



SINCE 1980

# AL-KHAIR GADOON LTD.

Condensed Interim  
Financial Statements  
Half Year Ended

December  
31, 2023  
(Un-Audited)

[www.alkhairgadoon.com](http://www.alkhairgadoon.com)

COMPANY INFORMATION

<b>BOARD OF DIRECTORS:</b>	Mohammad Afzal Sheikh	Chairman
	Mohammad Amin Sheikh	Chief Executive
	Mohammad Saeed Sheikh	Non-Executive Director
	Mrs. Parveen Afzal	Non-Executive Director
	Mrs. Farnaz Saeed	Non-Executive Director
	Mrs. Nafisa Amin	Non-Executive Director
	Mr. Asif Sajjad	Independent Director
	Mr. Kamal Subhani	Independent Director
<b>AUDIT COMMITTEE:</b>	Mr. Kamal Subhani	Chairman
	Mrs. Farnaz Saeed	Member
	Mr. Asif sajjad	Member
	Mr. Khurram Iftikhar	Secretary
<b>HUMAN RESOURCE &amp; REMUNERATION COMMITTEE:</b>	Mr. Kamal Subhani	Chairman
	Mrs. Farnaz Saeed	Member
	Mrs. Parveen Afzal	Member
	Miss Samina Kokab	Secretary
<b>CFO / CHIEF ACCOUNTANT:</b>	Jehanzeb Chaudhury	
<b>COMPANY SECRETARY:</b>	Miss Samina Kokab	
<b>AUDITORS:</b>	M/s. Tahir Siddiqi & Co., Chartered Accountants.	
<b>LEGAL ADVISOR:</b>	Mr. Umer Jamil (Advocate High Court)	
<b>SHARES REGISTRAR:</b>	Shemas International (Pvt) Limited 533-Imperial Garden Block, Main Boulevard, Paragon City, Barki Road, Lahore.	
<b>BANKERS:</b>	Meezan Bank Limited	
	Bank Alfalah Limited.	
	Habib Metropolitan Bank Limited	
	Allied Bank Limited	
	Soneri Bank Limited	
<b>REGISTERED OFFICE &amp; FACTORY SITE:</b>	92/3, 94A & 94B Phase III, Industrial Estate, Gadoon Amazai, District Swabi, (K.P.K)	
	Tel: (0938) 270260	
	Fax: (0938) 270270	
	Al-Khair House, 43-T, Gulberg II, Lahore.	
	Tel: (0342)-4311111	
<b>CORPORATE OFFICE:</b>	Fax: (042) 35716588, 35753719	
	Email: info@alkhairgadoon.com	
	Website: www.alkhairgadoon.com	

**DIRECTOR'S REVIEW REPORT  
FOR THE HALF YEARLY ENDED DECEMBER, 31 2023**

On behalf of the board of directors of the Company, we are pleased to present before you Condensed Interim Financial Statements of the Company for the half year ended December 31, 2023.

**Operational Results**

During the half year ended December 31, 2023, the Company remained on the track of progress and recorded net sales of Rs.599,483,055 compared to Rs. 555,998,010 for the same period of last year with an increase of Rs. 43,485,045 (7.82%). During the period under review, the Company earned a gross profit of Rs. 72,026,306 and net profit of Rs. 8,680,579 as compared to gross profit of Rs. 68,658,278 and net profit of Rs. 5,262,993 respectively for the same period of last year.


**Future Outlook**


The major threat to business specially at retail level is ever rising inflation and dearness prevailing in the country which has severely affected the purchasing power of customers resultantly affecting the sales targets of foam and allied products. The management of the Company is fully aware of state of affairs of the Company and economic conditions of the country in terms of inflation, prevailing dearness in the country, in addition to intense competition from existing players and new entrants which are major challenges to meet in coming future. Businesses are facing problems of high interest rates and hurdles in imports due to economic situation of the country.

The management of the Company is fully cognizant of the situation and will overcome through the strategies of improved operational efficiencies, synergies, best product mix management, effective cost control measures and better trade partnering with customers. The Company has been exhibiting strong performance against challenges over the years, be it vulnerability of increased competition, fluctuation in raw material prices or exchange rate. Operational excellence and management skills have positioned the Company for sustainable growth to meet challenges ahead. Being socially responsible, financially viable and operationally smart will remain the key objectives of the Company.

