



**RELIANCE COTTON SPINNING  
MILLS LIMITED**

**Third Quarter Report  
2024**

# COMPANY INFORMATION

## BOARD OF DIRECTORS

Mr. Shahid Abdullah	Chairman
Mr. Shayan Abdullah	Chief Executive
Mr. Amer Abdullah	Director
Mr. Yousuf Abdullah	Director
Mr. Nabeel Abdullah	Director
Mrs. Madiha Saeed Nagra	Independent Director
Mr. Anjum Saleem	Independent Director

## AUDITORS

Shinewing Hameed Chaudhri & Company  
Chartered Accountants

## LEGAL ADVISOR

Hassan & Hassan, Advocates

## AUDIT COMMITTEE

Mr. Anjum Saleem	Chairman
Mr. Shahid Abdullah	Member
Mr. Nabeel Abdullah	Member

## BANKERS

Habib Bank Limited  
Habib Metropolitan Bank Limited  
MCB Bank Limited  
Meezan Bank Limited  
United Bank Limited

## COMPANY SECRETARY

Mr. Rameez Ghausi

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Anjum Saleem	Chairman
Mr. Yousuf Abdullah	Member
Mr. Shayan Abdullah	Member

## REGISTERED OFFICE:

312, Cotton Exchange Building,  
I. I. Chundrigar Road, Karachi.  
Tel: +92 21 111 000 100  
Fax 922132416705

## CHIEF FINANCIAL OFFICER

Mr. Jawwad Faisal

Website: [www.sapphire.com.pk/rcsm](http://www.sapphire.com.pk/rcsm)

## RISK COMMITTEE

Mr. Shahid Abdullah	Chairman
Mr. Shayan Abdullah	Member
Mr. Jawwad Faisal	Member

## CORPORATE OFFICE:

1st Floor, Tricon Corporate Centre, 73-E Main  
Jail Road, Gulberg II, Lahore. Pakistan.

## SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Limited,  
4th Floor, Karachi Chambers,  
Hasrat Mohani Road, Karachi.

## MILLS:

Feroze Wattoan,  
District, Shekhupura, Punjab.

## TAX CONSULTANTS

Yousuf Adil, Chartered Accountants

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## DIRECTORS' REPORT

The Directors of the Company are pleased to present un-audited financial statements for the nine months ended 31 March 2024.

### Financial Highlights

	31 March	
	2024	2023
	Rupees in thousand	
Sales	10,612,117	7,964,990
Profit from operations	1,501,798	1,301,424
Finance cost	(640,157)	(195,025)
Taxation	(124,079)	(95,652)
<b>Profit after taxation</b>	<b>737,561</b>	<b>1,010,746</b>

### Financial Performance

During first nine months of the financial year, your company achieved sales of Rs. 10.6 billion compared to Rs. 7.9 billion during corresponding period of last year, showing significant increase of 33.2%. However, gross profit dropped from last year's 20.3% to 16.5% during the period under review. The company earned profit after tax of Rs. 738 million compared to Rs. 1,011 million during same period of last year.

### Earnings per share

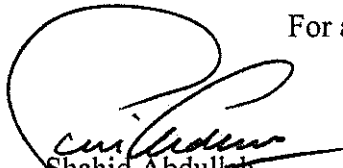
The company's earnings per share (EPS) were at Rs. 71.66 as compared to Rs. 98.21 for the same period of last year.


### Future Outlook

Alongside the ongoing trend of decelerated demand, higher energy and borrowing costs in the country have negatively impacted profit margins of textile companies. However, despite these challenging conditions, your company has successfully expanded its market share in first nine months of the present year through robust product development efforts. Consequently, the management maintains a cautiously optimistic stance regarding the Company's performance for remainder of the financial year.

The directors appreciate the dedication and hard work of the staff and workers of the company.

For and on behalf of the Board

  
Shahid Abdullah  
Director

  
Shayan Abdullah  
Chief Executive

Lahore  
April 29, 2024



## Reliance Cotton Spinning Mills Ltd.

### ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2024ء کو ختم ہونے والی نو ماہی کے لئے کمپنی کے غیر نظر ثانی شدہ مالیاتی گوشواروں پر اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔

مالیاتی جھلکیاں

روپے ہزاروں میں

تفصیل	31 مارچ 2024ء	31 مارچ 2023ء
فروخت	10,612,117	7,964,990
آپریٹرز سے منافع	1,501,798	1,301,424
مالی لاگت	(640,157)	(195,025)
ٹیلیسیشن	(124,079)	(95,652)
ٹیکس کے بعد منافع	737,561	1,010,746

### مالی کارکردگی

رواں مالی سال کے پہلے نو ماہ کے دوران، آپ کی کمپنی نے گزشتہ سال کی اسی مدت کے دوران 7.9 بلین روپے کے مقابلے 10.6 بلین روپے کی فروخت حاصل کی، جو %33.2 کا نمایاں اضافہ ظاہر کر رہی ہے۔ تاہم، مجموعی منافع گزشتہ سال کے %20.3 سے کم ہو کر زیر جائزہ مدت کے دوران %16.5 ہوا۔ کمپنی نے گزشتہ سال کی تقابلی مدت کے دوران 1,011 ملین روپے کے مقابلے موجودہ مدت کے دوران 738 ملین روپے ٹیکس کے بعد منافع کمایا ہے۔

### فی حصص آمدنی

کمپنی کی موجودہ مدت کی فی شیئر آمدنی (EPS) 71.66 روپے ہے جو کہ پچھلے سال کی اسی مدت میں 98.21 روپے تھی۔

### مستقبل کا نقطہ نظر

طلب میں کمی کے جاری رجحان کے ساتھ ساتھ، ملک میں توانائی اور قرض کی زیادہ لاگت نے ٹیکسٹائل کمپنیوں کے منافع مارجن کو بری طرح متاثر کیا ہے۔ تاہم، ان مشکل حالات کے باوجود، آپ کی کمپنی نے رواں سال کے پہلے نو مہینوں میں مضبوط مصنوعات کی بہتری کی کوششوں کے ذریعے کامیابی کے ساتھ اپنے مارکیٹ شیئر کو بڑھایا ہے۔ نتیجتاً، انتظامیہ مالی سال کے باقی عرصہ میں کمپنی کی کارکردگی کے حوالے سے محتاط انداز میں اُمید افزاء موقف رکھتی ہے۔

### اعتراف

ڈائریکٹرز کمپنی کے عملے اور کارکنوں کی سخت محنت اور قابل ستائش خدمات کو سراہتے ہیں۔

مخائبہ بورڈ آف ڈائریکٹرز

شایان عبداللہ

چیف ایگزیکٹو

شاید عبداللہ

ڈائریکٹر

لاہور:

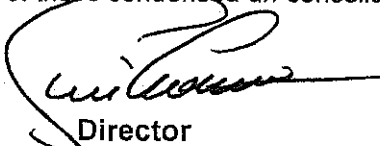
بتاریخ: 29 اپریل 2024ء

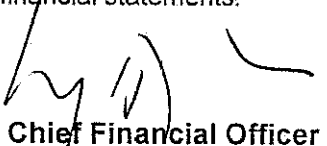
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2024**

