**
INSPIRING progress

HALF YEARLY REPORT
DECEMBER 2023

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Corporate Information

Board of Directors

Iqbal Ali Lakhani - Chairman
Amin Mohammed Lakhani
Babar Ali Lakhani
Anushka Lakhani
Asif Qadir
Ali Aamir
Aftab Ahmad - Chief Executive Officer

Advisor

Sultan Ali Lakhani

Audit Committee

Ali Aamir - Chairman
Amin Mohammed Lakhani
Babar Ali Lakhani

Human Resource & Remuneration Committee

Asif Qadir - Chairman
Amin Mohammed Lakhani
Anushka Lakhani
Aftab Ahmad

Chief Financial Officer

Muhammad Rashid Dastagir
Email: rashid-dastagir@centurypaper.com.pk

Company Secretary

Mansoor Ahmed
Email: mansoor-ahmed@centurypaper.com.pk

External Auditors

BDO Ebrahim & Co.
Chartered Accountants
Email: info@bdoebrahim.com.pk

Shares Registrar

FAMCO Share Registration Services (Private) Limited
8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S. Shahra-e-Faisal, Karachi.
Phone: (021) 34380101-5, (021) 34384621-23
Email: info.shares@famcosrs.com
Website: www.famcosrs.com

Head Office and Registered Office

Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan.
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Fax: (021) 35684336, 35683410
Email: info@centurypaper.com.pk
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Lahore Office

14-Ali Block, New Garden Town, Lahore-54600, Pakistan.
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Mills

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Directors' Review

On behalf of the Board of Directors, we are pleased to present the performance review of your Company together with the unaudited financial statements for the period that ended on December 31st, 2023.

OPERATIONS AND SALES REVIEW

The Company produced 94,297 metric tons during the period under review (July-December 2023) as compared to 117,836 metric tons for the corresponding period of last year. The reduced capacity utilization during the period was a consequence of the sluggish demand, increased competition for cheaper imported goods and outsourcing of certain raw materials for corrugated boxes.

The sales volumes for the period under review (July-December 2023) stood at 94,384 metric tons as compared to 117,034 metric tons for the corresponding period of last year. In terms of value, the net sales were recorded at Rs. 22,079 million as compared to Rs. 24,925 million for the corresponding period of last year.

FINANCIAL PERFORMANCE

The Company posted a gross profit of Rs. 2,056 million for the period under review (July-December 2023) compared to Rs. 1,724 million for the corresponding period of last year. The rise in gross profit stemmed from a carefully managed product mix at viable selling prices, and reduced energy costs due to the efficient utilization of alternate sources. Similarly, The net operating profit for the period under review (July-December 2023) was recorded at Rs. 1,529 million compared to Rs. 1,247 million for the corresponding period of last year.

The finance cost for the period under review (July-December 2023) stood at Rs. 948 million compared to Rs. 978 million during the corresponding period of last year. After taking into account financial charges, profit before tax for the period was Rs. 581 million as compared to Rs. 269 million in the corresponding period of last year and the net profit for the period under review was Rs. 354 million as compared to Rs. 191 million for the corresponding period of last year.

EARNINGS PER SHARE

The basic earnings per share for the period under review (July-December 2023) is reported at Rs. 0.88 as compared to Rs. 0.47 for the corresponding period of last year. There is no dilution effect on the earnings per share for the period under review and the corresponding period of last year. As required by international accounting standards, the corresponding figures have been restated retrospectively to include the impact of the bonus shares issued during the last financial year (2022-2023).

Directors' Review

NEAR TERM OUTLOOK

During the review period, economic indicators showed a mixed performance. High inflation persisted and has been exerting pressure on commodity prices and preventing the Central Bank from reducing policy rates. However, some stability was visible in the exchange rate owing to a well-managed current account balance. Moreover, the election has introduced a degree of uncertainty, affecting market sentiments. These developments have resulted in sluggish overall economic activity that resulted in curtailed output of large-scale manufacturing. The paper board sector was no exception, with local production experiencing a decline compared to the same period last year. This was due to a combination of sluggish demand and the influx of cheaper imported products.

While a downward trend has been witnessed in the prices of imported raw materials and fuel items during the period, the benefits have been marginal due to underutilization of capacity in the wake of demand contraction. Despite these challenges, your company's management remains focused on achieving positive results by targeting the favorable sales mix and containing the finance cost with better management of Inventory and trade receivables.

We are hopeful that the steadfast implementation of stabilization measures will result in gradual improvement in economic indicators henceforth. The inflation is expected to moderate which may lead to monetary easing from March 2024 onward. The long awaited monetary easing is essential to stimulate economic activities by improving the purchasing power of the masses.

Following the successful completion of multiple BMR projects in recent years, your Company has successfully upgraded and modernized its production facilities. This puts the Company in a strong position to improve the plant operations and boost the sales volume in response to future economic recovery.

ACKNOWLEDGMENTS

The Directors wish to acknowledge the devotion of the employees of all cadres and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers and bankers for their continued confidence and support.

