



Interim Financial Information
Half Year Ended December 31, 2023
(Unaudited)



**NISHAT
CHUNIAN**
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COMPANY INFORMATION

Board of Directors:

Mr. Shahzad Saleem (*Chief Executive*)
Mr. Farrukh Ifzal (*Chairman*)
Mrs. Ayesha Shahzad
Mr. Zain Shahzad
Mr. Muhammad Azam Siddiqi (*Independent*)
Ms. Mahnoor Adil
Mr. Ahmad Hasnain (*Independent*)

Audit Committee:

Mr. Muhammad Azam Siddiqi (*Chairman*)
Mr. Farrukh Ifzal (*Member*)
Ms. Mahnoor Adil (*Member*)

HR & Remuneration Committee:

Mr. Ahmad Hasnain (*Chairman*)
Mr. Farrukh Ifzal (*Member*)
Mr. Muhammad Azam Siddiqi (*Member*)

CFO:

Mr. Mostaqeem Talish (*resigned: 23-2-2024*)
Ms. Faryal Riaz (*appointed: 23-2-2024*)

Company Secretary:

Mr. Danish Farooq (*resigned: 31-1-2024*)
Mr. Umer Qureshi (*appointed: 31-1-2024*)

Head of Internal Audit:

Mr. Idrees Arif

Mills:

Spinning 1, 4, 5, 7 & 8
49th Kilometre, Multan Road,
Bhai Pheru, Tehsil Pattoki,
District Kasur.

Dyeing & Printing
4th Kilometre, Manga Road,
Raiwind.

Spinning 2, 3, 6, Weaving & 46 MW
Coal Fired Power Generation Project
49th Kilometre, Multan Road, Bhai Pheru,
Tehsil Pattoki, District Kasur.

Bankers to the Company:

Allied Bank Limited
Al Baraka Bank (Pakistan) Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China (ICBC)
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Kuwait Investment Company (Private) Limited
Standard Chartered Bank Pakistan Limited
SAMBA Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited
MCB Islamic Bank Limited

Auditors:

Riaz Ahmad & Company
Chartered Accountants

Registered & Head Office:

31-Q, Gulberg-II,
Lahore, Pakistan.
Phone : 042-35761730-39
Fax : 042-35878696-97
Web : www.nishat.net

Share Registrar:

Hameed Majeed Associates (Pvt) Limited
1st Floor, H.M. House
7-Bank Square, Lahore
Ph: 042-37235081-2 Fax: 042-37358817

Directors' Report

Dear Shareholders

The Directors of Nishat (Chunian) Limited ("the Company") are pleased to present the Directors' Report for the half year ended 31 December 2023.

Operating Financial Results

Sales clocked in at Rs. 44.3 billion as compared to Rs. 29.7 billion during the corresponding period of the previous fiscal year, registering an increase of 49%. Loss after tax for the period is 0.9% against a Loss after tax of 6.2% in the corresponding period for the prior year, translating into a negative EPS of Rs. 1.69 as compared to a negative EPS of Rs. 7.65 in the corresponding period of last financial year.

Financial Highlights - PKR	For the half year ended Dec 31	
	2023	2022
Revenue	44,336,257,377	29,672,308,269
Gross Profit	5,467,885,402	2,003,206,111
Loss After Taxation	404,824,083	1,836,522,302
Gross Profit %	12.33%	6.75%
Loss After Taxation %	0.91%	6.19%
Loss per Share	1.69	7.65

Market Review and Future Prospects

Although, the gross profit margin of the company has increased from 6.75% to 12.33% as compared to the corresponding period of last financial year, due to high cost of borrowing, the company has still reported a net loss. Furthermore, high raw material costs and expensive energy are making it difficult for the Pakistani textile industry to be competitive with the regional competitors.

On the domestic front, the ongoing political instability is turning out to be very challenging for the industry. On the global front, multiple ongoing wars are worsening the existing geopolitical divide, hence negatively impacting the world economy.

On the economic front, macro indicators like the current account deficit, rupee devaluation, and high inflation rate, suggest that a high policy rate will maintain, which could further slowdown the economy.

Subsidiary Companies and Consolidated Financial Statements

The Company's portfolio of subsidiary companies includes Nishat Chunian Properties (Private) Limited, Nishat Chunian USA Inc., Sweave Inc., and TLC Middle East Trading LLC. Therefore, the Company has annexed consolidated condensed interim financial information in addition to its separate condensed interim financial information, in accordance with the requirements of International Financial Reporting Standards and applicable provisions of the Companies Act, 2017.

Acknowledgement

The Directors wish to express their appreciation to the dedicated employees who continue to play a pivotal role in the operations of the company.

For and on behalf of the Board,

Chief Executive

Director

Date: 28th February 2024

مجلسِ نظامہ کی رپورٹ

محترم شیئر ہولڈرز

نشاط (چونیاں) لمیٹڈ ("کمپنی") کے ڈائریکٹرز 31 دسمبر 2023 کو ختم ہونے والے ششماہی کے لیے ڈائریکٹرز کی رپورٹ پیش کر رہے ہیں۔

آپریٹنگ مالیاتی نتائج

بیلو میں گزشتہ مالی سال کی اسی مدت کے دوران 29.7 بلین روپے کے مقابلے میں 44.3 ارب روپے، 49 فیصد اضافہ درج کیا گیا۔ اس مدت کے لیے ٹیکس کے بعد نقصان 0.9% ہے جو پچھلے سال کی اسی مدت میں 6.2% تھا۔ 1.69 روپے کے منفی EPS کے مقابلے میں گزشتہ مالی سال کی اسی مدت میں 7.65 روپے کا منفی EPS تھا۔

31 دسمبر کو ختم ہونے والے ششماہی کے لیے		
2022	2023	مالیاتی ہتھکنیاں (PKR)
29,672,308,269	44,336,257,377	آمدنی
2,003,206,111	5,467,885,402	کل منافع
1,836,522,302	404,824,083	ٹیکس کے بعد نقصان
6.75%	12.33%	کل منافع %
6.19%	0.91%	ٹیکس کے بعد نقصان %
7.65	1.69	فی شیئر نقصان

مارکیٹ کا جائزہ اور مستقبل کے امکانات

اگرچہ کمپنی کے مجموعی منافع کاارجن گزشتہ مالی سال کی اسی مدت کے مقابلے میں 6.75% سے بڑھ کر 12.33% ہو گیا ہے، قرض لینے کی زیادہ لاگت کی وجہ سے، کمپنی نے اب بھی نقصان کی اطلاع دی ہے۔ مزید برآں، خام مال کی بڑھتی ہوئی قیمت اور منجلی توانائی پاکستانی ٹیکسٹائل انڈسٹری کے لیے علاقائی حربوں کے ساتھ مقابلہ کرنا مشکل بنا رہی ہے۔ ملکی صحا پر جاری سیاسی عدم استحکام انڈسٹری کے لیے بہت مشکل ثابت ہو رہا ہے۔ عالمی سماج پر متعدد جاری جنگیں موجودہ جغرافیائی سیاسی تقسیم کو مزید خراب کر رہی ہیں، اس وجہ سے عالمی معیشت پر منفی اثرات مرتب ہو رہے ہیں۔ اقتصادی سماج پر کرنٹ اکاؤنٹ خسارہ، روپے کی قدر میں کمی، اور منجلی کی بلند شرح جیسے سیکر و اشارے بتاتے ہیں کہ اعلیٰ پالیسی شرح برقرار رہے گی، جو معیشت کو مزید متاثر کر سکتی ہے۔