	Note	Un-audited March 31, 2024	Audited June 30, 2023
----- Rupees -----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,203,651,820	3,591,288,186
Long term investments	5	715,964,376	518,127,246
Long term advances and deposits		8,987,690	8,987,690
		<u>4,928,603,886</u>	<u>4,118,403,122</u>
<b>Current assets</b>			
Stores, spare parts and loose tools		85,613,021	74,977,863
Stock-in-trade	6	6,428,181,305	6,203,133,931
Trade debts		2,343,594,995	2,012,865,224
Loans and advances		25,919,218	32,906,723
Short term deposits and prepayments		2,263,615	4,559,315
Short term investments		22,035,355	14,088,516
Other receivables		74,508,844	149,220,766
Tax refunds due from Government		400,282,803	575,764,159
Cash and bank balances		184,217,807	197,752,154
		<u>9,566,616,963</u>	<u>9,265,268,651</u>
<b>Total assets</b>		<u><u>14,495,220,849</u></u>	<u><u>13,383,671,773</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
12,000,000 ordinary shares of Rs.10 each		<u>120,000,000</u>	<u>120,000,000</u>
Issued, subscribed and paid-up capital			
10,292,000 ordinary shares of Rs.10 each		<u>102,920,000</u>	<u>102,920,000</u>
Reserves		<u>135,449,852</u>	<u>127,503,013</u>
Unappropriated profit		<u>7,499,702,273</u>	<u>6,803,308,914</u>
		<u>7,738,072,125</u>	<u>7,033,731,927</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term liabilities	7	1,470,235,855	1,640,499,005
Staff retirement benefit - gratuity		121,358,993	113,293,444
Deferred taxation		28,512,220	28,921,440
		<u>1,620,107,068</u>	<u>1,782,713,889</u>
<b>Current liabilities</b>			
Trade and other payables		1,373,096,498	1,567,481,110
Contract liabilities		45,291,699	64,937,119
Accrued mark-up / interest		106,182,697	94,526,249
Short term borrowings	8	3,106,019,730	2,331,143,302
Current portion of long term finances		319,778,252	325,244,097
Unclaimed dividend		861,089	801,640
Provision for taxation	9	185,811,691	183,092,440
		<u>5,137,041,656</u>	<u>4,567,225,957</u>
<b>Total liabilities</b>		<u><u>6,757,148,724</u></u>	<u><u>6,349,939,846</u></u>
<b>Contingencies and commitments</b>	10		
<b>Total equity and liabilities</b>		<u><u>14,495,220,849</u></u>	<u><u>13,383,671,773</u></u>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer


**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Note	Nine months period ended		Quarter ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- Rupees -----					
Sales - net	11	10,612,117,051	7,964,989,896	3,870,800,937	3,176,091,069
Cost of sales	12	(8,860,836,183)	(6,346,546,647)	(3,371,885,288)	(2,607,321,858)
<b>Gross profit</b>		<b>1,751,280,868</b>	<b>1,618,443,249</b>	<b>498,915,649</b>	<b>568,769,211</b>
Distribution cost		(125,013,810)	(120,222,789)	(37,729,230)	(39,606,272)
Administrative expenses		(137,591,369)	(145,511,237)	(54,078,350)	(35,351,037)
Other income		72,365,215	26,425,489	1,605,602	5,515,767
Other expenses		(59,243,049)	(77,711,192)	(12,391,956)	(27,299,580)
<b>Profit from operations</b>		<b>1,501,797,855</b>	<b>1,301,423,520</b>	<b>396,321,715</b>	<b>472,028,089</b>
Finance cost		(640,157,330)	(195,025,354)	(213,545,879)	(73,075,781)
<b>Profit before taxation</b>		<b>861,640,525</b>	<b>1,106,398,166</b>	<b>182,775,836</b>	<b>398,952,308</b>
Taxation		(124,079,166)	(95,652,344)	(49,876,376)	(33,045,401)
<b>Profit after taxation</b>		<b>737,561,359</b>	<b>1,010,745,822</b>	<b>132,899,460</b>	<b>365,906,907</b>
<b>Earnings per share</b>					
- basic and diluted		<b>71.66</b>	<b>98.21</b>	<b>12.91</b>	<b>35.55</b>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees -----			
Profit after taxation	737,561,359	1,010,745,822	132,899,460	365,906,907
Other comprehensive income/ loss				
Items that will not be reclassified to statement of profit or loss subsequently				
Unrealised gain / loss on remeasurement of investment at fair value through other comprehensive income	7,946,839	(6,421,509)	1,490,970	(319,330)
<b>Total comprehensive income for the period</b>	<b>745,508,198</b>	<b>1,004,324,313</b>	<b>134,390,430</b>	<b>365,587,577</b>

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



Chief Executive Officer



Director



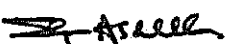
Chief Financial Officer



**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Nine months period ended	
	March 31, 2024	March 31, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	----- Rupees -----	
Profit before taxation	861,640,525	1,106,398,166
<b>Adjustments for non-cash and other items:</b>		
Depreciation	258,203,304	202,627,683
Amortisation of government grant	-	(841,007)
Staff retirement benefit - gratuity	33,300,000	26,550,000
Provision for workers' profit participation fund	39,135,626	52,775,054
Provision for workers' welfare fund	19,181,873	24,733,638
Provision for GIDC	1,119,542	2,268,297
Gain on disposal of operating fixed assets	(37,122,185)	(4,208,230)
Dividend income	(10,728,162)	(8,175,744)
Finance cost	639,037,788	195,025,354
	<b>1,803,768,311</b>	<b>1,597,153,211</b>
<b>Working capital changes</b>		
(Increase) / decrease in current assets:		
- stores, spare parts and loose tools	(10,635,158)	(20,605,466)
- stock-in-trade	(225,047,374)	(1,461,496,090)
- trade debts	(330,729,771)	(260,036,549)
- loans and advances	6,987,505	(45,531,701)
- short term deposit and prepayments	2,295,700	(793,108)
- deposits, other receivables and sales tax	192,112,510	(49,928,578)
	<b>(365,016,588)</b>	<b>(1,838,391,491)</b>
<b>Increase / (decrease) in current liabilities:</b>		
- trade and other payables	(207,492,037)	168,769,894
- contract liabilities	(19,645,422)	(36,955,558)
	<b>(227,137,459)</b>	<b>131,814,336</b>
<b>Net working capital changes</b>	<b>(592,154,047)</b>	<b>(1,706,577,156)</b>
Staff retirement benefits paid	(25,234,451)	(24,462,001)
Finance cost paid	(627,232,283)	(179,008,328)
Taxes paid	(63,792,771)	(56,729,384)
Workers' profit participation fund paid	(46,095,735)	(150,824,250)
Long term advances and deposits - net	-	100,000
	<b>(762,355,240)</b>	<b>(410,923,963)</b>
<b>Net cash generated from/(used in) operating activities</b>	<b>449,259,024</b>	<b>(520,347,908)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(900,894,683)	(559,806,820)
Proceeds from disposal of operating fixed assets	67,449,932	9,420,750
Dividend income received	10,728,162	8,175,744
Investment in Subsidiary	(197,837,130)	-
Government grant	-	841,007
<b>Net cash used in investing activities</b>	<b>(1,020,553,719)</b>	<b>(541,369,319)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances - obtained	-	212,439,000
- repaid	(176,007,529)	(108,534,416)
Dividend paid	(41,108,551)	(77,232,758)
Short term borrowings - net	774,876,428	1,177,072,828
<b>Net cash generated from financing activities</b>	<b>557,760,348</b>	<b>1,203,744,654</b>
<b>Net increase in cash and cash equivalents</b>	<b>(13,534,347)</b>	<b>142,027,427</b>
<b>Cash and cash equivalents - at beginning of the period</b>	<b>197,752,154</b>	<b>27,494,124</b>
<b>Cash and cash equivalents - at end of the period</b>	<b>184,217,807</b>	<b>169,521,551</b>