On behalf of the Board of Directors



IQBAL ALI LAKHANI
Chairman



AFTAB AHMAD
Chief Executive Officer

Karachi: February 07, 2024



ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی طرف سے 31 دسمبر 2023ء کو ختم ہونے والی مدت کے لیے آپ کی کمپنی کی کارکردگی کا جائزہ مع غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

کاروباری کارکردگی اور سیلز کا جائزہ

کمپنی نے زیر جائزہ مدت (جولائی تا دسمبر 2023) کے دوران 94,297 میٹرک ٹن کی پیداوار کی، جو کہ گذشتہ سال کی اسی مدت میں 117,836 میٹرک ٹن تھی۔

کمپنی نے زیر جائزہ مدت (جولائی تا دسمبر 2023) کے دوران 94,384 میٹرک ٹن کی فروخت کی، جو کہ گذشتہ سال کی اسی مدت میں 117,034 میٹرک ٹن تھی۔ زیر جائزہ مدت کے دوران پیداواری صلاحیت کا استعمال کم رہا جس کی وجہ طلب میں کمی، سستی درآمدی مصنوعات سے مسابقت میں اضافہ اور کوریگیٹڈ باکس میں استعمال ہونے والے خام کی آؤٹ سورسنگ رہی۔

قدر کے اعتبار سے زیر جائزہ مدت (جولائی تا دسمبر 2023) میں سیلز ویلیو (Sales Value) 22,079 ملین روپے درج کی گئی، جو کہ گذشتہ سال اسی مدت میں 24,925 ملین روپے تھی۔

مالیاتی کارکردگی

زیر جائزہ مدت (جولائی تا دسمبر 2023) میں کمپنی نے 2,056 ملین روپے کا مجموعی منافع کمایا جو کہ گذشتہ سال اسی مدت میں 1,724 ملین روپے تھا۔ مجموعی منافع میں اضافہ مصنوعات کی قیمتوں میں مناسب ردوبدل اور متبادل ذرائع کے موثر استعمال سے توانائی کی لاگت میں کمی کی وجہ سے ممکن ہوا۔

اسی طرح زیر جائزہ مدت (جولائی تا دسمبر 2023) میں خالص آپریٹنگ منافع 1,529 ملین روپے ریکارڈ کیا گیا جو کہ گذشتہ سال کی اسی مدت میں 1,247 ملین روپے تھا۔

زیر جائزہ مدت (جولائی تا دسمبر 2023) میں مالیاتی اخراجات 948 ملین روپے تک رہے جو گذشتہ سال اسی مدت میں 978 ملین روپے تھے۔ مالیاتی اخراجات منہا کرنے کے بعد زیر جائزہ مدت (جولائی تا دسمبر 2023) میں قبل از ٹیکس منافع 581 ملین روپے رہا جو گذشتہ سال اسی مدت میں 269 ملین روپے تھا۔

کمپنی نے زیر جائزہ مدت (جولائی تا دسمبر 2023) میں 354 ملین روپے کا بعد از ٹیکس خالص منافع کمایا جو گذشتہ سال اسی مدت میں 191 ملین روپے تھا۔

فی شیئر آمدنی

زیر جائزہ مدت میں فی شیئر آمدنی 0.88 روپے رپورٹ کی گئی جو کہ گذشتہ سال اسی مدت میں 0.47 روپے تھی۔

زیر جائزہ مدت اور گذشتہ سال اسی مدت کے لیے فی شیئر آمدنی کمزور پڑنے کے کوئی آثار نہیں ہیں۔ اعداد و شمار میں بین الاقوامی اکاؤنٹنگ کے معیارات کے مطابق سال 2023 میں جاری کیے گئے بونس حصص کے اثرات کو شامل کیا گیا ہے۔

ڈائریکٹرز کا جائزہ

قریب مدتی منظر نامہ

زیر جائزہ مدت کے دوران معاشی اعشاریوں میں ملا جلا رجحان رہا، افراط زر کی بلند شرح کی وجہ سے اجناس کی قیمتوں پر دباؤ برقرار رہا جس کی وجہ سے مرکزی بینک پالیسی ریٹ کم کرنے سے قاصر رہا۔ تاہم کرنٹ اکاؤنٹ کے بہتر انتظام سے زرمبادلہ کی شرح میں کچھ استحکام نظر آیا۔ مزید برآں، انتخابات کی وجہ سے ایک غیر یقینی صورتحال رہی جس سے مارکیٹ متاثر ہوئی۔ ان وجوہات کے نتیجے میں معاشی سرگرمیاں سست پڑ گئی ہیں۔ جس کے نتیجے میں بڑی صنعتوں کی پیداوار میں کمی واقع ہوئی۔ پیپر بورڈ کا شعبہ بھی اس سے متاثر ہوئے بغیر نہیں رہا۔ مقامی مصنوعات کی پیداوار میں گزشتہ سال کے مقابلے میں کمی واقع پیدا ہوئی ہے اس کی وجہ طلب میں کمی اور سستی درآمدی مصنوعات کی دستیابی رہی۔


زیر جائزہ مدت کے دوران خام مال اور ایندھن کی قیمتوں میں کمی کا رجحان دیکھا گیا لیکن طلب میں کمی کے سبب پیداواری صلاحیت کے کم استعمال کی وجہ سے خاطر خواہ نتائج حاصل نہ ہو سکے۔ ان چیلنجوں کے باوجود، آپ کی کمپنی کی انتظامیہ کی توجہ موزوں سیلز مکس اور خام مال / تجارتی وصولیوں کے بہتر انتظام کے ساتھ مالیاتی لاگت پر مثبت نتائج حاصل کرنے پر مرکوز رہی۔