ذیلی کمپنیاں اور سیکہ مالیاتی نتائج

کمپنی کے ذیلی اداروں کے پورٹ فولیو میں نشاط چونیاں پراپرٹیز (برائو بیٹ) لمیٹڈ، نشاط چونیاں Inc. USA، Sweave Inc، اور TLC مل ایسٹ ٹریڈنگ LLC شامل ہیں۔ اس لیے، کمپنی نے بین الاقوامی مالیاتی رپورٹنگ کے معیارات اور کمپنیز ایکٹ، 2017 کے قابل اطلاق دفعات کے مطابق، اپنی علیحدہ کنڈینڈ عبوری مالیاتی معلومات کے علاوہ، کنسولیدٹڈ کنڈینڈ عبوری مالیاتی معلومات کو منسلک کیا ہے۔

اعتراف

ڈائریکٹرز ان محترم ملازمین کو خراج تحسین پیش کرنا چاہتے ہیں جو کمپنی کے آپریٹنگ میں اہم کردار ادا کرتے رہتے ہیں۔ بورڈ کے لیے اور اس کی جانب سے،

ڈائریکٹر

چیف ایگزیکٹو

تاریخ: 28 فروری، 2024

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Nishat (Chunian) Limited

Report on review of Unconsolidated Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of NISHAT (CHUNIAN) LIMITED as at 31 December 2023 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed 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 unconsolidated condensed interim financial statements based on our review. The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income for the quarters ended 31 December 2023 and 31 December 2022 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2023.

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 unconsolidated condensed 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 unconsolidated condensed 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 Atif Anjum.

RIAZ AHMAD & COMPANY

Chartered Accountants

Lahore

Date: 28 February 2024

UDIN: RR2023101327idy8jc

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		3,700,000,000	3,700,000,000
Issued, subscribed and paid-up share capital		2,401,190,290	2,401,190,290
Reserves		17,902,109,018	18,306,933,101
Total equity		20,303,299,308	20,708,123,391
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	4	11,494,812,619	12,538,265,074
Lease liabilities		45,382,179	68,666,567
Deferred liabilities		600,588,961	677,389,719
		12,140,783,759	13,284,321,360
CURRENT LIABILITIES			
Trade and other payables		6,877,124,478	4,222,922,732
Accrued mark-up / profit		1,851,599,825	1,397,309,345
Short term borrowings		34,164,346,827	27,881,717,844
Current portion of non-current liabilities		2,632,313,279	2,137,618,315
Provision for taxation - net		216,515,230	144,607,140
Unclaimed dividend		68,431,654	69,141,071
		45,810,331,293	35,853,316,447
Total liabilities		57,951,115,052	49,137,637,807
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES	5	78,254,414,360	69,845,761,198

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

CHIEF EXECUTIVE

DIRECTOR

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	23,770,610,553	23,672,994,434
Right-of-use assets		83,632,467	113,172,896
Intangible asset	7	1,599,682	1,845,938
Long term investments		510,128,000	510,128,000
Long term loans to employees		9,080,219	11,154,911
Long term security deposits		33,909,024	33,959,024
		24,408,959,945	24,343,255,203
CURRENT ASSETS			
Stores, spare parts and loose tools		2,415,567,675	2,511,321,040
Stock-in-trade		34,215,071,872	23,554,034,198
Trade debts		10,865,863,667	11,409,750,014
Loans and advances		2,288,231,174	4,070,437,994
Short term prepayments		82,129,456	7,824,982
Other receivables		3,804,168,626	3,589,740,169
Short term investments		62,184,857	80,364,318
Cash and bank balances		112,237,088	279,033,280
		53,845,454,415	45,502,505,995
TOTAL ASSETS		78,254,414,360	69,845,761,198

CHIEF FINANCIAL OFFICER

Nishat Chunian Limited

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UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Note	Half Year Ended		Quarter Ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
----- Rupees -----					
REVENUE	8	44,336,257,377	29,672,308,269	20,106,947,859	14,418,766,003
COST OF SALES	9	(38,868,371,975)	(27,669,102,158)	(17,956,822,414)	(14,129,317,320)
GROSS PROFIT		5,467,885,402	2,003,206,111	2,150,125,445	289,448,683
DISTRIBUTION COST		(1,028,240,716)	(809,905,583)	(545,900,894)	(339,028,648)
ADMINISTRATIVE EXPENSES		(227,856,014)	(216,681,396)	(121,449,762)	(117,176,545)
OTHER EXPENSES		(62,441,554)	(358,100,729)	(15,756,961)	(91,263,493)
		(1,318,538,284)	(1,384,687,708)	(683,107,617)	(547,468,686)
		4,149,347,118	618,518,403	1,467,017,828	(258,020,003)
OTHER INCOME		158,083,013	256,186,242	26,720,160	139,557,387
PROFIT / (LOSS) FROM OPERATIONS		4,307,430,131	874,704,645	1,493,737,988	(118,462,616)
FINANCE COST		(4,126,330,178)	(2,343,192,995)	(2,169,482,225)	(1,394,096,704)
PROFIT / (LOSS) BEFORE TAXATION		181,099,953	(1,468,488,350)	(675,744,237)	(1,512,559,320)
TAXATION		(585,924,036)	(368,033,952)	(235,717,200)	(193,131,758)
LOSS AFTER TAXATION		(404,824,083)	(1,836,522,302)	(911,461,437)	(1,705,691,078)
LOSS PER SHARE - BASIC AND DILUTED		(1.69)	(7.65)	(3.80)	(7.10)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Half Year Ended		Quarter Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- Rupees -----			
LOSS BEFORE TAXATION	(404,824,083)	(1,836,522,302)	(911,461,437)	(1,705,691,078)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(404,824,083)	(1,836,522,302)	(911,461,437)	(1,705,691,078)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

		Half Year Ended	
Note	31 December 2023	31 December 2022	
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash used in operations	10	
	Finance cost paid	(781,135,377)	(10,473,820,621)
	Workers' profit participation fund paid	(3,586,181,349)	(1,749,458,387)
	Income tax paid	-	(450,000,000)
	Net decrease in long term loans to employees	(514,015,947)	(619,928,335)
	Net decrease / (increase) in long term security deposits	8,482,588	19,083,915
	Net cash used in operating activities	50,000	(323,793)
		(4,872,800,085)	(13,274,447,221)
CASH FLOWS FROM INVESTING ACTIVITIES			
	Capital expenditure on property, plant and equipment	(1,028,591,396)	(1,496,149,127)
	Proceeds from disposal of operating fixed assets	77,657,894	52,347,169
	Capital expenditure on intangible asset	(155,000)	(33,751)
	Interest received	32,851,685	2,770,949
	Net cash used in investing activities	(918,236,817)	(1,441,064,760)
CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from long term financing	9,617,000	335,506,387
	Repayment of long term financing	(628,616,184)	(1,059,300,131)
	Repayment of lease liabilities	(38,679,672)	(29,295,457)
	Short term borrowings - net	6,282,628,983	16,382,014,597
	Dividend paid	(709,417)	(943,443,060)
	Net cash from financing activities	5,624,240,710	14,685,482,336
	Net decrease in cash and cash equivalents	(166,796,192)	(30,029,645)
	Cash and cash equivalents at the beginning of the period	279,033,280	209,007,048
	Cash and cash equivalents at the end of the period	112,237,088	178,977,403