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

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**

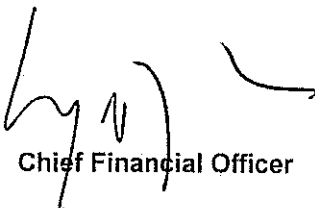
RELIANCE COTTON SPINNING MILLS LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Issued, subscribed and paid-up capital	Reserves			Unrealised loss on investments at fair value through other comprehensive income	Total
		Revenue		Sub-total		
		General	Unappropriated profit			
----- Rupees -----						
Balance as at July 1, 2022 (Audited)	102,920,000	130,000,000	6,059,364,729	6,189,364,729	(5,245,266)	6,287,039,463
<b>Transactions with owners of the Company</b>						
Final dividend related to the year ended June 30, 2022 @ Rs. 7.5 per share	-	-	(77,190,000)	(77,190,000)	-	(77,190,000)
<b>Total comprehensive income for the Nine months period ended March 31, 2023</b>						
Profit for the period	-	-	1,010,745,822	1,010,745,822	-	1,010,745,822
Other comprehensive loss	-	-	-	-	(6,421,509)	(6,421,509)
	-	-	1,010,745,822	1,010,745,822	(6,421,509)	1,004,324,313
<b>Balance as at March 31, 2023 (Un-audited)</b>	<b>102,920,000</b>	<b>130,000,000</b>	<b>6,992,920,551</b>	<b>7,122,920,551</b>	<b>(11,666,775)</b>	<b>7,214,173,776</b>
Balance as at July 1, 2023 (Audited)	102,920,000	130,000,000	6,803,308,914	6,933,308,914	(2,496,987)	7,033,731,927
<b>Transactions with owners of the Company</b>						
Final dividend related to the year ended June 30, 2023 @ Rs.4 per share	-	-	(41,168,000)	(41,168,000)	-	(41,168,000)
<b>Total comprehensive income for the Nine months period ended March 31, 2024</b>						
Profit for the period	-	-	737,561,359	737,561,359	-	737,561,359
Other comprehensive gain	-	-	-	-	7,946,839	7,946,839
	-	-	737,561,359	737,561,359	7,946,839	745,508,198
<b>Balance as at March 31, 2024 (Un-audited)</b>	<b>102,920,000</b>	<b>130,000,000</b>	<b>7,499,702,273</b>	<b>7,629,702,273</b>	<b>5,449,852</b>	<b>7,738,072,125</b>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

**RELIANCE COTON SPINNING MILLS LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

**1. LEGAL STATUS AND NATURE OF BUSINESS**

Reliance Cotton Spinning Mills Limited ("the Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn.

<b>Karachi</b>	<b>Purpose</b>
312, Cotton Exchange Building, I.I Chundrigar Road	Registered office
<b>Lahore</b>	
1st Floor, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II,	Head office
<b>Sheikhupura</b>	
Ferozewattoan	Production plant

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of compliance**

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

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

Where 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.

**2.1.2** These condensed interim financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2023. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

**2.2 Initial application of standards, amendments or interpretation to existing standards**

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

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

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 01, 2024, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

**2.3 Accounting policies**

All the accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2023.

**3. ACCOUNTING ESTIMATES AND JUDGEMENTS**

The preparation of condensed interim financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

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

4. PROPERTY, PLANT AND EQUIPMENT		Un-audited March 31, 2024	Audited June 30, 2023
	Note	----- Rupees -----	
Operating fixed assets	4.1	3,553,305,041	2,990,289,649
Capital work-in-progress	4.2	650,346,779	600,998,537
		<u>4,203,651,820</u>	<u>3,591,288,186</u>
<b>4.1 Operating fixed assets</b>			
Net book value at beginning of the period / year		2,990,289,649	2,484,217,013
Additions during the period / year	4.1.1	851,546,443	799,381,010
Disposals costing Rs.67.276 million (June 30, 2023: Rs. 24.427 million) - at net book value		(30,327,747)	(7,684,133)
Depreciation charge for the period / year		(258,203,304)	(285,624,241)
Net book value at end of the period / year		<u>3,553,305,041</u>	<u>2,990,289,649</u>
<b>4.1.1 Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:</b>			
Buildings on freehold land:			
• residential		-	8,793,033
• factory		-	131,404,444
Plant and machinery	4.1.2 & 4.1.3	851,546,443	637,937,175
Electric installation		-	4,261,358
Vehicles		-	16,985,000
		<u>851,546,443</u>	<u>799,381,010</u>
<b>4.1.2</b>	The Company, during the period, has capitalized borrowing cost of Rs.27.800 million (June 30, 2023: Rs.7.322 million) charged at the rate ranging from 17.03% to 22.95% (June 30, 2023: 3.50% to 4.00%) per annum.		
<b>4.1.3</b>	These include additions of items amounting Rs.289.270 million purchased from Amer Cotton (Pvt.) Limited (a related party).		

4.2 Capital work-in-progress		Un-audited March 31, 2024	Audited June 30, 2023
	Note	----- Rupees -----	
Buildings		175,393,180	138,643,918
Plant and machinery		427,969,767	446,319,619
Advance payments against:			
• factory / office building		5,110,000	16,035,000
• plant and machinery		41,873,832	-
		<u>46,983,832</u>	<u>16,035,000</u>
		<u>650,346,779</u>	<u>600,998,537</u>
<b>5. LONG TERM INVESTMENTS</b>		Un-audited March 31, 2024	Audited June 30, 2023
		----- Rupees -----	
Subsidiary Company - at cost	5.1	200,437,130	2,600,000
Associated Companies - at cost	5.2	<u>515,527,246</u>	<u>515,527,246</u>
		<u>715,964,376</u>	<u>518,127,246</u>
<b>5.1 Investments in subsidiary - unquoted at cost:</b>			
<b>RCSM Company (Private) Limited</b>			
20,043,713 (2003 : 260,000) ordinary share of Rs. 10 each			
Equity Interest held 100%		<u>200,437,130</u>	<u>2,600,000</u>
<b>5.2 Investments in associates - at cost:</b>			
<b>Quoted:</b>			
<b>Sapphire Fibres Limited</b>			
798,796 ordinary shares of Rs.10 each			
Equity interest held 3.864%		468,514,083	468,514,083
<b>Sapphire Textile Mills Limited</b>			
100,223 ordinary shares of Rs.10 each			
Equity interest held 0.462%		8,114,578	8,114,578
<b>Un quoted:</b>			
<b>SFL Limited</b>			
401,570 ordinary shares of Rs.10 each			
Equity interest held 1.998%		2,439,475	2,439,475
<b>Sapphire Finishing Mills Limited</b>			
1,556,000 ordinary shares of Rs.10 each			
Equity interest held 1.69%		16,509,160	16,509,160
<b>Sapphire Holding Limited</b>			
100,223 ordinary shares of Rs.10 each			
Equity interest held 0.5%		524,950	524,950
<b>Sapphire Power Generation Limited</b>			
555,000 ordinary shares of Rs.10 each			
Equity interest held 3.46%		19,425,000	19,425,000
		<u>515,527,246</u>	<u>515,527,246</u>

6. STOCK-IN-TRADE		Un-audited March 31, 2024	Audited June 30, 2023
	Note	----- Rupees -----	
Raw materials - in hand		4,202,213,026	3,982,794,123
Raw materials - in transit		817,477,555	767,222,050
Work-in-process		707,021,941	609,784,835
Finished goods		701,468,783	843,332,923
		<u>6,428,181,305</u>	<u>6,203,133,931</u>
<b>7. LONG TERM LIABILITIES</b>			
Long term finances	7.1	1,696,858,635	1,872,866,164
Provision for Gas Infrastructure Development Cess	7.2	93,155,472	92,876,938
		<u>1,790,014,107</u>	<u>1,965,743,102</u>
Less: current portion grouped under current liabilities		(319,778,252)	(325,244,097)
		<u>1,470,235,855</u>	<u>1,640,499,005</u>
<b>7.1 Long term finances - secured</b>			
Balance at beginning of the period / year		1,872,866,164	1,754,174,918
Add: disbursements during the period / year	7.1.1	-	312,039,880
Less: repayments made during the period / year		(176,007,529)	(193,348,634)
Balance at end of the period / year		<u>1,696,858,635</u>	<u>1,872,866,164</u>

7.1.1 All the terms and conditions of long term finances are materially same as disclosed in audited annual financial statements of the Company for the year ended June 30, 2023. These Long term finances , during the period , carried mark-up / profit at the rates ranged from 2.50% to 24.02% (June 30, 2023: 1.00% to 24.08%) per annum.