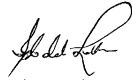
ہمیں امید ہے کہ معیشت کے استحکام کی خاطر لیے گئے اقدامات کی وجہ سے معاشی اعشاریوں میں بتدریج بہتری کے قومی امکانات ہیں۔ افراط زر میں بھی بہتری کے امکانات ہیں جو کہ مارچ 2024 کے بعد مالیاتی نرمی کا باعث بن سکتے ہیں۔ عوام کی قوت خرید کو بہتر بنانے اور معاشی سرگرمیوں کو تیز کرنے کے لئے مالیاتی پالیسی میں نرمی اب ناگزیر ہے۔ حالیہ برسوں میں متعدد BMR (بی ایم آر) منصوبوں کی کامیابی سے تکمیل کے بعد آپ کی کمپنی نے اپنی پیداواری صلاحیت کو اپ گریڈ اور جدید تقاضوں سے ہم آہنگ کیا ہے۔ اس سے کمپنی کی پوزیشن واضح طور مضبوط ہوئی ہے۔ جس سے مستقبل میں آپریشنز میں بہتری اور سیلز حجم میں اضافہ ممکن ہوگا۔

اظہار تشکر

آپ کے ڈائریکٹرز کمپنی کے عملے اور ملازمین کی محنت اور خلوص کارکردگی کا اعتراف کرتے ہیں۔ وہ مسلسل سرپرستی اور واہستگی پر اپنے سپلائرز، کسٹمرز اور بینکوں کو خراج تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے


آفتاب احمد
چیف ایگزیکٹو آفیسر


اقبال علی لاکھانی
چیرمین

کراچی: فروری 07، 2024



Independent Auditor's Report on Review of

Condensed Interim Financial Statements to the Members

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **CENTURY PAPER & BOARD MILLS LIMITED** ("the Company") as at December 31, 2023 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the half year ended December 31, 2023 (here-in-after referred as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial statements. Our responsibility is to express a conclusion on this interim financial statements based on our review.

The figures for the quarters ended December 31, 2023 and December 31, 2022 in the condensed interim statement of profit or loss and condensed interim statement of comprehensive income have not been reviewed and we do not express a conclusion on them.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with approved accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's report is Tariq Feroz Khan.

Karachi
Dated: February 07, 2024
UDIN: RR2023101668uScEaZNb



BDO EBRAHIM & CO.

Chartered Accountants


Engagement Partner: Tariq Feroz Khan

Condensed Interim Statement of Financial Position

as at December 31, 2023

	Note	December 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2023 (Audited)
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	7	10,180,845	10,367,165
Capital work in progress	8	1,428,663	1,350,556
		<u>11,609,508</u>	<u>11,717,721</u>
Intangible assets		17,327	13,663
Long-term advances		11,844	11,809
Long-term deposits	9	192,191	19,181
		<u>11,830,870</u>	<u>11,762,374</u>
CURRENT ASSETS			
Stores and spares	10	4,025,294	2,758,473
Stock-in-trade	11	6,874,094	8,755,430
Trade debts		4,580,085	5,181,962
Advances		181,947	221,728
Trade deposits and short term prepayments		87,747	13,530
Other receivables		18,667	34,601
Tax refunds due from Government	12	233,276	204,598
Taxation - net		387,822	162,516
Cash and bank balances	13	1,002,005	800,991
		<u>17,390,937</u>	<u>18,133,829</u>
TOTAL ASSETS		<u>29,221,807</u>	<u>29,896,203</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
1,000,000,000 (June 30, 2023: 1,000,000,000)			
shares of Rs. 10 each		<u>10,000,000</u>	<u>10,000,000</u>
Issued, subscribed and paid-up capital			
401,712,926 (June 30, 2023: 401,712,926)			
ordinary shares of Rs. 10 each		4,017,129	4,017,129
Reserves		9,449,066	9,094,838
		<u>13,466,195</u>	<u>13,111,967</u>
NON - CURRENT LIABILITIES			
Long-term financing	14	4,446,113	5,134,796
Lease liabilities against right of use assets		15,479	23,445
Deferred taxation		684,144	791,725
Deferred capital grant	15	201,981	251,820
		<u>5,347,717</u>	<u>6,201,786</u>
CURRENT LIABILITIES			
Trade and other payables	16	4,959,992	4,608,574
Short-term borrowings	17	3,631,700	4,071,118
Interest and mark-up accrued	18	180,644	540,685
Unclaimed dividend		1,721	1,721
Current portion of long-term lease liabilities			
against right of use assets		15,285	13,764
Current portion of deferred capital grant	15	103,564	110,053
Current portion of long-term financing	14	1,514,989	1,236,535
		<u>10,407,895</u>	<u>10,582,450</u>
TOTAL EQUITY AND LIABILITIES		<u>29,221,807</u>	<u>29,896,203</u>
CONTINGENCIES AND COMMITMENTS			
	19		

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.



IQBAL ALI LAKHANI
Chairman / Director



AFTAB AHMAD
Chief Executive Officer



MUHAMMAD RASHID DASTAGIR
Chief Financial Officer



Condensed Interim Statement of Profit or Loss

for the period ended December 31, 2023 (Un-audited)

	Note	Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Rupees in thousands)					
Turnover - net	20	22,078,648	24,925,079	10,681,074	12,638,409
Cost of sales	21	(20,022,627)	(23,201,494)	(9,893,953)	(11,981,238)
Gross profit		2,056,021	1,723,585	787,121	657,171
General and administrative expenses		(482,525)	(422,253)	(238,249)	(204,021)
Selling expenses		(50,120)	(44,449)	(25,866)	(22,192)
Distribution expenses		(91,528)	(89,989)	(44,352)	(42,067)
Other operating charges					
Workers' Profit Participation Fund		(31,187)	(14,432)	(4,818)	4,691
Workers' Welfare Fund		(11,851)	(5,484)	(1,831)	1,783
Others		(20,283)	(16,657)	(6,230)	(9,428)
		(63,321)	(36,573)	(12,879)	(2,954)
Other income		160,093	116,229	95,259	60,690
Operating profit		1,528,620	1,246,550	561,034	446,627
Finance cost	22	(947,920)	(977,833)	(471,339)	(533,979)
Profit / (loss) before taxation		580,700	268,717	89,695	(87,352)
Taxation					
Current		(334,053)	(311,563)	(142,563)	(113,020)
Deferred		107,581	233,635	107,581	152,595
		(226,472)	(77,928)	(34,982)	39,575
Profit / (loss) for the period		354,228	190,789	54,713	(47,777)
Earnings / (loss) per share			(Restated)		(Restated)
- basic and diluted (Rupee)	23	0.88	0.47	0.14	(0.12)

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.