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	SHARE CAPITAL	CAPITAL RESERVE		REVENUE RESERVES			TOTAL RESERVES	TOTAL EQUITY
		Share premium	General reserve	Unappropriated profit	Sub - total			
						Rupees		
Balance as at 30 June 2022 (Audited)	2,401,190,290	600,553,890	1,629,221,278	19,912,419,957	21,541,641,235	22,142,195,125	24,543,385,415	
Transaction with owners - Transfer of investment in Nishat Chunian Power Limited to the shareholders of the Company	-	-	-	(1,875,656,200)	(1,875,656,200)	(1,875,656,200)	(1,875,656,200)	
Transaction with owners - Final dividend for the year ended 30 June 2022 @ Rupees 4 per share	-	-	-	(860,476,116)	(860,476,116)	(860,476,116)	(860,476,116)	
Loss for the half year ended 31 December 2022	-	-	-	(1,836,522,302)	(1,836,522,302)	(1,836,522,302)	(1,836,522,302)	
Other comprehensive income for the half year ended 31 December 2022	-	-	-	-	-	-	-	
Total comprehensive loss for the half year ended 31 December 2022	-	-	-	(1,836,522,302)	(1,836,522,302)	(1,836,522,302)	(1,836,522,302)	
Balance as at 31 December 2022 (Un-audited)	2,401,190,290	600,553,890	1,629,221,278	15,239,563,339	16,868,784,617	17,469,338,507	19,870,528,797	
Profit for the half year ended 30 June 2023	-	-	-	837,594,594	837,594,594	837,594,594	837,594,594	
Other comprehensive income for the half year ended 30 June 2023	-	-	-	-	-	-	-	
Total comprehensive income for the half year ended 30 June 2023	-	-	-	837,594,594	837,594,594	837,594,594	837,594,594	
Balance as at 30 June 2023 (Audited)	2,401,190,290	600,553,890	1,629,221,278	16,077,157,933	17,706,379,211	18,306,933,101	20,708,123,391	
Loss for the half year ended 31 December 2023	-	-	-	(404,824,083)	(404,824,083)	(404,824,083)	(404,824,083)	
Other comprehensive income for the half year ended 31 December 2023	-	-	-	-	-	-	-	
Total comprehensive loss for the half year ended 31 December 2023	-	-	-	(404,824,083)	(404,824,083)	(404,824,083)	(404,824,083)	
Balance as at 31 December 2023 (Un-audited)	2,401,190,290	600,553,890	1,629,221,278	15,672,333,850	17,301,555,128	17,902,109,018	20,303,299,308	

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

1 THE COMPANY AND ITS OPERATIONS

Nishat (Chunian) Limited ("the Company") is a public limited Company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in the business of spinning, weaving, dyeing, printing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabric and made-ups made from raw cotton, synthetic fiber and cloth, and to generate, accumulate, distribute, supply and sell electricity and steam.

2 BASIS OF PREPARATION

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

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

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

2.2 These unconsolidated 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 2023. These unconsolidated 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 MATERIAL ACCOUNTING POLICY INFORMATION

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

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unconsolidated condensed interim financial statements in conformity

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

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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 unconsolidated 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 audited annual published financial statements of the Company for the year ended 30 June 2023.

	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
4 LONG TERM FINANCING		
From banking companies / financial institutions - secured		
Long term loans (Note 4.1)	10,454,099,820	11,424,589,625
Long term musharaka (Note 4.2)	1,040,712,799	1,113,675,449
	<u>11,494,812,619</u>	<u>12,538,265,074</u>
4.1 Long term loans		
Opening balance	12,745,749,728	13,656,927,925
Add: Obtained during the period / year	9,617,000	375,543,759
Add: Adjustment due to impact of IFRS-9 during the period / year	144,404	(3,111,697)
Less: Repayments during the period / year	(543,728,542)	(1,403,363,550)
Add: Amortised during the period / year (Note 4.1.1)	65,350,952	119,753,291
	<u>12,277,133,542</u>	<u>12,745,749,728</u>
Less: Current portion shown under current liabilities	1,823,033,722	1,321,160,103
	<u>10,454,099,820</u>	<u>11,424,589,625</u>

4.1.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
4.2 Long term musharaka		
Opening balance	1,279,468,806	1,490,411,866
Add: Adjustment due to impact of IFRS-9 during the period / year	23,117,155	(16,856,922)
Less: Repayments during the period / year	(84,887,642)	(220,126,795)
Add: Amortised during the period / year (Note 4.2.1)	(11,671,172)	26,040,657
Closing balance	<u>1,206,027,147</u>	<u>1,279,468,806</u>
Less: Current portion shown under current liabilities	165,314,348	165,793,357
	<u>1,040,712,799</u>	<u>1,113,675,449</u>

4.2.1 This represents net impact of benefit of loans obtained under the schemes of State Bank of Pakistan at below market rate of interest.

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2023 except for the following:

- i) Guarantees of Rupees 2,219.580 million (30 June 2023: Rupees 2,110.704 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited against purchase of furnace oil, Lahore Electric Supply Company against electricity connections, Director Excise and Taxation, Karachi against infrastructure cess, Chairperson Punjab Revenue Authority, Lahore against infrastructure cess, Collector, Model Customs Collectorate, Karachi against import, Director Pakistan Central Cotton Committee against cotton cess and Nazir, Honourable Sindh High Court, Karachi against the notification in accordance with section 8 of OGRA Ordinance 2002 regarding system gas tariff on industrial and captive units.
- ii) Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 34,463.580 million (30 June 2023: Rupees 34,440.200 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable. Further, post dated cheques of Rupees 247.210 million (30 June 2023: Rupees 154.300 million) have been

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

issued to Lahore Electric Supply Company Limited against disputed amount of tariff adjustments, post dated cheques of Rupees 258.250 million (30 June 2023: Rupees 156.532 million) have been issued to Sui Northern Gas Pipelines Limited against gas infrastructure development cess and captive vs industrial tariff case and post dated cheques of Rupees 189.375 million (30 June 2023: Rupees 189.375 million) have been issued to Commissioner Inland Revenue against the proceedings under section 122(5A) for tax year 2022.

5.2 Commitments

- i) Letters of credit for capital expenditure amounting to Rupees 5.999 million (30 June 2023: Rupees 9.497 million).
- ii) Letters of credit other than for capital expenditure are amounting to Rupees 664.016 million (30 June 2023: Rupees 652.880 million).