**Appreciation**

We would like to acknowledge and appreciate the devoted and sincere services of our workers, staff members of the management team. We are grateful to our bankers and other stakeholders. We also thank for continued co-operation extended by our customers and retailers who are the key element of our Company.

  
\_\_\_\_\_  
**MOHAMMIAD AFZAL SHEIKH**  
Chairman

  
\_\_\_\_\_  
**MOHAMMAD AMIN SHEIKH**  
Chief Executive

Lahore: February 23, 2024

## ڈائریکٹرز کی جائزہ رپورٹ 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لیے

کمپنی کے بورڈ آف ڈائریکٹرز کی جانب سے، ہمیں آپ کے سامنے 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لیے کمپنی کے کنڈینسڈ عبوری مالیاتی بیانات پیش کرتے ہوئے خوشی ہو رہی ہے۔

### آپریٹل نتائج

31 دسمبر، 2023 کو ختم ہونے والی چھ ماہ کی مدت کے دوران، کمپنی ترقی کی راہ پر گامزن رہی اور اس نے 43.485 ملین روپے (%7.82) کے اضافے کے ساتھ گزشتہ سال کی اسی مدت کے لیے 555.998 ملین روپے کے مقابلے میں 599.483 ملین روپے کی خالص فروخت ریکارڈ کی۔ زیر جائزہ مدت کے دوران، کمپنی نے 72.026 ملین مجموعی منافع اور 8.680 ملین روپے کا خالص منافع حاصل کیا جو کہ گزشتہ سال کی اسی مدت کے لئے 68.658 ملین روپے کے مجموعی منافع اور 5.263 ملین روپے کے خالص منافع کے مقابلے میں تھا۔

### مستقبل کے خدوخال

کاروبار کے لیے خاص طور پر خوردہ سطح پر سب سے بڑا خطرہ ملک میں بڑھتی ہوئی مہنگائی ہے جس نے صارفین کی قوت خرید کو بری طرح متاثر کیا ہے جس کے نتیجے میں فوم اور اس سے منسلک مصنوعات کی فروخت کے اہداف متاثر ہوئے ہیں۔ کمپنی کی انتظامیہ اس صورتحال سے پوری طرح آگاہ ہے۔ کمپنی کے معاملات اور ملک کے معاشی حالات مہنگائی کے لحاظ سے، ملک میں موجودہ مہنگائی، موجودہ مینوفیکچررز اور نئے آنے والوں کے درمیان شدید مقابلے کے علاوہ جو آنے والے مستقبل میں بڑے چیلنجز کا سامنا ہے۔ ملک کی معاشی صورتحال کی وجہ سے کاروباری اداروں کو بلند شرح سود اور درآمدات میں رکاوٹوں کا سامنا ہے۔

کمپنی کی انتظامیہ صورتحال سے پوری طرح باخبر ہے اور بہتر آپریشنل افادیت، ہم آہنگی، بہترین پروڈکٹ مکس مینجمنٹ، لاگت پر قابو پانے کے موثر اقدامات اور صارفین کے ساتھ بہتر تجارتی شراکت داری کی حکمت عملیوں کے ذریعے قابو پائے گی۔ کمپنی کئی سالوں سے چیلنجوں کے خلاف مضبوط کارکردگی کا مظاہرہ کر رہی ہے، چاہے وہ بڑھتی ہوئی مسابقت کا خطرہ ہو، خام مال کی قیمتوں میں اتار چڑھاؤ ہو یا شرح مبادلہ۔ آپریشنل فضیلت اور انتظامی مہارتوں نے کمپنی کو پائیدار ترقی کے لیے پیش کیا ہے تاکہ آنے والے چیلنجوں کا مقابلہ کیا جاسکے۔ سماجی طور پر ذمہ دار، مالی طور پر قابل عمل اور آپریشنل طور پر ہوشیار ہونا کمپنی کے اہم مقاصد میں سے ہے۔