IQBAL ALI LAKHANI
Chairman / Director



AFTAB AHMAD
Chief Executive Officer



MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Condensed Interim Statement of Comprehensive Income


for the period ended December 31, 2023 (Un-audited)

	Half year ended		Quarter ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Profit / (loss) for the period	354,228	190,789	54,713	(47,777)
Other comprehensive income	-	-	-	-
Total comprehensive income / (loss) for the period	354,228	190,789	54,713	(47,777)

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


IQBAL ALI LAKHANI
Chairman / Director


AFTAB AHMAD
Chief Executive Officer


MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Condensed Interim Statement of Cash Flows

for the period ended December 31, 2023 (Un-audited)

	Note	Half year ended	
		December 31, 2023	December 31, 2022
(Rupees in thousands)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	24	3,588,867	(3,400,198)
Finance cost paid		(1,307,961)	(627,357)
Taxes paid		(559,359)	(723,694)
Gratuity paid		(40,508)	(33,644)
Workers' Profit Participation Fund paid		(75,999)	(175,118)
Long-term advances		(35)	(27,272)
Long-term deposits		(173,010)	-
Net cash generated from / (used in) operating activities		1,431,995	(4,987,283)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant & equipment		(326,721)	(1,104,213)
Proceeds from sale of property, plant and equipment		8,161	9,693
Net cash used in investing activities		(318,560)	(1,094,521)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long-term financing from banking companies		-	4,241,906
Repayment of long-term financing from banking companies		(466,558)	(172,721)
Principle paid on lease liability		(6,445)	(5,145)
Net cash (used in) / generated from financing activities		(473,003)	4,064,040
Net increase / (decrease) in cash and cash equivalents		640,432	(2,017,764)
Cash and cash equivalents at the beginning of the period		(3,270,127)	(6,753,173)
Cash and cash equivalents at the end of the period		(2,629,695)	(8,770,937)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	13	1,002,005	1,014,717
Short-term borrowings	17	(3,631,700)	(9,785,654)
		(2,629,695)	(8,770,937)

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.



IQBAL ALI LAKHANI
Chairman / Director



AFTAB AHMAD
Chief Executive Officer



MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Condensed Interim Statement of Changes in Equity

for the period ended December 31, 2023 (Un-audited)

	Reserves							Total	
	Issued, subscribed and paid-up capital	Capital			Revenue		Other Components of Equity		Total Reserves
		Share premium	Merger reserve	Redemption reserve	General reserve	Unappropriated profit			
Balance as at July 1, 2022	2,028,854	1,822,122	7,925	1,273,798	4,800,000	2,148,239	145,524	10,197,608	12,226,462
Appropriation of reserves									
Transfer to general reserve	-	-	-	-	2,000,000	(2,000,000)	-	-	-
Total comprehensive income for the period ended December 31, 2022									
Profit for the period	-	-	-	-	-	190,789	-	190,789	190,789
Transaction with owners									
20,288,532 bonus shares issued in the proportion of one (1) share for every ten (10) shares held	202,885	-	-	(202,885)	-	-	-	(202,885)	-
Balance as at December 31 2022	2,231,739	1,822,122	7,925	1,070,913	6,800,000	339,028	145,524	10,185,512	12,417,251
Balance as at July 1, 2023	4,017,129	1,822,122	7,925	1,070,913	5,800,000	267,838	126,040	9,094,838	13,111,967
Total comprehensive income for the period ended December 31, 2023									
Profit for the period	-	-	-	-	-	354,228	-	354,228	354,228
Balance as at December 31, 2023	4,017,129	1,822,122	7,925	1,070,913	5,800,000	622,066	126,040	9,449,066	13,466,195

(Rupees in thousands)

The annexed notes from 1 to 31 form an integral part of these condensed interim financial statements.


IQBAL ALI LAKHANI
Chairman / Director


AFTAB AHMAD
Chief Executive Officer


MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

1. STATUS AND NATURE OF BUSINESS

Century Paper & Board Mills Limited (“the Company”) was incorporated in Pakistan as a public limited company on August 2, 1984 under the repealed Companies Ordinance, 1984 (now Companies Act 2017) and its ordinary shares are listed on Pakistan Stock Exchange (PSX). The Company is engaged in manufacturing and marketing of paper, board and related products.

2. GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The geographical Location and addresses of the Company's business units / immovable assets are as under:

Business Unit	Address
- Registered office	Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan.
- Mills (Plant)	62 KM, Lahore-Multan Highway, N-5, District Kasur, Pakistan.
- Regional office	14-Ali Block, New Garden Town, Lahore, Pakistan.

3. BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements are unaudited but subject to the limited scope review by auditors and is being submitted to the shareholders as required under Section 237 of the Companies Act, 2017.

These condensed interim financial statements of the Company for the half year ended December 31, 2023 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 Standard Board (IASB) as notified under the Companies Act, 2017 and
- Provisions of and directives issued under the Act.