	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
6 FIXED ASSETS		
Property, plant and equipment:		
Operating fixed assets (Note 6.1)	23,151,830,383	22,479,296,333
Capital work-in-progress (Note 6.2)	618,780,170	1,193,698,101
	<u>23,770,610,553</u>	<u>23,672,994,434</u>
6.1 Operating fixed assets		
Opening net book value	22,479,296,333	18,069,697,664
Add: Cost of additions during the period / year (Note 6.1.1)	1,603,509,327	6,130,367,603
Less: Book value of deletions during the period / year (Note 6.1.2)	66,866,657	102,742,842
Less: Book value of assets written off during the period / year (Note 6.1.3)	340,203	29,928,191
Less: Depreciation charged during the period / year	863,768,417	1,588,097,901
Closing net book value	<u>23,151,830,383</u>	<u>22,479,296,333</u>

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

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	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
6.1.1 Cost of additions during the period / year		
Freehold land	260,137,580	264,122,476
Buildings on freehold land	879,727,178	777,697,313
Plant and machinery	309,734,571	4,384,548,512
Power generation equipment	722,603	185,116,320
Electric installations	17,501,585	270,251,424
Factory equipment	3,525,353	103,273,425
Furniture, fixture and equipment	15,212,331	43,931,677
Office equipment	10,964,308	20,885,066
Motor vehicles	105,983,818	80,541,390
	1,603,509,327	6,130,367,603
6.1.2 Book value of deletions during the period / year		
Cost of deletions		
Plant and machinery	87,044,800	348,059,341
Factory equipment	-	68,000
Furniture, fixture and equipment	67,716	896,471
Office equipment	1,484,890	5,300,205
Motor vehicles	69,011,461	76,732,002
	157,608,867	431,056,019
Less: Accumulated depreciation	90,742,210	328,313,177
Book value of deletions during the period / year	66,866,657	102,742,842

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
6.1.3 Book value of assets written off during the period / year		
Cost		
Plant and machinery	1,412,854	17,400,106
Factory equipment	-	4,647,294
Electric installations	-	11,582,719
Furniture, fixture and equipment	-	10,729,474
Office equipment	-	4,621,448
	1,412,854	48,981,041
Less: Accumulated depreciation	1,072,651	19,052,850
Book value of assets written off during the period / year	340,203	29,928,191
6.2 Capital work-in-progress		
Civil works on freehold land	289,768,426	610,271,483
Plant and machinery	81,584,419	482,815,006
Electric installations	-	42,150
Mobilization advances	98,550,220	94,424,840
Advances for capital expenditures	148,877,105	6,144,622
	618,780,170	1,193,698,101
7 INTANGIBLE ASSET - Computer software		
Opening net book value	1,845,938	635,708
Add: Addition during the period / year	155,000	1,733,750
Less: Book value of the asset written off during the period / year	-	44,550
Less: Amortization charged during the period / year	401,256	478,970
Closing net book value	1,599,682	1,845,938

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

8
8.1

REVENUE
In the following table, revenue from contracts with customers is disaggregated by primary geographical market, major products and service lines and timing of revenue recognition:

Description	Spinning			Weaving			Processing and Home Textile						Total				
	HALF YEAR ENDED		QUARTER ENDED	HALF YEAR ENDED		QUARTER ENDED	HALF YEAR ENDED		QUARTER ENDED		HALF YEAR ENDED		QUARTER ENDED				
	31 December 2023	31 December 2022	31 December 2023	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022				
Region	Rupees																
Europe	293,488,219	346,001,080	131,811,131	114,590,567	327,909,428	380,329,902	186,297,867	198,027,731	5,447,191,110	3,488,933,544	2,473,484,530	1,741,979,449	6,093,887,757	4,215,290,526	2,771,583,901	2,054,581,747	
United States of America and Canada	-	-	-	-	91,294,885	168,968,521	32,359,046	110,931,848	2,451,567,025	1,930,980,868	863,487,872	682,401,655	2,522,861,910	2,100,267,749	885,893,918	792,462,600	
Asia, Africa, Australia	9,116,359,354	2,197,783,258	3,307,779,682	11,88,851,090	863,132,907	800,033,341	397,676,194	498,384,126	1,694,240,882	1,460,105,532	886,497,775	599,489,798	11,675,733,143	5,182,608,131	4,771,353,941	2,254,850,034	
Pakistan	18,028,190,528	14,493,798,809	8,887,146,332	7,412,497,234	4,292,237,286	2,949,721,837	2,261,046,574	1,460,930,035	57,459,864	572,040,543	315,927,500	292,468,888	23,632,024,463	17,872,561,029	11,434,167,406	9,225,798,157	
Processing income	-	-	-	-	106,046,424	43,662,246	69,022,185	32,178,337	290,336,464	117,554,366	139,880,702	61,247,662	161,247,662	208,702,887	94,104,199	-	-
Export table	-	-	-	-	231,842	285,928	83,455	150,981	48,168,514	40,772,284	24,542,851	16,811,932	48,398,106	40,383,162	24,626,606	16,862,293	-
	28,238,038,131	17,710,888,517	12,468,736,145	8,753,018,891	5,611,870,574	4,352,624,675	2,926,530,411	2,297,730,208	10,468,348,672	7,686,785,077	4,883,881,303	3,365,016,804	44,336,257,777	29,672,308,269	20,106,947,859	14,418,766,003	
Timing of revenue recognition																	
Products and services transfered at a point in time	28,238,038,131	17,710,888,517	12,468,736,145	8,753,018,891	5,611,870,574	4,352,624,675	2,926,530,411	2,297,730,208	10,468,348,672	7,686,785,077	4,883,881,303	3,365,016,804	44,336,257,777	29,672,308,269	20,106,947,859	14,418,766,003	
Products and services transfered over time	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	28,238,038,131	17,710,888,517	12,468,736,145	8,753,018,891	5,611,870,574	4,352,624,675	2,926,530,411	2,297,730,208	10,468,348,672	7,686,785,077	4,883,881,303	3,365,016,804	44,336,257,777	29,672,308,269	20,106,947,859	14,418,766,003	
Major products / service lines																	
Yarn	27,332,388,154	17,266,226,369	12,070,825,474	8,531,141,321	3,812,878	59,863,550	38,363,878	34,050,370	1,674,419	150,000	-	-	27,372,676,461	17,236,271,919	12,108,187,352	8,571,191,691	
Grey cloth	-	-	-	-	5,415,838,522	4,212,817,959	2,798,911,005	2,211,950,939	7,694,140	1,530,781,823	7,894,140	-	5,421,242,662	5,792,599,792	2,906,515,145	2,211,956,959	
Process cloth	-	-	-	-	105,045,424	43,692,296	69,022,186	32,178,337	237,170,362	6,031,767,862	903,531,941	665,890,878	2,479,750,006	6,075,461,148	1,082,544,027	718,093,305	
Make up	905,649,977	44,660,248	425,912,671	218,877,570	54,573,790	36,229,870	20,233,342	19,549,002	64,187,962	37,086,422	3,715,966,941	2,693,204,106	8,008,177,569	37,065,402	3,715,966,941	2,693,204,106	
Waste	28,238,038,131	17,710,888,517	12,468,736,145	8,753,018,891	5,611,870,574	4,352,624,675	2,926,530,411	2,297,730,208	10,468,348,672	7,686,785,077	4,883,881,303	3,365,016,804	44,336,257,777	29,672,308,269	20,106,947,859	14,418,766,003	