7.2 The Honorable Supreme Court of Pakistan (SCP) vide its judgement dated August 13, 2020 decided the appeal against the Company and declared the GIDC Act, 2015 to be constitutional and recoverable from the gas consumer. A review petition was filed against the judgement which was also dismissed. However, partial relief was granted and recovery period was extended to 48 months from 24 months. SCP in its detailed judgment stated that the Cess under GIDC Act, 2015 is applicable only to those consumers of natural gas who on account of their industrial or commercial dealings had passed on GIDC burden to their end customers.

The Company has filed a civil suit before the Honorable Sindh High Court (SHC) on the grounds that the Company falls under the category of consumer and had not passed on the impact of GIDC to end customers. SHC has granted stay order in the said suit and has restrained SNGPL from taking any coercive action against the Company.

The Company has recorded a provision against GIDC. The amount has been recorded at its present value, by discounting future estimated cash flows using risk free rate of return.

**8. SHORT TERM BORROWINGS**

	Note	Un-audited March 31, 2024	Audited June 30, 2023
		----- Rupees -----	
Short term loans	8.1	2,600,000,000	1,625,449,000
Running finance under mark-up arrangements	8.1	506,019,730	705,694,302
		<u>3,106,019,730</u>	<u>2,331,143,302</u>

- 8.1 The Company has obtained short term finance facilities, aggregating Rs.5,503 million (June 30, 2023: Rs.5,553 million) from various commercial banks under mark-up arrangements. These finance facilities are secured against hypothecation charge of Rs.17,206 million (June 30, 2023: Rs.16,539 million) over current assets of the Company, lien on export / import documents, trust receipts and promissory notes duly signed by the directors. These finances carry mark-up / profit at the rates ranging from 16.37% to 24.04% (June 30, 2023: 14.06% to 23.08%) per annum. These facilities are expiring on various dates by June 30, 2024.

**9. PROVISION FOR TAXATION**

The provision for taxation for the nine month period ended and quarter ended March 31, 2024 has been made using the best possible estimate of total annual tax liability of the Company. Amount accrued may has to be adjusted in the subsequent period.

**10. CONTINGENCIES AND COMMITMENTS****10.1 Contingencies**

	Un-audited March 31, 2024	Audited June 30, 2023
		----- Rupees -----
Guarantees issued by banks on behalf of the Company	<u>386,662,298</u>	<u>386,662,298</u>

- 10.1.1 Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at March 31, 2024 the value of these cheques amounted to Rs.5,207.360 million (June 30, 2023: Rs.5,343.701 million).

- 10.1.2 The Company has claimed an input tax credit of Rs.45.749 million (June 30, 2023: Rs.45.749 million) which was disallowed by FBR through its notice dated June 20, 2015. The Company has filed an appeal against the decision of FBR in Honorable Lahore High Court dated July 07, 2015. The management expects a favourable out come in this case.

There has been no material change in the status of other contingencies as disclosed in the audited annual financial statements of the Company for the year ended June 30, 2023.

**10.2 Commitments in respect of :**

	Un-audited March 31, 2024	Audited June 30, 2023
		----- Rupees -----
• letters of credit for capital expenditure	<u>333,603,658</u>	<u>571,789,427</u>
• letters of credit for purchase of cotton, raw materials and stores, spare parts & chemical	<u>395,566,240</u>	<u>308,063,329</u>
• capital expenditure other than letters of credit	<u>46,988,414</u>	<u>51,039,978</u>

## 11. SALES - net

Segment wise disaggregation of revenue from contracts with respect to type of goods and services and geographical market is presented below:

	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees -----		----- Rupees -----	
<b>SALES - NET</b>				
<b>Local:</b>				
Yarn	1,884,975,003	1,395,332,529	808,272,651	526,769,189
Raw material	27,434,388	13,403,632	18,049,452	2,251,365
Waste	189,314,854	113,522,537	106,619,749	48,481,591
	2,101,724,245	1,522,258,698	932,941,852	577,502,145
<b>Export:</b>				
Yarn	2,052,309,396	1,619,786,754	576,044,119	657,688,441
Yarn (indirect export)	6,310,568,486	4,671,330,641	2,296,356,902	1,874,571,448
Waste	129,992,175	138,273,461	56,508,265	62,970,535
	8,492,870,057	6,429,390,856	2,928,909,286	2,595,230,424
	10,594,594,302	7,951,649,554	3,861,851,138	3,172,732,569
Processing income	2,200,249	3,740,342	201,799	49,500
Steam income	15,322,500	9,600,000	8,748,000	3,309,000
	10,612,117,051	7,964,989,896	3,870,800,937	3,176,091,069

## 12. COST OF SALES

	Note	----- Un-audited -----			
		Nine months period ended		Quarter ended	
		March 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		----- Rupees -----			
Finished goods at beginning of the period		843,332,923	400,139,698	1,041,782,028	476,222,974
Cost of goods manufactured	12.1	8,718,972,043	6,376,198,128	3,031,572,043	2,560,890,063
		9,562,304,966	6,776,337,826	4,073,354,071	3,037,113,037
Finished goods at end of the period		(701,468,783)	(429,791,179)	(701,468,783)	(429,791,179)
		8,860,836,183	6,346,546,647	3,371,885,288	2,607,321,858



12.1 Cost of goods manufactured	----- Un-audited -----			
	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees -----			
Work-in-process at beginning of the period	609,784,835	309,372,499	622,509,285	466,085,214
Raw materials consumed	6,504,936,990	4,917,280,939	2,248,391,277	2,033,403,698
Direct labour and other overheads	2,311,272,159	1,688,350,804	867,693,422	600,207,265
	8,816,209,149	6,605,631,743	3,116,084,699	2,633,610,963
	9,425,993,984	6,915,004,242	3,738,593,984	3,099,696,177
Work-in-process at end of the period	(707,021,941)	(538,806,114)	(707,021,941)	(538,806,114)
	8,718,972,043	6,376,198,128	3,031,572,043	2,560,890,063

### 13. FINANCIAL RISK MANAGEMENT

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

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

These condensed interim financial statement does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Company's audited annual financial statement as at June 30, 2023.

### 14. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The Company's financial assets measured at fair value consists of level 1 financial assets amounting Rs.22.035 million (June 30, 2023: Rs.14.089 million).

During the period ended March 31, 2024, there were no transfers amongst the levels. Further, there were no changes in the valuation techniques during the period.

The carrying values of other financial assets and liabilities reflected in the financial statements approximate their fair values.