### اظہار تشکر

ہم اپنے کارکنوں، انتظامی ٹیم کے عملے کے اراکین کی مخلصانہ اور مخلصانہ خدمات کا اعتراف اور تعریف کرنا چاہیں گے۔ ہم اپنے مینیجرز اور دیگر اسٹیک ہولڈرز کے شکر گزار ہیں۔ ہم اپنے صارفین اور خوردہ فروشوں کی طرف سے جاری تعاون کے لیے بھی شکر یہ ادا کرتے ہیں جو ہماری کمپنی کا کلیدی عنصر ہیں۔

Muhammad Amm

محمد امین شیخ

چیف ایگزیکٹو

محمد افضل شیخ

چیئرمین

لاہور: 23 فروری 2024

INDEPENDENT AUDITOR'S REVIEW REPORT  
TO THE MEMBERS OF AL-KHAIR GADOON LIMITED  
REPORT ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

**Introduction**

We have reviewed the accompanying condensed interim statement of financial position of Al-Khair Gadoon Limited as at December 31, 2023 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to 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 reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

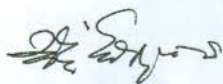
**Scope of Review**

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 are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

The engagement partner on the review resulting in this independent auditor's review report is Mohammad Tahir Siddiqui.



Tahir Siddiqui & Co.  
Chartered Accountants

Lahore : February 23, 2024  
UDIN:RR202310176q3QXOYJ28

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2023

ASSETS	Note	Un-Audited December, 31 2023 Rupees	Audited June, 30 2023 Rupees
<b>NON CURRENT ASSETS</b>			
Property, Plant and Equipment	5	153,234,428	157,747,545
		153,234,428	157,747,545
<b>CURRENT ASSETS</b>			
Stores and Spares		3,965,471	5,498,300
Stock in Trade		323,719,707	307,481,742
Trade Debts		44,584,631	50,050,660
Advances, Deposits and Prepayments		18,471,698	27,500,933
Advance Taxes - Net		49,210,921	51,178,846
Cash and Bank Balances	11	72,915,145	19,266,710
		512,867,573	460,977,191
<b>TOTAL ASSETS</b>		<b>666,102,002</b>	<b>618,724,736</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Authorized Capital</b>			
30,000,000 Ordinary shares of Rs. 10 each	9	300,000,000	120,000,000
<b>Issued, Subscribed and Paid up Capital</b>			
Capital Reserves - Share Premium		100,000,000	100,000,000
Unappropriated Profit		25,000,000	25,000,000
		179,223,875	170,543,296
<b>Shareholders' Equity</b>		<b>304,223,875</b>	<b>295,543,296</b>
<b>NON CURRENT LIABILITIES</b>			
Long Term Loan	6	5,505,545	7,407,391
Deferred Liabilities		28,550,814	28,550,814
		34,056,359	35,958,205
<b>CURRENT LIABILITIES</b>			
Current portion of Long Term Loan	6	3,703,692	3,703,692
Trade and Other Payables		251,718,786	194,670,703
Taxes Payable		516,248	479,600
Short Term Borrowings	7	70,105,342	86,591,540
Un-Claimed Dividend		1,777,700	1,777,700
		327,821,768	287,223,235
<b>CONTINGENCIES AND COMMITMENTS</b>			
	8	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>666,102,002</b>	<b>618,724,736</b>