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.

These condensed interim financial statements do not include all the information and disclosures required for the complete set of annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2023 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in these condensed interim financial statements have been extracted from the annual audited financial statements of the Company for the year ended June 30, 2023, whereas the comparative of the condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2022.

3.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value. These condensed interim financial statements have been prepared following accrual basis of accounting except for cash flow information.

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

4. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

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

4.1 Initial application of standards, amendments or an interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2023, but are considered not to be relevant or did not have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2024, but are considered not to be relevant or expected to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2023.

6. TAXATION

The provisions for taxation for the half year and quarter ended December 31, 2023, have been made using the best estimated effective tax rate applicable to expected total annual earnings. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

	Note	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
(Rupees in thousands)			
7. OPERATING FIXED ASSETS			
Fixed assets	7.1	10,158,520	10,339,211
Right-of-use assets	7.2	22,325	27,954
		10,180,845	10,367,165
7.1 Fixed Assets			
Opening net book value (NBV)		10,339,211	8,392,610
Additions during the period / year at cost	7.1.1	373,409	3,053,775
		10,712,620	11,446,385
Disposals during the period / year at NBV	7.1.2	(5,720)	(11,554)
Depreciation charge for the period / year		(548,380)	(1,095,620)
		(554,100)	(1,107,174)
Closing net book value (NBV)		10,158,520	10,339,211



Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

	December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
Note	(Rupees in thousands)	
7.1.1 Detail of additions (at cost) during the period / year are as follows:		
Buildings on freehold land	-	155,418
Plant and machinery	7.1.3 293,748	2,784,884
Furniture and fixtures	-	283
Vehicles	61,656	63,484
Electrical and other equipments	1,164	25,289
IT equipments	16,841	24,417
	<u>373,409</u>	<u>3,053,775</u>
7.1.2 Detail of disposals (at NBV) during the period / year are as follows		
Vehicles	4,519	11,554
IT equipments	732	-
Electrical & Other Equipments	469	-
	<u>5,720</u>	<u>11,554</u>
7.1.3 This includes transfers from capital work in progress amounting to Rs. 275.51 million (June 30, 2023: Rs. 2,852.16 million).		
7.2 Right-of-use assets		
Opening net book value (NBV)	27,954	39,213
Depreciation charge for the period / year	(5,629)	(11,259)
	<u>22,325</u>	<u>27,954</u>
8. CAPITAL WORK IN PROGRESS		
This comprises of:		
Building	18,882	17,163
Plant and machinery	1,409,593	1,311,870
Advances to suppliers	188	21,523
	8.1 <u>1,428,663</u>	<u>1,350,556</u>
8.1 Movement of carrying amount is as follows:		
Opening balance	1,350,556	2,772,027
Additions (at cost) during the period / year	<u>353,614</u>	<u>1,430,690</u>
	1,704,170	4,202,717
Transfer to operating fixed assets during the period / year	<u>(275,507)</u>	<u>(2,852,161)</u>
Closing balance	<u>1,428,663</u>	<u>1,350,556</u>

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

		December 31, 2023 (Un-audited)	June 30, 2023 (Audited)
	Note	(Rupees in thousands)	
9. LONG-TERM DEPOSITS	9.1	192,191	19,181
9.1 This includes an amount of Rs. 182.36 million paid during the period to Universal Gas Distribution Company (Private) Limited as Security Deposit against contract for supply of gas.			
10. STORES AND SPARES			
In hand			
Stores		1,571,105	1,390,137
Spares		1,129,306	922,222
Fuel		1,251,701	446,652
		3,952,112	2,759,011
In transit - Spare		131,992	58,272
Provision for slow moving stores and spares		(58,810)	(58,810)
		4,025,294	2,758,473
11. STOCK-IN-TRADE			
Raw materials			
in hand		3,638,119	6,985,888
in transit		1,460,742	582,077
		5,098,861	7,567,965
Work-in-process		176,413	130,390
Finished goods		1,598,820	1,057,075
		6,874,094	8,755,430
12. TAX REFUNDS DUE FROM GOVERNMENT			
Income tax	12.1	188,535	188,535
Sales tax		44,741	16,063
		233,276	204,598
12.1 There has been no significant change in the status as set out in note 16 to the annual financial statements of the Company for the year ended June 30, 2023.			
13. CASH AND BANK BALANCES			
Cash at bank in current account			
Conventional mode		455,139	351,183
Cash at bank - Term deposits	13.1	236,768	236,768
Cheques in hand		305,140	209,720
Cash in hand		4,958	3,320
		1,002,005	800,991
13.1 These represents term deposits under lien with bank as security for bank guarantees (open-ended) as referred to note 23.1 (a) and carries profit at the effective rate of 19.56% (June 30, 2023 19%) per annum.			