8.2 Revenue is recognised at point in time as per the terms and conditions of underlying contracts with customers.

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Un-audited			
	Half Year Ended		Quarter Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- Rupees -----			
9 COST OF SALES				
Raw materials consumed	28,577,015,902	21,245,479,884	14,193,661,579	11,206,480,801
Packing materials consumed	979,547,753	562,716,267	536,474,617	298,650,603
Stores, spare parts and loose tools consumed	701,507,186	604,057,765	345,814,457	274,487,161
Processing charges	10,803,994	9,305,335	6,402,779	6,974,158
Salaries, wages and other benefits	2,208,907,571	1,805,193,281	1,228,111,509	870,144,737
Fuel and power	4,130,404,580	3,342,913,739	2,117,800,462	1,525,245,324
Insurance	74,058,861	70,613,583	37,774,667	36,078,081
Postage and telephone	506,257	599,488	249,804	340,619
Travelling and conveyance	3,844,219	3,364,881	1,946,360	1,575,418
Vehicles' running and maintenance	40,125,939	28,718,262	24,741,654	14,306,929
Entertainment	10,787,056	8,000,379	4,880,919	3,549,801
Depreciation on operating fixed assets	850,916,880	691,095,286	430,943,725	351,715,727
Repair and maintenance	383,852,899	340,294,646	189,591,397	176,288,027
Other factory overheads	98,286,125	53,254,152	53,536,577	25,875,289
	38,070,565,222	28,765,606,948	19,171,930,506	14,791,712,675
Work-in-process:				
Opening stock	2,557,921,137	2,378,018,568	2,507,621,616	2,024,151,263
Closing stock	(2,678,450,355)	(2,399,158,014)	(2,678,450,355)	(2,399,158,014)
	(120,529,218)	(21,139,446)	(170,828,739)	(375,006,751)
Cost of goods manufactured	37,950,036,004	28,744,467,502	19,001,101,767	14,416,705,924
Finished goods and waste				
- opening stocks:				
Finished goods	6,038,586,320	4,863,754,054	4,226,852,684	5,667,364,819
Waste	681,947,132	420,199,392	531,065,444	404,565,367
	6,720,533,452	5,283,953,446	4,757,918,128	6,071,930,186
	44,670,569,456	34,028,420,948	23,759,019,895	20,488,636,110
Finished goods and waste				
- closing stocks:				
Finished goods	(5,616,662,947)	(5,926,949,912)	(5,616,662,947)	(5,926,949,912)
Waste	(185,534,534)	(432,368,878)	(185,534,534)	(432,368,878)
	(5,802,197,481)	(6,359,318,790)	(5,802,197,481)	(6,359,318,790)
	38,868,371,975	27,669,102,158	17,956,822,414	14,129,317,320

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FOR THE HALF YEAR ENDED 31 DECEMBER 2023

		Un-Audited	
		Half Year Ended	
		31 December 2023	31 December 2022
		Rupees	Rupees
10	CASH USED IN OPERATIONS		
	Profit / (loss) before taxation	181,099,953	(1,468,488,350)
	Adjustments for non-cash charges and other items:		
	Depreciation on operating fixed assets	863,768,417	701,817,313
	Amortization on intangible asset	401,256	143,534
	Depreciation on right-of-use assets	29,540,426	23,105,585
	Gain on disposal of property, plant and equipment	(10,791,237)	(16,293,511)
	Operating fixed assets written off	340,203	6,787,772
	Gain on termination of lease	-	(538,281)
	Return on bank deposits	(3,991,762)	(3,472,935)
	Allowance for expected credit losses	39,749,068	(41,452,837)
	Finance cost	4,126,330,178	2,343,192,995
	Unrealised (gain) / loss on re-measurement of investment at fair value through profit or loss	(10,680,462)	3,174,498
	Exchange (gain) / loss	(35,545,675)	349,095,703
	Amortization of deferred income - Government grant	(77,022,124)	(73,585,492)
	Provision for workers' profit participation fund	6,995,269	-
	Provision for workers' welfare fund	208,337	190,115
	Working capital changes (Note 10.1)	(5,891,537,224)	(12,297,496,730)
		(781,135,377)	(10,473,820,621)
10.1	Working capital changes		
	(Increase) / decrease in current assets:		
	Stores, spare parts and loose tools	95,753,365	(80,065,912)
	Stock-in-trade	(10,661,037,671)	(10,099,886,401)
	Trade debts	539,682,954	(76,199,368)
	Loans and advances	1,775,798,920	(1,542,394,475)
	Short term prepayments	(74,304,474)	(58,087,248)
	Other receivables	(214,428,457)	(1,572,244,947)
		(8,538,535,363)	(13,428,878,351)
	Increase in current liabilities:		
	Trade and other payables	2,646,998,139	1,131,381,621
		(5,891,537,224)	(12,297,496,730)
11	SEGMENT INFORMATION		
11.1	The Company has following reportable operating segments. The following summary describes the operation in each of the Company's reportable segments:		
	Spinning - Zone 1, 2 and 3:	Production of different quality of yarn using natural and artificial fibers.	
	Weaving - Unit 1 and 2:	Production of different qualities of greige fabric using yarn.	
	Processing and Home Textile:	Processing grey fabric for production of printed and dyed fabric and manufacturing of home textile articles.	
	Power Generation:	Generation and distribution of power.	

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Spinning		Weaving		Processing and Home Textile		Power Generation		Elimination of Inter-Segment Transactions		Total - Company	
	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
Revenues												
Export	7,20,83,724	4,20,57,827	5,09,44,801	3,72,22,542	6,87,93,137	1,58,07,823	1,58,07,823	1,58,07,823	1,58,07,823	1,58,07,823	1,58,07,823	1,58,07,823
Local	2,21,17,059	2,74,67,262	1,07,544,311	1,63,42,178	1,80,50,914	1,80,50,914	1,80,50,914	1,80,50,914	1,80,50,914	1,80,50,914	1,80,50,914	1,80,50,914
Others	30,52,023	6,65,019	1,57,48,452	6,84,52,648	1,75,61,019	2,33,54,426	2,33,54,426	2,33,54,426	2,33,54,426	2,33,54,426	2,33,54,426	2,33,54,426
Expenses												
Raw material	11,48,40,823	8,88,20,514	6,34,87,000	7,87,72,647	5,31,17,172	2,79,68,276	3,48,39,914	3,48,39,914	3,48,39,914	3,48,39,914	3,48,39,914	3,48,39,914
Contract labor	10,48,37,798	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198
Manufacturing overheads	10,48,37,798	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198	8,76,443,198
Administrative expenses	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206
Profit/(Loss) before taxation and other taxes	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206
Income tax and expenses	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206	20,64,206
Unallocated items and expenses												
Other incomes												
Finance cost												
Taxation												
Profit after taxation												

11.2 Breakdown of reportable segment assets and liabilities

	Spinning		Weaving		Processing and Home Textile		Power Generation		Total - Company	
	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)	(Rs-achieved)
	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022	31-Dec-2023	31-Dec-2022
Total assets for reportable segments	11,38,32,637	10,25,74,192	14,48,027,319	12,59,87,554	17,38,214,944	15,37,74,611	14,67,48,452	13,92,256,440	72,32,10,900	64,09,88,952
Unallocated assets:										
Land										
Other receivables										
Short term investments										
Cash and bank balances										
Other current assets										
Total liabilities for reportable segments	67,83,272	378,44,617	1,03,86,648	480,028,757	1,29,454,143	1,29,454,143	1,29,454,143	1,29,454,143	1,29,454,143	1,29,454,143
Unallocated liabilities:										
Long term financing										
Accrued bank pay/ Payroll										
Short term borrowings										
Other current liabilities										
Total liabilities as per consolidated financial statements of financial position	67,83,272	378,44,617	1,03,86,648	480,028,757	1,29,454,143	1,29,454,143	1,29,454,143	1,29,454,143	1,29,454,143	1,29,454,143