MOHAMMAD AFZAL SHEIKH  
CHAIRMAN

MOHAMMAD AMIN SHEIKH  
CHIEF EXECUTIVE


JEHANZEB CHAUDHURY  
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2023

	Half Year Ended		Quarter Ended	
	July-Dec, 2023	July-Dec, 2022	Oct-Dec, 2023	Oct-Dec, 2022
	Rupees		Rupees	
Sales - net	599,483,055	555,998,010	346,665,584	333,054,781
Cost of sales	(527,456,749)	(487,339,732)	(311,142,612)	(294,280,832)
<b>Gross profit</b>	<b>72,026,306</b>	<b>68,658,278</b>	<b>35,522,972</b>	<b>38,773,949</b>
Administrative expenses	(32,621,587)	(24,906,194)	(15,862,959)	(12,129,423)
Distribution expenses	(18,961,900)	(15,850,476)	(10,255,849)	(7,949,631)
	(51,583,487)	(40,756,670)	(26,118,808)	(20,079,054)
<b>Operating profit</b>	<b>20,442,818</b>	<b>27,901,608</b>	<b>9,404,164</b>	<b>18,694,895</b>
Finance cost	(6,624,237)	(16,100,665)	(3,529,700)	(10,628,641)
Other operating income	2,355,536	412,025	1,647,851	66,766
	(4,268,701)	(15,688,640)	(1,881,849)	(10,561,875)
Profit before taxation	16,174,117	12,212,968	7,522,315	8,133,020
<b>Income tax expenses</b>	<b>(7,493,538)</b>	<b>(6,949,975)</b>	<b>(4,333,319)</b>	<b>(4,163,184)</b>
<b>Profit after taxation</b>	<b>8,680,579</b>	<b>5,262,993</b>	<b>3,188,996</b>	<b>3,969,836</b>
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>8,680,579</b>	<b>5,262,993</b>	<b>3,188,996</b>	<b>3,969,836</b>
Earnings per share - before tax (basic and diluted - Rupees)	1.62	1.22	0.75	0.81
Earnings per share - after tax (basic and diluted - Rupees)	0.87	0.53	0.32	0.40

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

  
MOHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MOHAMMAD AMIN SHEH  
CHIEF EXECUTIVE

  
JEHANZEB CHAUDHURY  
CHIEF FINANCIAL OFFICER


Lahore: February 23, 2024

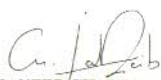


CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2023

	Note	July-Dec 2023 Rupees	July-Dec-2022 Rupees
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash (used in) / generated from operations	10	87,549,483	39,820,191
Finance cost (paid)		(8,698,210)	(16,414,203)
Taxes (paid) / refunds received		(3,414,992)	(1,840,203)
		<u>(12,113,202)</u>	<u>(18,254,406)</u>
Net cash (used in) generated from operating activities		75,436,281	21,565,785
<b>Cash flows from investing activities</b>			
Fixed capital expenditure		(3,399,800)	(3,647,400)
Net cash (used in) investing activities		(3,399,800)	(3,647,400)
<b>Cash flows from financing activities</b>			
Short term borrowings		(16,486,198)	(10,756,468)
Long Term Loans		(1,901,846)	(3,337,317)
Lease Liabilities		-	(240,849)
Net cash generated / (used in) financing activities		<u>(18,388,044)</u>	<u>(14,334,634)</u>
Net (decrease)/increase in cash and cash equivalents		53,648,437	3,583,751
Cash and cash equivalents at the beginning of the year		19,266,710	17,399,686
Cash and cash equivalents at the end of the period		<u>72,915,145</u>	<u>20,983,437</u>

  
MOHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MOHAMMAD AMIN SHEH  
CHIEF EXECUTIVE


  
JEHANZER/CHAUDHURY  
CHIEF FINANCIAL OFFICER


Lahore: February 23, 2024

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2023

	Issued, Subscribed and Paid up			Total
	Share Capital	Share Premium	Unappropriated Profit	
	(-----Rupees-----)			
Balance as at 1 July 2022 ( Audited)	100,000,000	25,000,000	155,511,610	280,511,610
Comprehensive income for the year				
Profit for the period	-	-	13,022,448	13,022,448
Other comprehensive income (loss)	-	-	2,009,238	2,009,238
	-	-	15,031,686	15,031,686
Balance as at December 31, 2022 ( Un-audited)	100,000,000	25,000,000	170,543,296	295,543,296
Balance as at 1 July 2023 ( Audited)	100,000,000	25,000,000	170,543,296	295,543,296
Comprehensive income for the period				
Profit for the period	-	-	8,680,579	8,680,579
Other comprehensive income (loss)	-	-	-	-
	-	-	8,680,579	8,680,579
Balance as at December 31, 2023 (Un-audited)	100,000,000	25,000,000	179,223,875	304,223,875