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

	Note	December 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2023 (Audited)
14. LONG TERM FINANCING			
From banking companies - secured			
Utilized under mark-up arrangements financed by:			
Islamic mode			
Faysal Bank Limited - Musharaka	14.1	391,242	416,585
Bank Islami Pakistan Limited	14.1	195,818	193,290
Meezan Bank Limited - Musharaka	14.2	3,750,000	4,000,000
		4,337,060	4,609,875
Conventional mode			
Syndicated - Consortium of Banks	14.3	1,073,810	1,192,488
Habib Metropolitan Bank Limited	14.3	129,989	130,257
JS Bank limited	14.3	331,010	328,370
Allied Bank Limited - Term Loan	14.4	89,233	110,341
		1,624,042	1,761,456
		5,961,102	6,371,331
Current portion:			
Islamic mode			
		(1,123,449)	(868,484)
Conventional mode			
		(391,540)	(368,051)
		(1,514,989)	(1,236,535)
		4,446,113	5,134,796

Borrowed Rs. in Million	Purpose	Rate of Mark-up	Tenor	Repayment Installments
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14.1 Islamic Temporary Economic Refinance Facility (ITERF) Schemes of the State Bank of Pakistan

500	Balancing, Modernization and	2.20%	7 Years	20 Quarterly
250	Replacement (BMR) of plant and machinery	3.05%	10 Years	32 Quarterly

The finance facility is secured by way of mortgage of immovable properties and / or First Pari Passu Hypothecation Charge over the Fixed Assets of the Company along with 25% Margin.

14.2 Diminishing Musharakah Financing

4,000	To rationalize use of short term working capital limits.	3 months KIBOR + 0.15%	5 Years	16 Quarterly
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The finance facility is initially secured by way of ranking charge and will be upgraded to 1st Pari Passu Hypothecation Charge over all present and future movable fixed assets (including Plant & Machinery) of the Company with 25% margin. The effective markup rate was 23.05% (2023: 22.11%).

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

Borrowed Rs. in Million	Purpose	Rate of Mark-up	Tenor	Repayment Installments
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14.3 Temporary Economic Refinance Facility (TERF) Schemes of the State Bank of Pakistan

1500	Balancing, Modernization and	2.20%	7 Years	20 Quarterly
200	Replacement (BMR) of plant and	4.50%	10 Years	32 Quarterly
400	machinery	5%	10 Years	32 Quarterly

The finance facility is secured by way of mortgage of immovable properties and / or First Pari Passu Hypothecation Charge over the Fixed Assets of the Company along with 25% Margin.

14.4 Renewable energy finance facility scheme of the State Bank of Pakistan

400	Solar Grid Panels	2.75% to 4.50%	7 Years	28 Quarterly
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This term loan is secured by way of first hypothecation charge over all assets belonging to the Company with 25% margin.

	December 31,	June 30,
	2023	2023
	(Un-audited)	(Audited)
Note	(Rupees in thousands)	

15. DEFERRED CAPITAL GRANT

Capital grant	15.1	305,545	361,873
Current portion shown under current liability		(103,564)	(110,053)
		201,981	251,820

15.1 Following is the movement in government grant during the period / year:

Opening balance	361,873	440,767
Addition during the period / year	-	42,909
Amortized during the period / year	(56,328)	(121,803)
Closing balance	305,545	361,873

- This represents government grant recognized on long term financing facilities obtained under SBP Refinance Scheme from certain banks under "Islamic / Temporary Economic Refinance Facility (I/TERF)" introduced by the State Bank of Pakistan for Balancing, Modernization and Replacement (BMR) of Paper & Board Machine, Cogeneration Plants and Auxiliaries relating thereto.

- These deferred capital grants have been recorded in accordance with IAS-20 Government Grants and are being amortized on a systematic basis over the respective tenor of loans.

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

	Note	December 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2023 (Audited)
16. TRADE AND OTHER PAYABLES			
Creditors	16.1	1,654,427	1,292,966
Foreign bills payable		1,315,041	1,022,934
Accrued liabilities		1,214,775	936,106
Sales tax payable - net		-	233,033
Contract liabilities	16.2	102,575	486,143
Gratuity payable		129,771	134,786
Employee leave encashments		105,650	108,667
Workers' Profit Participation Fund		31,187	75,999
Workers' Welfare Fund		84,052	91,935
Provident fund payable		12,517	11,046
Other liabilities		309,997	214,959
		<u>4,959,992</u>	<u>4,608,574</u>

16.1 The aggregate amount of the outstanding balance of associated undertakings is Rs. 57.64 million (June 30, 2023: Rs. 1.43 million).

16.2 This represents the amount of consideration received from customers before the related goods are transferred.

17. SHORT TERM BORROWINGS

From banking companies - secured

Running finances

Islamic mode

Conventional mode

	1,676,344	1,160,235
	1,955,356	2,910,883
17.1 to 17.3	<u>3,631,700</u>	<u>4,071,118</u>

17.1 The Company has available aggregate short term running finance facilities amounting to Rs. 16,400 million (June 30, 2023: Rs. 15,800 million). Markup rates are linked with KIBOR from one to three months plus spread ranging from 0.05% to 1.50% (June 30, 2023: from 0.05% to 1.50%) per annum.

17.2 The Company has available aggregate sub-limits for FE loans under facilities for running finance and letters of credit amounting to Rs.10,430 million (June 30, 2023: Rs. 10,230 million). No utilization of FE loan has been made during the period.

17.3 These arrangements are secured by way of pari-passu hypothecation charges created on stock-in-trade, stores and spares and trade debts of the Company.