Total assets for reportable segments

Unallocated assets:
Land
Other receivables
Short term investments
Cash and bank balances
Other current assets

Total liabilities for reportable segments

Unallocated liabilities:
Long term financing
Accrued bank pay/ Payroll
Short term borrowings
Other current liabilities

Total liabilities as per consolidated financial statements of financial position

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

12 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in this unconsolidated condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 December 2023 (Un-audited)	Level 1	Level 2	Level 3	Total
..... Rupees				
Financial assets				
Investment in quoted shares - FVTPL	23,866,101	-	-	23,866,101
Derivative financial assets	-	18,723,754	-	18,723,754
Total financial assets	<u>23,866,101</u>	<u>18,723,754</u>	<u>-</u>	<u>42,589,855</u>

Recurring fair value measurements At 30 June 2023 (Audited)	Level 1	Level 2	Level 3	Total
..... Rupees				
Financial assets				
Investment in quoted shares - FVTPL	13,185,639	-	-	13,185,639
Derivative financial assets	-	19,326,849	-	19,326,849
Total financial assets	<u>13,185,639</u>	<u>19,326,849</u>	<u>-</u>	<u>32,512,488</u>

The above table does not include fair value information for financial assets and financial liabilities 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.

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

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.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity 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.

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

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.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments.

13 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise subsidiary companies, associated undertakings, other related parties, key management personnel and post employment benefit plan. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties are as follows:

i. Transactions

	Un-audited			
	Half Year Ended		Quarter Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	----- Rupees -----			
Subsidiary companies				
Sale of goods	27,331,372	104,099,737	19,133,581	81,623
Common facilities cost charged	-	2,129,032	-	-
Associated undertakings				
Donations made	15,123,677	4,691,013	13,525,177	3,092,513
Common facilities cost charged	9,900,000	7,770,968	4,950,000	4,950,000
Other related parties				
Purchase of goods	-	223,638,381	-	148,975,625
Sale of goods	-	2,343,993,109	-	1,370,831,072
Dividend paid to companies	-	159,855,760	-	159,855,760
Contribution to employee's provident fund trust	76,898,951	65,136,668	43,847,018	30,521,536
Remuneration of key management personnel and executives	185,722,184	137,232,961	101,494,411	60,599,485
Dividend paid to directors and close members of the family	-	225,754,140	-	225,754,140

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

ii. Period end balances

	As at 31 December 2023 (Un-audited)			
	Subsidiary companies	Associated companies	Other related parties	Total
 Rupees			
Long term investments	510,128,000	-	-	510,128,000
Trade debts	8,371,457	-	-	8,371,457
Loans and advances	-	253,000	-	253,000
Other receivables	6,510,781	-	-	6,510,781
Trade and other payables	3,395,010	-	18,069,554	21,464,564

	As at 30 June 2023 (Audited)			
	Subsidiary companies	Associated companies	Other related parties	Total
 Rupees			
Long term investments	510,128,000	-	-	510,128,000
Trade debts	52,670,081	-	-	52,670,081
Other receivables	5,420,704	-	-	5,420,704
Trade and other payables	-	-	8,300,504	8,300,504

14 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.

15 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the unconsolidated condensed interim statement of financial position and unconsolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, no significant re-arrangements have been made.

16 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were approved by the Board of Directors and authorized for issue on February 28, 2024.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

**NISHAT (CHUNIAN) LIMITED AND
ITS SUBSIDIARY COMPANIES**

**CONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION**

**HALF YEAR ENDED DECEMBER 31,
2023 (UN-AUDITED)**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Note	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		3,700,000,000	3,700,000,000
Issued, subscribed and paid-up share capital		2,401,190,290	2,401,190,290
Reserves		17,785,552,637	18,171,158,417
Equity attributable to equity holders of the Holding Company		20,186,742,927	20,572,348,707
Non-controlling interest		-	-
TOTAL EQUITY		20,186,742,927	20,572,348,707
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing		11,494,812,619	12,538,265,074
Lease liabilities		45,382,179	68,666,567
Deferred Liabilities		600,588,961	677,389,719
		12,140,783,759	13,284,321,360
CURRENT LIABILITIES			
Trade and other payables		6,887,660,460	4,256,686,796
Unclaimed dividend		68,431,654	69,141,059
Accrued mark-up / Profit		1,851,599,825	1,397,309,345
Short term borrowings		34,164,346,827	27,881,717,844
Current portion of non-current liabilities		2,632,313,279	2,137,618,315
Provision for taxation - net		216,805,105	144,605,460
		45,821,157,150	35,887,078,819
TOTAL LIABILITIES		57,961,940,909	49,171,400,179
CONTINGENCIES AND COMMITMENTS	5		
TOTAL EQUITY AND LIABILITIES		78,148,683,836	69,743,748,886

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

CHIEF EXECUTIVE

DIRECTOR

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

	Un-audited 31 December 2023 Rupees	Audited 30 June 2023 Rupees
ASSETS		
NON-CURRENT ASSETS		
Fixed assets	24,121,671,263	24,024,055,144
Intangible assets	1,599,682	1,845,938
Right-of-use assets	83,632,467	113,172,896
Long term loans to employees	9,080,219	11,154,911
Long term security deposits	33,909,024	33,959,024
	24,249,892,655	24,184,187,913
CURRENT ASSETS		
Stores, spare parts and loose tools	2,415,567,675	2,511,321,040
Stock-in-trade	34,261,309,626	23,625,236,042
Trade debts	10,864,142,216	11,362,604,208
Loans and advances	2,288,231,174	4,070,437,994
Short term deposits and prepayments	82,129,456	9,255,894
Other receivables	3,797,638,137	3,616,758,129
Short term investments	62,184,857	80,364,318
Cash and bank balances	127,588,040	283,583,348
	53,898,791,181	45,559,560,973
TOTAL ASSETS	78,148,683,836	69,743,748,886

CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Half Year Ended		Quarter Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Rupees	Rupees (Restated)	Rupees	Rupees
REVENUE	44,453,556,254	32,924,281,398	20,156,491,347	14,455,783,588
COST OF SALES	(38,892,813,855)	(30,447,398,586)	(17,959,142,138)	(14,142,241,640)
GROSS PROFIT	5,560,742,399	2,476,882,812	2,197,349,209	313,541,948
DISTRIBUTION COST	(1,090,223,033)	(842,951,381)	(577,837,233)	(358,341,829)
ADMINISTRATIVE EXPENSES	(238,738,126)	(241,982,241)	(127,210,095)	(125,114,878)
OTHER OPERATING EXPENSES	(62,441,554)	(476,435,955)	(15,756,961)	(91,263,493)
	(1,391,402,713)	(1,561,369,577)	(720,804,289)	(574,720,200)
	4,169,339,686	915,513,235	1,476,544,920	(261,178,252)
OTHER OPERATING INCOME	158,088,594	269,061,775	26,723,094	139,559,052
PROFIT/(LOSS) FROM OPERATIONS	4,327,428,280	1,184,575,010	1,503,268,014	(121,619,200)
FINANCE COST	(4,126,602,338)	(2,407,068,661)	(2,169,542,658)	(1,394,055,306)
PROFIT /(LOSS) BEFORE TAXATION	200,825,942	(1,222,493,651)	(666,274,644)	(1,515,674,506)
TAXATION	(585,938,468)	(368,113,112)	(235,731,599)	(193,210,918)
PROFIT/(LOSS) AFTER TAXATION	(385,112,526)	(1,590,606,763)	(902,006,243)	(1,708,885,424)
PROFIT/(LOSS) ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE HOLDING COMPANY	(385,112,526)	(1,709,888,397)	(902,006,243)	(1,708,885,424)
NON-CONTROLLING INTEREST	-	119,281,634	-	-
	(385,112,526)	(1,590,606,763)	(902,006,243)	(1,708,885,424)
EARNINGS/(LOSS) PER SHARE - BASIC & DILUTED	(1.60)	(7.12)	(3.76)	(7.12)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Half Year Ended		Quarter Ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	Rupees	Rupees (Restated)	Rupees	Rupees
PROFIT/(LOSS) AFTER TAXATION	(385,112,526)	(1,590,606,763)	(902,006,243)	(1,708,885,424)
OTHER COMPREHENSIVE INCOME/(LOSS)				
Exchange difference on translation of foreign operations	(493,254)	1,985,214	(530,161)	(139,377)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	(385,605,780)	(1,588,621,549)	(902,536,404)	(1,709,024,801)
TOTAL COMPREHENSIVE INCOME/(LOSS) ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE HOLDING COMPANY	(385,605,780)	(1,707,903,183)	(902,536,404)	(1,709,024,801)
NON-CONTROLLING INTEREST	-	119,281,634	-	-
	(385,605,780)	(1,588,621,549)	(902,536,404)	(1,709,024,801)

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

		Half Year Ended	
Note	31 December 2023	31 December 2022	
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash generated from / (used in) operations	(769,550,148)	(12,808,781,083)
6	Net (increase) / decrease in long term security deposits	50,000	(323,793)
	Net (increase) / decrease in long term loans to employees	8,482,588	18,437,183
	Finance cost paid	(3,586,453,509)	(1,953,757,578)
	Income tax paid	(514,034,878)	(620,007,035)
	Net cash generated from / (used in) operating activities	(4,861,505,947)	(15,364,432,306)
CASH FLOWS FROM INVESTING ACTIVITIES			
	Capital expenditure on property, plant and equipment	(1,028,591,396)	(1,505,773,213)
	Capital expenditure on intangible assets	(155,000)	(33,751)
	Proceeds from disposal of operating fixed assets	77,657,894	52,347,169
	Short term investments disposed off - net	-	8,234,085,380
	Profit / Interest received	32,851,685	4,185,887
	Net cash generated from / (used in) investing activities	(918,236,817)	6,784,811,472
CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from long term financing	9,617,000	335,506,387
	Repayment of long term financing	(628,616,184)	(1,067,895,821)
	Short term borrowings - net	6,282,628,983	10,272,040,040
	Repayment of lease liabilities	(38,679,672)	(29,295,457)
	Dividend paid to non-controlling interest	-	(401,434)
	Dividend paid to equity holders of the holding company	(709,417)	(943,443,060)
	Net cash generated from / (used in) financing activities	5,624,240,710	8,566,510,655
	NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(155,502,054)	(13,110,179)
	IMPACT OF EXCHANGE TRANSLATION	(493,254)	1,985,214
	CASH AND CASH EQUIVALENTS OF NISHAT CHUNAIN POWER LIMITED	-	(46,896,996)
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	283,583,348	248,790,227
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	127,588,040	190,768,266

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Attributable to Equity Holders of the Holding Company							Non-controlling Interest	Total Equity
	Share Capital	Capital Reserves		Revenue Reserves			Shareholders' Equity		
		Exchange Translation Reserve	Share Premium	General Reserve	Total				
					Un-appropriated Profit	Total			
Balance as at June 30, 2022 - (audited)	2,401,190,290	23,438,937	600,553,890	1,629,221,278	30,404,170,463	32,033,391,741	35,058,574,858	11,739,807,692	46,797,382,460
Total comprehensive income / (loss) for the year ended December 31, 2022	-	1,985,214	-	-	(1,709,888,397)	(1,709,888,397)	(1,707,903,183)	119,281,684	(1,588,621,549)
Adjustment due to transfer of investment of holding company in Nishat Chunan Power Limited - former subsidiary company and now associated company	-	-	-	-	(12,661,016,941)	(12,661,016,941)	(12,661,016,941)	(11,659,089,236)	(24,519,106,177)
Final dividend for the year ended June 30, 2022 @ Rs. 4 per share	-	-	-	-	(960,476,116)	(960,476,116)	(960,476,116)	-	(960,476,116)
Balance as at December 31, 2022 - (un-audited)	2,401,190,290	25,424,151	600,553,890	1,629,221,278	15,072,789,009	16,702,010,287	19,729,178,618	-	19,729,178,618
Total comprehensive income for the half year ended June 30, 2023	-	5,191,547	-	-	837,978,542	837,978,542	843,170,089	-	843,170,089
Balance as at June 30, 2023 - (audited)	2,401,190,290	30,615,698	600,553,890	1,629,221,278	15,910,767,551	17,539,988,629	20,572,348,707	-	20,572,348,707
Total comprehensive income / (loss) for the half year ended December 31, 2023	-	(483,254)	-	-	(385,112,526)	(385,112,526)	(385,605,780)	-	(385,605,780)
Balance as at December 31, 2023 - (un-audited)	2,401,190,290	30,132,444	600,553,890	1,629,221,278	15,525,655,025	17,154,876,303	20,186,742,927	-	20,186,742,927

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

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

1. GROUP INFORMATION

The Group consists of:

- | | | |
|----------------------|---|---|
| Holding Company | - | Nishat (Chunian) Limited |
| Subsidiary Companies | - | Nishat Chunian Properties (Private) Limited |
| | - | Nishat Chunian USA Inc. |
| | - | Sweave Inc. |
| | - | T L C Middle East Trading L.L.C |

Nishat (Chunian) Limited

Nishat (Chunian) Limited (the Holding Company) is a public limited company incorporated in Pakistan under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Holding Company is engaged in business of spinning, weaving, dyeing, printing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabrics and made-ups made from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity.

Nishat Chunian Properties (Private) Limited

Nishat Chunian Properties (Private) Limited is a private limited company was incorporated in Pakistan under the Companies Act, 2017 on 31 January 2022. The registered office of Nishat Chunian Properties (Private) Limited is situated at 31-Q, Gulberg II, Lahore. The principal line of business of Nishat Chunian Properties (Private) Limited is marketing and development of all types of real estate including developed or undeveloped land, housing or commercial projects including commercial markets or multi-storeyed building (for commercial or residential purposes), shopping centres, restaurants, hotels, recreational facilities, etc.

Nishat Chunian USA Inc.

Nishat Chunian USA Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Nishat Chunian USA Inc. is situated at 230 Fifth Avenue, Suite 1406, New York, NY 10001, USA. The principal business of the Nishat Chunian USA Inc. is to import home textile products and distribute to local retailers.

Sweave Inc.