  
MOHAMMAD AFZAL SHEIKH  
CHAIRMAN

  
MOHAMMAD AMIN SHEH  
CHIEF EXECUTIVE

  
JEHANZEB/CHAUDHURY  
CHIEF FINANCIAL OFFICER

Lahore: February 23, 2024

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEARLY ENDED DECEMBER 31, 2023

1 LEGAL STATUS AND OPERATIONS

Al-Khair Gadoon Limited (the Company) was incorporated on August 27, 1990 as a Private Limited Company under the Companies Ordinance, 1984 (the Ordinance) [now Companies Act, 2017] and converted into Public Limited Company on August 31, 1995 and is listed on the Pakistan Stock Exchange Limited. It is primarily engaged in manufacturing of foam and allied products. The company's registered office is located at 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK and corporate office is located at Al-Khair house, 43-T, Gulberg-II, Lahore. The manufacturing plant of the company is located at 92/3, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK and 94-A, 94-B, Phase-III, Industrial Estate, Gadoon Amazai, District Swabi, KPK.

2 BASIS OF PREPARATION

2.1 STATEMENT OF COMPLIANCE

These condensed interim financial statements of the Company for the half year ended December 31, 2023 have been prepared in accordance with 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 comprises 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 the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2023.

2.3 The figures included in the condensed interim statement of profit or loss and other comprehensive income for the quarter ended December 31, 2023 and December 31, 2022 and the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half year ended December 31, 2023 and December 31, 2022.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in preparation of annual audited financial statements for the year ended June 30, 2023 except as stated in note 3.2 (a) below.

3.2 Changes in accounting standards, interpretations and amendments to published approved accounting and reporting standards

(a) Standards and amendments to published approved accounting and reporting standards which are effective during the half year ended December 31, 2023

There were certain amendments to accounting and reporting standards which became mandatory for the company during the period. However, these amendments in the standards did not have any significant impact on the financial reporting of the company and therefore have not been disclosed in these condensed interim financial statements.



MOHAMMAD AFZAL SHEIKH  
CHAIRMAN



MOHAMMAD AMIN SHEH  
CHIEF EXECUTIVE



JEHANZEB CHAUDHURY  
CHIEF FINANCIAL OFFICER

(b) **New standards and amendments to published approved accounting and reporting standards that are not yet effective**

There are new standard and certain amendments and interpretation to the accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after Jan 01, 2024. However, these standard, amendments and interpretations will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

**4 ACCOUNTING ESTIMATES AND JUDGMENTS**

4.1 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain accounting estimates. It also requires exercising 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. Actual results may differ from these estimates.

4.2 During the 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 uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2023.

4.3 The provision for taxation for the half year ended December 31, 2023 has been made on an estimated basis.

**5 PROPERTY, PLANT & EQUIPMENT**

	<b>31-Dec-23</b> <b>Un-audited</b> <b>Rupees</b>	<b>30-Jun-23</b> <b>Audited</b> <b>Rupees</b>
<b>Operating Assets</b>		
Book value at the beginning of the period / year	<b>157,747,546</b>	171,692,983
Addition during the period / year	<b>3,399,800</b>	4,278,000
Deletion during the period / year	-	-
	<b>161,147,346</b>	175,970,983
Depreciation charged during the period / year	<b>(7,912,918)</b>	(18,223,437)
Book value at the end of the period / year	<b>153,234,428</b>	157,747,546

5.1 Following additions were made during the period

	<b>Additions</b>	<b>Deletions</b>
Plant and Machinery	-	-
Tools and Equipment	<b>20,700</b>	-
Office Equipment	-	-
Furniture and Fixture	<b>8,100</b>	-
Computers	<b>372,000</b>	-
Vehicle	<b>2,999,000</b>	-
	<b>3,399,800</b>	-

**6 LONG TERM LOAN**

	<b>31-Dec-23</b> <b>Un-audited</b> <b>Rupees</b>	<b>30-Jun-23</b> <b>Audited</b> <b>Rupees</b>
6.1 Long Term Loan (Sindh Bank)-Secured	9,209,237	11,111,083
Less: Current portion of long term loan	<b>(3,703,692)</b>	<b>(3,703,692)</b>
	<b>5,505,545</b>	<b>7,407,391</b>

There is no material change in the terms and conditions of the long term loans as disclosed in the annual audited financial statements as at June 30, 2023.