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023

	December 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2023 (Audited)
Note		
18. INTEREST AND MARK-UP ACCRUED		
Interest and mark-up accrued on:		
Long-term financing from Banks		
Islamic mode	17,636	249,936
Conventional mode	13,337	13,443
	30,973	263,379
Short-term borrowings from Banks		
Islamic mode	70,374	105,803
Conventional mode	79,297	171,503
	149,671	277,306
	180,644	540,685

19. CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

a) Guarantees

Guarantees have been issued by banks on behalf of the Company in the normal course of business aggregating to Rs. 1,287.19 million (June 30, 2023: Rs. 1,237.19 million) including guarantee relating to Sindh Infrastructure Cess amounting to Rs. 550 million (June 30, 2023: Rs. 500 million) furnished to Excise and Taxation Department and a guarantee of Rs. 136.77 million issued in favor of "The Nazir High Court of Sindh " in accordance with the order of the Honorable High Court of Sindh on the matter of super tax (Refer note no.13.1).

b) Sales tax

- 1) The Appellate Tribunal, Punjab Revenue Authority has issued an Order No. PRA 10/2023 dated February 14, 2023 upholding the demand of Rs. 30 million as previously determined by the Commissioner (Appeals) vide his Order No. PRA 328/2018 dated November 06, 2019. However, the Company has filed a reference application before the Honorable Lahore High Court against the decision with the plea that order by the Appellate Tribunal was passed without comprehensive concluding the evidence and explanation provided by the Company. No provision has been made in these financial statements as the management is of the opinion, based on advice of tax advisor, that the decision is likely to be in the favor of the Company.
- 2) Five cases of inadmissible input sale tax amounting to Rs. 94.45 million were adjudicated against the Company by Deputy Commissioner Inland Revenue. The appeals were filed by the Company against these orders at respective forum. These cases were remanded back to the adjudicating authorities by the Appellate Authorities with the direction to verify the compliance of the Company with the relevant provisions of the Sales Tax Act, 1990. No provision has been made in these financial statements as the management is of the opinion, based on advice of tax advisor, that the decision is likely to be in the favor of the Company.

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

19.2 Commitments

The Company's commitments as at statement of financial position date are as follows:

- Letters of credit other than for capital expenditure at the end of the period amounted to Rs. 3,240.04 million (June 30, 2023: Rs. 2,304.45 million).
- Capital expenditure including letters of credit amounted to Rs. 2.91 million (June 30, 2023: Rs. 60.39 million).

	Half year ended		Quarter ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
20. TURNOVER - NET				
Local turnover	25,984,442	28,846,638	12,553,861	14,638,984
Export turnover	-	230,472	-	95,877
	<u>25,984,442</u>	<u>29,077,110</u>	<u>12,553,861</u>	<u>14,734,861</u>
Sales tax	(3,905,794)	(4,152,031)	(1,872,787)	(2,096,452)
Net turnover	<u>22,078,648</u>	<u>24,925,079</u>	<u>10,681,074</u>	<u>12,638,409</u>

21. COST OF SALES

Materials consumed		13,891,454	15,675,212	6,706,468	8,071,885
Fuel and power		4,218,705	5,605,202	2,176,985	2,735,364
Depreciation on property, plant and equipment		506,795	504,790	247,943	253,937
Salaries, wages and other benefits		741,097	663,248	370,791	328,130
Stores and spare consumption		573,712	464,119	314,945	211,480
Repairs and maintenance		91,859	113,480	48,211	61,940
Packing expenses		519,477	514,808	274,464	262,390
Insurance		62,827	57,301	32,444	30,619
Rent rates and taxes		4,469	2,804	2,262	1,425
Manufacturing cost		<u>20,610,395</u>	<u>23,600,964</u>	<u>10,174,513</u>	<u>11,957,170</u>
Work-in-process					
Opening stock	11	130,390	206,536	124,155	207,976
Closing stock	11	(176,413)	(191,181)	(176,413)	(191,181)
		<u>(46,023)</u>	<u>15,355</u>	<u>(52,258)</u>	<u>16,795</u>
Cost of goods manufactured		<u>20,564,372</u>	<u>23,616,319</u>	<u>10,122,255</u>	<u>11,973,965</u>
Finished goods					
Opening stock	11	1,057,075	1,332,629	1,370,518	1,754,727
Closing stock	11	(1,598,820)	(1,747,454)	(1,598,820)	(1,747,454)
		<u>(541,745)</u>	<u>(414,825)</u>	<u>(228,302)</u>	<u>7,273</u>
		<u>20,022,627</u>	<u>23,201,494</u>	<u>9,893,953</u>	<u>11,981,238</u>

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

	Note	Half year ended		Quarter ended	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Rupees in thousands)					
22. FINANCE COST					
Long-term financing - banks					
Islamic mode		484,587	169,931	245,626	163,332
Conventional mode		59,603	20,470	37,433	6,631
		544,190	190,401	283,059	169,963
Short term borrowings					
Islamic mode		141,015	152,125	71,867	75,548
Conventional mode		244,561	617,753	106,795	280,376
		385,576	769,878	178,662	355,924
Workers' Profit Participation Fund		4,183	6,767	-	-
Bank charges and commission		12,045	7,819	8,716	6,820
Finance cost on Leases		1,926	2,618	902	1,272
Finance cost on GIDC		-	350	-	-
		947,920	977,833	471,339	533,979

23. EARNINGS PER SHARE - BASIC AND DILUTED

The basic earnings per share as required under "IAS 33 Earnings per share" is given below:

Profit / (loss) for the period	354,228	190,789	54,713	(47,777)
		(Restated)		(Restated)
Weighted average number of ordinary shares (in thousands)	401,713	401,713	401,713	401,713
Basic earnings / (loss) per share (Rupee)	23.1 0.88	0.47	0.14	(0.12)

23.1 There is no dilutive effect on the basic earnings per shares of the Company. The Corresponding figures have been restated retrospectively to include the impact of the bonus shares issued during the year ended June 30, 2023 as required by the international accounting standard.