## 15. TRANSACTIONS WITH RELATED PARTIES

15.1 Significant transactions with related parties are as follows:

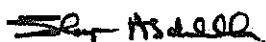
	Un-audited	
	Nine months period ended	
	March 31, 2024	March 31, 2023
	----- Rupees -----	
<b>Transactions with Subsidiary Companies</b>		
Shares allotted of subsidiary company	197,837,130	-
<b>Transactions with Associated Companies</b>		
Sales:		
• raw material / yarn / stores and spare parts	831,543,706	1,034,649,974
• fixed assets	50,000,000	-
Purchases:		
• raw material / yarn / stores and spare parts	317,561,744	16,239,919
• fixed assets	289,270,112	-
• Services obtained	6,794,580	-
Expenses charged by	24,939,056	18,084,795
Expenses charged to	10,318,320	-
Donations made	-	30,300,000
Dividend:		
• received	8,990,189	4,939,200
• paid	27,047,232	50,552,310
<b>Transactions with Key management personnel</b>		
Remuneration and other benefits	90,617,086	78,679,885
15.2 Period / year end balances are as follows:	Un-audited March 31, 2024	Audited June 30, 2023
<b>Receivables from related parties</b>	----- Rupees -----	
Trade debts	320,505,751	566,961,004
<b>Payable to related parties</b>		
Trade and other payables	104,998,326	214,362,472

## 16. CORRESPONDING FIGURES

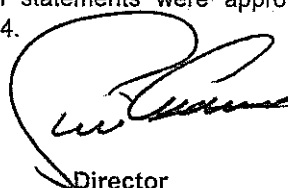
- In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2023, whereas, the condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of condensed interim financial statements of the Company for the Nine months period ended March 31, 2023.
- Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

## 17. DATE OF AUTHORISATION FOR ISSUE

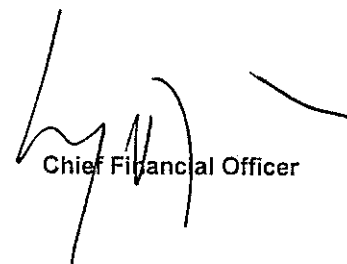
These condensed interim financial statements were approved by the Board of Directors and authorised for issue on April 29, 2024.



Chief Executive Officer



Director



Chief Financial Officer



## Directors' report to the shareholders

The directors are pleased to present their report together with consolidated financial statements of Reliance Cotton Spinning Mills Limited and its subsidiary RCSM Company (Pvt.) Limited for the period ended March 31, 2024. The Company has annexed consolidated financial statements along with its separate financial statements in accordance with the requirements of the International Accounting Standard-27 (Consolidated and Separate Financial Statements)

### RCSM Company (Pvt.) Limited

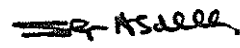
Reliance Cotton Spinning Mills Limited ("the Holding Company") and its wholly owned subsidiary RCSM Company (Private) Limited collectively referred to as 'the Group' was incorporated in Pakistan under the Companies Ordinance, 1984. The Holding Company is listed on Pakistan Stock Exchange Limited (formerly known as Karachi Stock Exchange Limited and Lahore Stock Exchange Limited). The wholly owned subsidiary was incorporated on November 8, 2017.

RCSM Company (Pvt.) Limited was incorporated in Pakistan as private limited by shares wholly owned by Reliance Cotton Spinning Mills Limited under Companies Ordinance, 1984 on November 08, 2017.

The principal activity of the subsidiary is to take or otherwise acquire and hold shares in any other company but not to act as an investment company.

For and on behalf of the Board

  
Shahid Abdullah  
(Director)

  
(Shayan Abdullah)  
(Chief Executive)

Lahore  
April 29, 2024



## ڈائریکٹرز کی حصص داران کو رپورٹ

ڈائریکٹرز 31 مارچ 2024ء کو ختم ہونے والی مدت کے لئے ریلائنس کاٹن سپننگ ملز لمیٹڈ اور اسکی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈ کے اشتہال شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ کمپنی نے بین الاقوامی اکاؤنٹنگ معیار-27 (اشتہال شدہ اور الگ مالی گوشوارے) کی ضروریات کے مطابق اشتہال شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے منسلک کئے ہیں۔

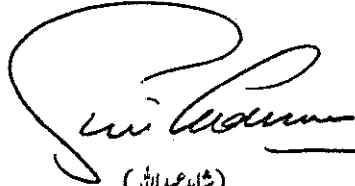
### RCSM کمپنی (پرائیویٹ) لمیٹڈ:


ریلائنس کاٹن سپننگ ملز لمیٹڈ (ہولڈنگ کمپنی) اور اس کی مکمل ملکیتی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈ جو مجموعی طور پر ایک "گروپ" کہلاتا ہے کمپنیز آرڈیننس، 1984ء کے تحت پاکستان میں قائم ہوا۔ ہولڈنگ کمپنی پاکستان سٹاک ایکسچینج لمیٹڈ میں درج ہے (جو پہلے کراچی سٹاک ایکسچینج لمیٹڈ اور لاہور سٹاک ایکسچینج لمیٹڈ کے نام سے جانا جاتا تھا۔ مکمل ملکیتی ذیلی کمپنی 8 نومبر 2017ء کو قائم ہوئی تھی۔

RCSM کمپنی (پرائیویٹ) لمیٹڈ کمپنیز آرڈیننس، 1984ء کے تحت 08 نومبر 2017ء کو ریلائنس کاٹن سپننگ ملز لمیٹڈ کی مکمل ملکیتی شیئرز کے ذریعے ایک پبلک لمیٹڈ کی حیثیت سے پاکستان میں قائم ہوئی۔

ذیلی کمپنی کا بنیادی کاروبار کسی دیگر کمپنی کے حصص لینا یا دوسری صورت میں خریدنا اور ہولڈ کرنا، لیکن سرمایہ کاری کمپنی کے طور پر کام کرنا نہیں ہے۔

منجانب بورڈ آف ڈائریکٹرز

  
(شاہد عبداللہ)  
ڈائریکٹر

  
(شایان عبداللہ)  
چیف ایگزیکٹو

لاہور

تاریخ: 29 اپریل 2024ء

**RELIANCE COTTON SPINNING MILLS LIMITED**

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)  
AS AT MARCH 31, 2024**

	Note	Un-audited March 31, 2024	Audited June 30, 2023
----- Rupees -----			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	4,203,651,820	3,591,288,186
Long term investments	5	2,705,140,672	2,446,709,699
Long term advances and deposits		8,987,690	8,987,690
		<u>6,917,780,182</u>	<u>6,046,985,575</u>
<b>Current assets</b>			
Stores, spare parts and loose tools		85,613,021	74,977,863
Stock-in-trade	6	6,428,181,305	6,203,133,931
Trade debts		2,343,594,995	2,012,865,224
Loans and advances		222,028,323	32,906,723
Short term deposits and prepayments		2,263,615	4,559,315
Short term investments		25,056,453	16,937,774
Other receivables		90,145,389	149,220,766
Tax refunds due from Government		400,282,803	575,764,159
Cash and bank balances		184,335,003	197,801,997
		<u>9,781,500,907</u>	<u>9,268,167,752</u>
<b>Total assets</b>		<u><u>16,699,281,089</u></u>	<u><u>15,315,153,327</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorised capital			
12,000,000 ordinary shares of Rs.10 each		120,000,000	120,000,000
Issued, subscribed and paid-up capital			
10,292,000 ordinary shares of Rs.10 each		102,920,000	102,920,000
Reserves		170,194,045	24,478,689
Unappropriated profit		9,434,982,924	8,619,232,451
		<u>9,708,096,969</u>	<u>8,746,631,140</u>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Long term liabilities	7	1,470,235,855	1,640,499,005
Staff retirement benefit - gratuity		121,358,993	113,293,444
Deferred taxation		262,462,116	247,350,781
		<u>1,854,056,964</u>	<u>2,001,143,230</u>
<b>Current liabilities</b>			
Trade and other payables		1,373,181,998	1,567,634,110
Contract liabilities		45,291,699	64,937,119
Accrued mark-up / interest		106,182,697	94,526,249
Short term borrowings	8	3,106,019,730	2,331,143,302
Current portion of long term finances		319,778,252	325,244,097
Unclaimed dividend		861,089	801,640
Provision for taxation		185,811,691	183,092,440
		<u>5,137,127,156</u>	<u>4,567,378,957</u>
<b>Total liabilities</b>		<u>6,991,184,120</u>	<u>6,568,522,187</u>
<b>Contingencies and commitments</b>	10		
<b>Total equity and liabilities</b>		<u><u>16,699,281,089</u></u>	<u><u>15,315,153,327</u></u>