7 SHORT TERM BORROWINGS

	31-Dec-23	30-Jun-23
	Un-audited	Audited
	Rupees	Rupees
BAFL - Finance Against Imported Material	-	16,486,199
Loan from Directors - Unsecured	7.1 70,105,342	70,105,341
	<u>70,105,342</u>	<u>86,591,540</u>

7.1 This represents the interest free loan received from directors to meet working capital requirement of the Company. It is unsecured and interest free which is repayable on demand.

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There is no material change in the status of contingencies as reported in the financial statements for the preceding financial year ended June 30, 2023.

8.2 Commitments

Commitments in respect of letter of credits for raw materials at the terminal date were Rs.68.07M (June 30, 2023 Rs.160.00 M)

9 AUTHORISED SHARE CAPITAL

The company has increased authorised capital shares from 12 million shares to 30 million shares. Each share has face vale Rs. 10/-. The Company's authorised capital has been increased to Rs. 300,000,000/- from Rs.120,000,000/-.

10 CASH GENERATED FROM OPERATIONS

	31-Dec-23	31-Dec-22
	Un-audited	Un-audited
	Rupees	Rupees
Profit before taxation	16,174,117	12,212,968
Adjustments for non cash items:		
Depreciation on property, plant and equipment	7,912,918	9,108,739
Finance cost	6,624,237	16,100,665
Expected Credit Loss	-	(86,670)
	<u>14,537,155</u>	<u>25,122,734</u>
Operating profit before working capital changes	30,711,272	37,335,702
Decrease/(increase) in current assets		
Stores and spares	1,532,829	950,808
Stock-in-trade	(16,237,965)	(7,197,689)
Trade debts	5,466,029	5,691,337
Advances, deposits and prepayments	9,029,235	6,881,120
	<u>(209,872)</u>	<u>6,325,576</u>
(Decrease)/increase in current liabilities		
Trade and other payables	57,048,083	(3,841,087)
Net cash flow from Operating Activities	<u>87,549,483</u>	<u>39,820,191</u>

11 CASH AND BANKS

	31-Dec-23	30-Jun-23
	Un-audited	Audited
	Rupees	Rupees
Cash in hand	1,405,024	1,299,259
Cash at banks	71,510,121	17,967,421
	<u>72,915,145</u>	<u>19,266,710</u>

12 **FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES**

The carrying value of all financial assets and liabilities in these financial statements approximately equal to their fair values.

13 **FINANCIAL RISK MANAGEMENT**

The Company's activities expose it to a variety of financial risk: market risk (including foreign currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The condensed interim financial statements do not include all financial risk management information and disclosures required in the audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2023.

There has been no change in Company's sensitivity to these risks since June 30, 2023 except for general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

There have been no significant changes in the business or economic circumstances during the period that would have affected the fair values of the financial assets of the Company. Further, no re-classifications in the categories of financial assets have been made since June 30, 2023.

14 **GENERAL**

Figures have been rounded off to the nearest rupee and previous period's figures have been re-classified where necessary.

15 **DATE OF AUTHORISATION**

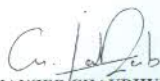
The condensed interim financial statements were authorized for issue on February 23, 2024 by the board of directors of the company.



MOHAMMAD AFZAL SHEIKH  
CHAIRMAN



MOHAMMAD AMIN SHEH  
CHIEF EXECUTIVE



JEHANZEB/CHAUDHURY  
CHIEF FINANCIAL OFFICER

Lahore: February 23, 2024

# AL-KHAIR GADOON LTD.



**Alkhair Foam**



**-FOAM**  
THE KINGDOM OF COMFORT

**FOAMAGE**



**SERENEFOAM**  
No.1 Nationwide



**Araamco** آرامكو


## CONTACT US

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Al-Khair House, 43-T, GulbergII, Lahore.

UAN: +92 -342-4311-111 Tel: (+92-42) 35716580-86

E-mail: [info@alkhaigadoon.com](mailto:info@alkhaigadoon.com)

 [www.alkhaigadoon.com](http://www.alkhaigadoon.com)