	Note	Half year ended	
		December 31, 2023	December 31, 2022
(Rupees in thousands)			
24. CASH GENERATED FROM OPERATIONS			
Profit before taxation		580,700	268,717
Adjustment for non cash charges and other items:			
Depreciation on property, plant and equipment		554,009	539,370
Amortization of intangible assets		3,513	2,972
Gain on disposal of operating fixed assets		(2,440)	(6,415)
Provision for gratuity		35,493	29,585
Workers' Profit Participation Fund		31,187	14,432
Finance cost		947,920	977,833
Working capital changes	24.1	1,438,485	(5,226,692)
		3,008,167	(3,668,915)
		3,588,867	(3,400,198)



Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

	Half year ended	
	December 31, 2023	December 31, 2022
	(Rupees in thousands)	
24.1 Changes in working capital		
Decrease / (increase) in current assets		
Stores and spares	(1,266,821)	141,770
Stock-in-trade	1,881,336	(3,368,190)
Trade debts	601,877	(1,669,831)
Advances	39,781	21,593
Trade deposits and short-term prepayments	(74,217)	(63,865)
Other receivables	15,934	(1,163)
Tax refunds due from Government	(28,678)	(425,090)
	1,169,212	(5,364,776)
Increase in current liabilities		
Trade and other payables	269,273	138,084
	1,438,485	(5,226,692)

25. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties and associated undertakings comprise of group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are as under:

<u>Nature of transaction</u>	<u>Nature of Relation</u>	<u>Basis of Relation</u>	<u>Half year ended</u>		<u>Quarter ended</u>	
			<u>December 31, 2023</u>	<u>December 31, 2022</u>	<u>December 31, 2023</u>	<u>December 31, 2022</u>
(Rupees in thousands)						
Sale of goods, Services and Reimbursement of expenses						
Merit Packaging Limited	Associated company	Common Director	1,719,113	1,803,079	840,449	926,006
Colgate Palmolive (Pakistan) Limited	Associated company	Common Director	478,904	429,168	274,937	218,129
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	2,573	774	1,513	306
Cyber Internet Services (Private) Limited	Associated company	Common Director	3,653	2,153	1,534	886
SIZA Foods (Private) Limited	Associated company	Common Director	400	-	400	-
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	92	-	92	-
Sybrid (Private) Limited	Associated company	Common Director	484	241	300	-

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

Nature of transaction	Nature of Relation	Basis of Relation	Half year ended		Quarter ended	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Rupees in thousands)						
Purchase of goods, Services and Reimbursement of expenses						
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	191,337	205,308	14,281	32,728
Merit Packaging Limited	Associated company	Common Director	94,541	93,997	44,284	52,710
Lakson Business Solutions Limited	Associated company	Common Director	7,469	6,983	3,723	4,668
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	3,772	2,522	1,288	1,066
Princeton Travels (Private) Limited	Associated company	Common Director	3,272	2,467	2,547	792
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	2,776	1,898	1,388	949
Cyber Internet Services (Private) Limited	Associated company	Common Director	12,976	10,314	6,978	5,586
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	109	90	-	-
Colgate Palmolive (Pakistan) Limited	Associated company	Common Director	81	55	32	24
Express Publications (Private) Limited	Associated company	Common Management	968	660	427	-
Sybrid (Private) Limited	Associated company	Common Director	2,267	5,387	1,374	3,658
Rent and other allied charges						
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	4,538	4,243	2,289	2,149
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	2,760	2,101	1,392	1,064
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	454	426	230	213
SIZA Commodities (Private) Limited	Associated company	Common Director and 9.76% shares held	105	99	53	50
Donation						
The Layton Rahmatullah Benevolent Trust	Related Party	Trustee	1,000	-	-	-

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

Nature of transaction	Nature of Relation	Basis of Relation	Half year ended		Quarter ended	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
(Rupees in thousands)						
Stock dividend						
Premier Fashions (Private) Ltd	Associated company	Common Director and 8.97% shares held	-	18,200	-	18,200
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	-	55,408	-	55,408
SIZA Commodities (Private) Limited	Associated company	Common Director and 9.76% shares held	-	17,249	-	17,249
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	-	45,009	-	45,009
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	-	869	-	869
Accuray Surgicals Limited	Associated company	Common Director	-	2,558	-	2,558
Directors, CEO & their Spouses	Related Parties	-	-	171	-	171
Others						
Contribution to Staff Retirement Benefit Plans	Employees Fund		75,824	65,006	39,674	33,269
Remuneration and other benefits	Key Management Personnel		191,776	193,059	92,520	104,796
			December 31, 2023		June 30, 2023 (Audited)	
(Rupees in thousands)						

25.1 Period / year end balances

Receivable from related parties	1,131,149	1,026,086
Payable to related parties	57,639	1,430
Prepayment to related parties	1,080	10,050
Payable to retirement benefit plan	142,288	145,832

26. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2023.

27. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim financial statements approximate their fair values. Fair value is the amount for which asset could be exchanged or liability settled between knowledgeable, willing parties in an arm length transaction.

Notes to the Condensed Interim Financial Statements

for the period ended December 31, 2023 (Un-audited)

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

Transfers during the period

During the period ended December 31, 2023, there were no transfers between level 1 and level 2 fair value measurement and into or out of Level 3 fair value measurements.

28. NUMBER OF EMPLOYEES

The number of employees as at period ended December 31, 2023 was 1,636 (June 30, 2023: 1,661) and average number of employees during the period was 1,644 (June 30, 2023: 1,662).

29. GENERAL

Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.

30. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

31. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorized for issue on February 07, 2024 by the Board of Directors of the Company.



IQBAL ALI LAKHANI
Chairman / Director



AFTAB AHMAD
Chief Executive Officer



MUHAMMAD RASHID DASTAGIR
Chief Financial Officer



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