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

  
Chief Executive Officer

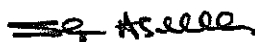
  
Director

  
Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

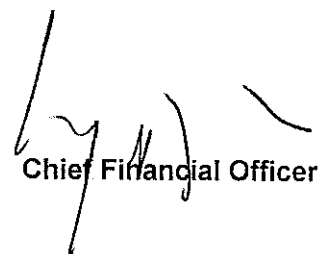
	Note	Nine months period ended		Quarter ended	
		March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
----- Rupees -----					
Sales - net	11	10,612,117,051	7,964,989,896	3,870,800,937	3,176,091,069
Cost of sales	12	(8,860,836,183)	(6,346,546,647)	(3,371,885,288)	(2,607,321,858)
<b>Gross profit</b>		<b>1,751,280,868</b>	<b>1,618,443,249</b>	<b>498,915,649</b>	<b>568,769,211</b>
Distribution cost		(125,013,810)	(120,222,789)	(37,729,230)	(39,606,272)
Administrative expenses		(137,591,369)	(145,511,237)	(54,078,350)	(35,351,037)
Other income		79,448,200	21,781,178	12,411,778	5,619,426
Other expenses		(61,036,221)	(77,735,975)	(14,127,481)	(27,307,077)
<b>Profit from operations</b>		<b>1,507,087,668</b>	<b>1,296,754,426</b>	<b>405,392,366</b>	<b>472,124,251</b>
Finance cost		(640,157,330)	(195,025,354)	(213,545,879)	(73,075,781)
Share of profit of associates		129,632,196	217,069,031	15,993,397	98,036,283
<b>Profit before taxation</b>		<b>996,562,534</b>	<b>1,318,798,103</b>	<b>207,839,884</b>	<b>497,084,753</b>
Taxation		(139,664,511)	(110,509,848)	(57,776,237)	(41,237,741)
<b>Profit after taxation</b>		<b>856,898,023</b>	<b>1,208,288,255</b>	<b>150,063,647</b>	<b>455,847,012</b>
<b>Earnings per share</b>					
- basic and diluted		<b>83.26</b>	<b>117.40</b>	<b>14.58</b>	<b>44.29</b>

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



Chief Executive Officer

  
Director

  
Chief Financial Officer

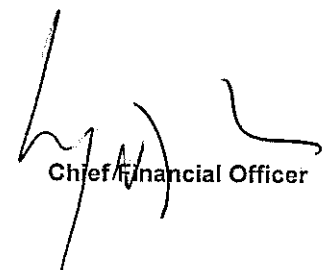
RELIANCE COTTON SPINNING MILLS LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees -----			
Profit after taxation	856,898,023	1,208,288,255	150,063,647	455,847,012
Other comprehensive income / (loss)				
Items that will not be reclassified to statement of profit or loss subsequently				
Share in associates' unrealised gain /(loss) on available sales investment as FVTOCI	137,825,994	(19,864,233)	23,974,297	1,016,951
Unrealised gain / (loss) on remeasurement of investment at fair value through other comprehensive income	7,946,839	(6,421,509)	1,490,970	(319,330)
	145,772,833	(26,285,742)	25,465,267	697,621
Share in associate's unrealised (loss) / gain on hedging instruments	(57,477)	3,195,542	(57,477)	2,555,785
<b>Total comprehensive income for the period</b>	<b>1,002,613,379</b>	<b>1,185,198,055</b>	<b>175,471,437</b>	<b>459,100,418</b>

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

  
Chief Executive Officer

  
Director


  
Chief Financial Officer

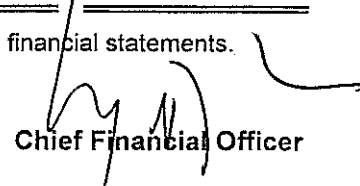
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

	Nine months period ended	
	March 31, 2024	March 31, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	----- Rupees -----	
Profit before taxation	996,562,534	1,318,798,103
<b>Adjustments for non-cash and other items:</b>		
Depreciation	258,203,304	202,627,683
Amortisation of government grant	-	(841,007)
Staff retirement benefit - gratuity	33,300,000	26,550,000
Provision for workers' profit participation fund	39,135,626	52,775,054
Provision for workers' welfare fund	19,181,873	24,733,638
Provision for GIDC	1,119,542	2,268,297
Fair Value gain on investment	(171,840)	-
Gain on disposal of operating fixed assets	(37,122,185)	(4,208,230)
Dividend income	(2,169,904)	(3,531,433)
Finance cost	639,037,788	195,025,354
Share of profit from associates	(129,632,196)	(217,069,031)
	<u>1,817,444,542</u>	<u>1,597,128,428</u>
<b>Working capital changes</b>		
(Increase) / decrease in current assets:		
- stores, spare parts and loose tools	(10,635,158)	(20,605,466)
- stock-in-trade	(225,047,374)	(1,461,496,090)
- trade debts	(330,729,771)	(260,036,549)
- loans and advances	(189,121,600)	(45,531,701)
- short term deposit and prepayments	2,295,700	(793,108)
- deposits, other receivables and sales tax	176,475,965	(49,928,578)
	<u>(576,762,237)</u>	<u>(1,838,391,491)</u>
<b>Increase / (decrease) in current liabilities:</b>		
- trade and other payables	(207,559,539)	168,792,394
- contract liabilities	(19,645,420)	(36,955,558)
	<u>(227,204,959)</u>	<u>131,836,836</u>
<b>Net working capital changes</b>	<u>(803,967,196)</u>	<u>(1,706,554,656)</u>
Staff retirement benefits paid	(25,234,451)	(24,462,001)
Finance cost paid	(627,232,283)	(179,008,328)
Taxes (paid) / refund received	(63,857,561)	(56,729,384)
Workers' profit participation fund paid	(46,095,735)	(150,824,250)
Long term advances and deposits - net	-	100,000
	<u>(762,420,030)</u>	<u>(410,923,963)</u>
<b>Net cash (used in) / generated from operating activities</b>	<u>251,057,315</u>	<u>(520,350,191)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(900,894,683)	(559,806,820)
Proceeds from disposal of operating fixed assets	67,449,932	9,420,750
Dividend income received	11,160,094	8,175,744
Government grant	-	841,007
<b>Net cash used in investing activities</b>	<u>(822,284,657)</u>	<u>(541,369,319)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances - obtained	-	212,439,000
- repaid	(176,007,529)	(108,534,416)
Dividend paid	(41,108,551)	(77,232,758)
Short term borrowings - net	774,876,428	1,177,072,828
<b>Net cash generated / (used in) from financing activities</b>	<u>557,760,348</u>	<u>1,203,744,654</u>
<b>Net increase in cash and cash equivalents</b>	<u>(13,466,994)</u>	<u>142,025,144</u>
<b>Cash and cash equivalents - at beginning of the period</b>	<u>197,801,997</u>	<u>27,546,250</u>
<b>Cash and cash equivalents - at end of the period</b>	<u>184,335,003</u>	<u>169,571,394</u>