Sweave Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Sweave Inc. is situated at 2728 Railroad Grade Road, Fleetwood, NC 28262, USA. The principal business of the Sweave Inc. is e-commerce retail of home textile products to its domestic customers. Sweave Inc. is a wholly owned subsidiary of Nishat Chunian USA Inc.

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

T L C Middle East Trading L.L.C

T L C Middle East Trading L.L.C is a limited liability company - Single Owner (LLC - SO) formed in pursuance to the Federal Law No. (2) of 2015 concerning commercial companies and registered with the Department of Economic Development, Government of Dubai. Date of incorporation of T L C Middle East Trading L.L.C is 14 October 2021. The principal business of T L C Middle East Trading L.L.C is textile trading, blankets, towels and linen trading. Commercial address of T L C Middle East Trading L.L.C is Office No. M13, Fatima Building, Al Suq Al Kabeer, Dubai, United Arab Emirates. The capital of T L C Middle East Trading L.L.C is AED 300,000 divided into 300 shares, the value of each share is AED 1,000. Nishat (Chunian) Limited shall own 100% shares of T L C Middle East Trading L.L.C. However, Nishat (Chunian) Limited has not yet remitted funds into the bank account of T L C Middle East Trading L.L.C against the shares subscribed and expects to make investment in shares of T L C Middle East Trading L.L.C shortly.

2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by directives issued under the Companies Act, 2017. These consolidated condensed interim financial statements of the Group have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This consolidated condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Group for the year ended 30 June 2023.

3. ACCOUNTING POLICIES

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

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated condensed interim financial information 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 Group'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 this consolidated condensed interim financial information, the significant judgments made by the management in applying the Group's accounting policies and the key

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Group for the year ended 30 June 2023.

5. CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies as disclosed in the preceding annual audited financial statements of the Group for the year ended 30 June 2023, except for the following:

Contingencies - Holding Company

- i) Guarantees of Rupees 2,219.580 million (30 June 2023: Rupees 2,110.704 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections, Shell Pakistan Limited against purchase of furnace oil, Lahore Electric Supply Company against electricity connections, Director Excise and Taxation, Karachi against infrastructure cess, Chairperson Punjab Revenue Authority, Lahore against infrastructure cess, Collector, Model Customs Collectorate, Karachi against import, Director Pakistan Central Cotton Committee against cotton cess and Nazir, Honourable Sindh High Court, Karachi against the notification in accordance with section 8 of OGRA Ordinance 2002 regarding system gas tariff on industrial and captive units.
- ii) Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 34,463.580 million (30 June 2023: Rupees 34,440.200 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable. Further, post dated cheques of Rupees 247.210 million (30 June 2023: Rupees 154.300 million) have been issued to Lahore Electric Supply Company Limited against disputed amount of tariff adjustments, post dated cheques of Rupees 258.250 million (30 June 2023: Rupees 156.532 million) have been issued to Sui Northern Gas Pipelines Limited against gas infrastructure development cess and captive vs industrial tariff case and post dated cheques of Rupees 189.375 million (30 June 2023: Rupees 189.375 million) have been issued to Commissioner Inland Revenue against the proceedings under section 122(5A) for tax year 2022.

Commitments - Holding Company

- i) Letters of credit for capital expenditure amounting to Rupees 5.999 million (30 June 2023: Rupees 9.497 million).
- ii) Letters of credit other than for capital expenditure are amounting to Rupees 664.016 million (30 June 2023: Rupees 652.880 million).

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

	Un-audited Half year ended 31 December 2023 Rupees	Un-audited Half year ended 31 December 2022 Rupees
6. CASH (USED IN) / GENERATED FROM OPERATIONS		
Profit before taxation	200,825,942	(1,222,493,651)
Adjustment for non-cash charges and other items:		
Depreciation on operating fixed assets	863,768,417	796,913,520
Amortization on intangible assets	401,256	143,534
Depreciation on right-of-use asset	29,540,426	23,105,585
(Gain)/Loss on sale/write-offs of operating fixed assets - net	(10,791,237)	(16,293,511)
Operating fixed assets written off	340,203	6,787,772
(Reversal of allowance)/allowance for expected credit losses	39,749,068	(41,452,837)
Realized loss on derivative financial instruments	-	41,446,427
Return on term deposit receipts	-	(8,110,105)
Return on bank deposits	(3,991,762)	(2,866,600)
Amortization of deferred income - Government grant	(77,022,124)	(73,666,659)
(Gain)/Loss on termination of leases	-	(538,281)
(Gain)/Loss on re-measurement of investment at fair value through profit or loss	(10,680,462)	3,174,498
Provision for workers' profit participation fund	6,995,269	-
Provision for workers' welfare fund	208,337	190,115
Net Exchange (gain)/loss	(35,545,675)	353,144,800
Finance cost	4,126,602,338	2,407,068,661
Working capital changes (Note 6.1)	(5,899,950,145)	(15,075,334,351)
Cash generated from / (used in) operations	(769,550,148)	(12,808,781,083)
6.1 Working capital changes		
(Increase) / decrease in current assets		
- Stores, spare parts and loose tools	95,753,365	(161,199,195)
- Stock in trade	(10,636,073,581)	(9,786,580,313)
- Trade debts	534,219,980	(3,072,339,621)
- Loans and advances	1,775,798,920	(1,289,331,627)
- Short term deposits and prepayments	(72,873,562)	(58,087,248)
- Other receivables	(192,125,730)	(1,634,228,495)
Increase / (decrease) in current liabilities		
- Trade and other payables	2,595,350,463	926,432,148
	(5,899,950,145)	(15,075,334,351)

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

7. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, other related companies, key management personnel and post employment benefit plan. The Group in the normal course of business carried out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

i) Transactions

	Un-audited Half year ended 31 December 2023 Rupees	Un-audited Half year ended 31 December 2022 Rupees
Associated undertakings		
Donations paid	15,123,677	4,691,013
Common facilities cost charged	9,900,000	7,770,968
Other related parties		
Contribution to employees' provident fund trust	76,898,951	65,136,668
Remuneration of key management personnel and executives	185,722,184	137,232,961

ii) Period end balances

As at Dec 31, 2023 (Un-audited)		
Associated undertakings	Other related parties	Total
Rupees		
Other receivables / (payables)	-	(18,069,554)
Loans and advances issued	253,000	13,720,312
		(18,069,554)
		13,973,312

As at June 30, 2023 (Audited)		
Associated undertakings	Other related parties	Total
Rupees		
Other receivables / (payables)	-	(8,300,504)
Loans and advances issued	-	17,562,811
		(8,300,504)
		17,562,811

FOR THE HALF YEAR ENDED 31 DECEMBER 2023

8. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 'Interim Financial Reporting', the consolidated condensed interim statement of financial position and consolidated condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been rearranged / regrouped wherever necessary for the purpose of comparison. However, no significant rearrangements / regroupings have been made.

9. DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved and authorized for issue on February 28, 2024 by the Board of Directors of the Holding Company.

CHIEF EXECUTIVE

DIRECTOR

CHIEF FINANCIAL OFFICER

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31-Q, Gulberg II, Lahore 54660, Pakistan
Tel: +92 42 3576 1730, Fax: +92 42 3587 8696
Email: info@nishat.net
www.nishat.net
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