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

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



RELIANCE COTTON SPINNING MILLS LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024

Issued, subscribed and paid-up capital	Unrealised gain / (loss) on investments at fair value through other comprehensive income	Reserves				Total
		Revenue			Unappropriated profit	
		On hedging instruments	General	Sub-total		

----- Rupees -----

Balance as at July 1, 2022 (Audited) 102,920,000 (57,891,148) 510,485 118,353,673 60,973,010 7,214,445,036 7,378,338,046

**Transactions with owners of the Company**

Final dividend related to the year ended June 30, 2022 @ Rs 7.5 per share

(77,190,000) (77,190,000)

**Total comprehensive income for the Nine months period ended March 31, 2023**

Profit for the period

-	-	-	-	-	1,208,288,255	1,208,288,255
-	(26,285,742)	3,195,542	-	(23,090,200)	-	(23,090,200)
-	(26,285,742)	3,195,542	-	(23,090,200)	1,208,288,255	1,185,198,055

Share of decrease in reserves of associated companies under equity method

(66,499) (66,499)

**Balance as at March 31, 2023 (Un-audited)**

102,920,000 (84,176,890) 3,706,027 118,353,673 37,882,810 8,345,476,792 8,486,279,602

Balance as at July 1, 2023 (Audited)

102,920,000 (95,855,381) 1,980,397 118,353,673 24,478,689 8,619,232,451 8,746,631,140

**Transactions with owners of the Company**

Final dividend related to the year ended June 30, 2023 @ Rs 4 per share

(41,168,000) (41,168,000)

**Total comprehensive income for the Nine months period ended March 31, 2024**

Profit for the period

-	-	-	-	-	856,898,023	856,898,023
-	145,772,833	(57,477)	-	145,715,356	-	145,715,356
-	145,772,833	(57,477)	-	145,715,356	856,898,023	1,002,613,379

Share of increase in reserves of associated companies under equity method

20,450 20,450

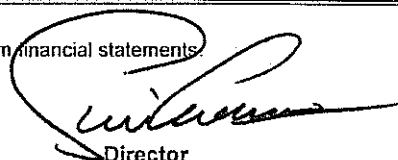
**Balance as at March 31, 2024 (Un-audited)**

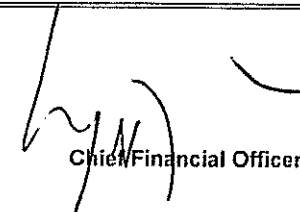
102,920,000 49,917,452 1,922,920 118,353,673 170,194,045 9,434,982,924 9,708,096,969

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



Chief Executive Officer

  
Director

  
Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2024**

**1. THE GROUP AND ITS OPERATIONS**

The Group consist of:

**The Parent Company**

- Reliance Cotton Spinning Mills Limited

**Subsidiary Company**

- RCSM Company (Private) Limited

• **Reliance Cotton Spinning Mills Limited**

Reliance Cotton Spinning Mills Limited ("The Parent Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan Stock Exchange Limited. The principal activity of the Holding Company is manufacturing and sale of yarn.

<b>Karachi</b>	<b>Purpose</b>
312, Cotton Exchange Building, I.I Chundrigar Road	Registered office

**Lahore**

1st Floor, Tricon Corporate Centre, 73-E, Main Jail Road, Gulberg II,	Head office
--	-------------

**Sheikhupura**

Warbuton Feroze Wattoan,	Production plant
--------------------------	------------------

**Subsidiary Companies**

• **RCSM Company (Private) Limited**

RCSM Company (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984(now companies Act, 2017) on November 8, 2017. The principal activity of the subsidiary is to take or otherwise acquire and hold shares in any other company but not to act as an investment company.

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Statement of compliance**

**2.1.1** These condensed consolidated 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 International Accounting Standards Board ('IASB') as notified under the Companies Act, 2017, and
- Provisions of and directives issued under the Companies Act, 2017.

Where 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.

2.1.2 These consolidated financial statements does not include all the information and disclosures as required in an annual audited financial statements, and these should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2023. These condensed interim financial statements are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017.

## 2.2 Initial application of standards, amendments or an interpretation to existing standards

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

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

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

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after January 01, 2024, but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these Consolidated financial statements.

## 2.3 Accounting policies

All the accounting policies and the methods of computation adopted in the preparation of these consolidated financial statements are consistent with those applied in the preparation of audited annual financial statements for the year ended June 30, 2023.

## 3. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of consolidated financial statements require management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these consolidated financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the audited annual financial statements for the year ended June 30, 2023.

## 4. PROPERTY, PLANT AND EQUIPMENT

	Note	Un-audited March 31, 2024	Audited June 30, 2023
		----- Rupees -----	
Operating fixed assets	4.1	3,553,305,041	2,990,289,649
Capital work-in-progress	4.2	650,346,779	600,998,537
		<u>4,203,651,820</u>	<u>3,591,288,186</u>
<b>4.1 Operating fixed assets</b>			
Net book value at beginning of the period / year		2,990,289,649	2,484,217,013
Additions during the period / year	4.1.1	851,546,443	799,381,010
Disposals costing Rs.67.276 million (June 30, 2023: Rs. 24.427 million)			
- at net book value		(30,327,747)	(7,684,133)
Depreciation charge for the period / year		(258,203,304)	(285,624,241)
Net book value at end of the period / year		<u>3,553,305,041</u>	<u>2,990,289,649</u>

4.1.1	Additions to operating fixed assets, including transfer from capital work-in-progress, during the period / year:		Un-audited March 31, 2024	Audited June 30, 2023
	Buildings on freehold land:		----- Rupees -----	
	• residential		-	8,793,033
	• factory		-	131,404,444
	Plant and machinery	4.1.2& 4.1.3	851,546,443	637,937,175
	Electric installation		-	4,261,358
	Vehicles			16,985,000
			<u>851,546,443</u>	<u>799,381,010</u>

4.1.2 The Company, during the period, has capitalized borrowing cost of Rs.27.800 million (June 30, 2023: Rs.7.322 million) charged at the rate ranging from 17.03% to 22.95% (June 30, 2023: 3.50% to 4.00%) per annum.

4.1.3 These include additions of items amounting Rs.289.270 million purchased from Amer Cotton (Pvt.) Limited (a related party).

4.2	Capital work-in-progress		Un-audited March 31, 2024	Audited June 30, 2023
			----- Rupees -----	
	Buildings		175,393,180	138,643,918
	Plant and machinery		427,969,767	446,319,619
	Advance payments against:			
	• factory / office building		5,110,000	16,035,000
	• plant and machinery		41,873,832	-
			<u>46,983,832</u>	<u>16,035,000</u>
			<u>650,346,779</u>	<u>600,998,537</u>

## 5. LONG TERM INVESTMENTS

### Investments in associates - at cost:

#### Quoted:

	Note		
Sapphire Fibres Limited	5.1	1,760,581,034	1,585,853,521
Sapphire Textile Mills Limited	5.2	275,713,565	215,873,353

#### Un-quoted:

SFL Limited	5.3	216,365,198	206,129,848
Sapphire Finishing Mills Limited	5.4	283,266,843	285,370,250
Sapphire Holding Limited	5.5	99,469,719	91,769,570
Sapphire Power Generation Limited	5.6	69,744,313	61,713,157

<u>2,705,140,672</u>	<u>2,446,709,699</u>
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### Investments in associates - at cost:

#### Quoted:

5.1	Sapphire Fibres Limited			
	798,796 ordinary shares of Rs.10 each			
	Equity interest held 3.864%		468,514,083	468,514,083
	Share of post acquisition profit		1,300,054,911	1,121,276,408
	Dividend received		(7,987,960)	(3,936,970)
			<u>1,760,581,034</u>	<u>1,585,853,521</u>

	Un-audited March 31, 2024	Audited June 30, 2023
<b>5.2 Sapphire Textile Mills Limited</b>		
100,223 ordinary shares of Rs.10 each	----- Rupees -----	
Equity interest held 0.462%	8,114,578	8,114,578
Share of post acquisition profit	268,601,217	208,761,005
Dividend received	(1,002,230)	(1,002,230)
	<u>275,713,565</u>	<u>215,873,353</u>
<b>Un quoted:</b>		
<b>5.3 SFL Limited</b>		
401,570 ordinary shares of Rs.10 each		
Equity interest held 2.00%	2,439,475	2,439,475
Share of post acquisition profit	213,925,723	203,690,373
	<u>216,365,198</u>	<u>206,129,848</u>
<b>5.4 Sapphire Finishing Mills Limited</b>		
1,556,000 ordinary shares of Rs.10 each		
Equity interest held 1.69%	16,509,160	16,509,160
Share of post acquisition profit	266,757,683	268,861,090
	<u>283,266,843</u>	<u>285,370,250</u>
<b>5.5 Sapphire Holding Limited</b>		
100,223 ordinary shares of Rs.10 each		
Equity interest held 0.5%	524,950	524,950
Share of post acquisition profit	98,944,769	91,244,620
	<u>99,469,719</u>	<u>91,769,570</u>
<b>5.6 Sapphire Power Generation Limited</b>		
555,000 ordinary shares of Rs.10 each		
Equity interest held 3.46%	19,425,000	19,425,000
Share of post acquisition profit	50,319,313	42,288,157
	<u>69,744,313</u>	<u>61,713,157</u>
<b>6. STOCK-IN-TRADE</b>		
Raw materials - in hand	4,202,213,026	3,982,794,123
Raw materials - in transit	817,477,555	767,222,050
Work-in-process	707,021,941	609,784,835
Finished goods	701,468,783	843,332,923
	<u>6,428,181,305</u>	<u>6,203,133,931</u>

		Un-audited March 31, 2024	Audited June 30, 2023
<b>7. LONG TERM LIABILITIES</b>	<b>Note</b>	----- Rupees -----	
Long term finances	7.1	1,696,858,635	1,872,866,164
Provision for Gas Infrastructure Development Cess	7.2	93,155,472	92,876,938
		<u>1,790,014,107</u>	<u>1,965,743,102</u>
Less: current portion grouped under current liabilities		(319,778,252)	(325,244,097)
		<u>1,470,235,855</u>	<u>1,640,499,005</u>
<b>7.1 Long term finances - secured</b>		Un-audited March 31, 2024	Audited June 30, 2023
		----- Rupees -----	
Balance at beginning of the period / year		1,872,866,164	1,754,174,918
Add: disbursements during the period / year	7.1.1	-	312,039,880
Less: repayments made during the period / year		(176,007,529)	(193,348,634)
Balance at end of the period / year		<u>1,696,858,635</u>	<u>1,872,866,164</u>

7.1.1 All the terms and conditions of long term finances are materially same as disclosed in audited annual financial statements of the Company for the year ended June 30, 2023. These Long term finances , during the period , carried mark-up / profit at the rates ranged from 2.50% to 24.02% (June 30, 2023: 1.00% to 24.08%) per annum.

7.2 The Honorable Supreme Court of Pakistan (SCP) vide its judgement dated August 13, 2020 decided the appeal against the Company and declared the GIDC Act, 2015 to be constitutional and recoverable from the gas consumer. A review petition was filed against the judgement which was also dismissed. However, partial relief was granted and recovery period was extended to 48 months from 24 months. SCP in its detailed judgment stated that the Cess under GIDC Act, 2015 is applicable only to those consumers of natural gas who on account of their industrial or commercial dealings had passed on GIDC burden to their end customers.

The Company has filed a civil suit before the Honorable Sindh High Court (SHC) on the grounds that the Company falls under the category of consumer and had not passed on the impact of GIDC to end customers. SHC has granted stay order in the said suit and has restrained SNGPL from taking any coercive action against the Company.

		Un-audited March 31, 2024	Audited June 30, 2023
<b>8. SHORT TERM BORROWINGS</b>	<b>Note</b>	----- Rupees -----	
Short term loans	8.1	2,600,000,000	1,625,449,000
Running finance under mark-up arrangements	8.1	506,019,730	705,694,302
		<u>3,106,019,730</u>	<u>2,331,143,302</u>

- 8.1 The Company has obtained short term finance facilities, aggregating Rs.5,053 million (June 30, 2023: Rs.5,553 million) from various commercial banks under mark-up arrangements. These finance facilities are secured against hypothecation charge of Rs.17,206 million (June 30, 2023: Rs.16,539 million) over current assets of the Company, lien on export / import documents, trust receipts and promissory notes duly signed by the directors. These finances carry mark-up / profit at the rates ranging from 16.37% to 24.04% (June 30, 2023: 14.06% to 23.08%) per annum. These facilities are expiring on various dates by June 30, 2024.

9. **PROVISION FOR TAXATION**

The provision for taxation for the Nine month period ended and quarter ended March 31, 2024 has been made using the best possible estimate of total annual tax liability of the Company. Amount accrued may has to be adjusted in the subsequent period.

10. **CONTINGENCIES AND COMMITMENTS**

10.1 Contingencies	Un-audited March 31, 2024	Audited June 30, 2023
	----- Rupees -----	
Guarantees issued by banks on behalf of the Group	<u>336,662,298</u>	<u>336,662,298</u>

Post dated Cheques have been issued to Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at March 31, 2024 the value of these cheques amounted to Rs.5,207.360 million (June 30, 2023: Rs.5,343.701 million).

- 10.1.2 The Company has claimed an input tax credit of Rs.45.749 million (June 30, 2023: Rs.45.749 million) which was disallowed by FBR through its notice dated June 20, 2015. The Company has filed an appeal against the decision of FBR in Honorable Lahore High Court dated July 07, 2015. The management expects a favourable out come in this case.

There has been no material change in the status of other contingencies as disclosed in the audited annual financial statements of the Company for the year ended June 30, 2023.

10.2 Commitments in respect of :	Un-audited March 31, 2024	Audited June 30, 2023
	----- Rupees -----	
• letters of credit for capital expenditure	<u>333,603,658</u>	<u>571,789,427</u>
• letters of credit for purchase of cotton, raw materials and stores, spare parts	<u>3,952,566,240</u>	<u>308,063,329</u>
• capital expenditure other than letters of credit	<u>46,988,414</u>	<u>51,039,978</u>

## 11. SALES - net

Segment wise disaggregation of revenue from contracts with respect to type of goods and services and geographical market is presented below:

	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
	----- Rupees -----		----- Rupees -----	
<b>SALES - NET</b>				
<b>Local:</b>				
Yarn	1,884,975,003	1,395,332,529	808,272,651	526,769,189
Raw material	27,434,388	13,403,632	18,049,452	2,251,365
Waste	189,314,854	113,522,537	106,619,749	48,481,591
	2,101,724,245	1,522,258,698	932,941,852	577,502,145
<b>Export:</b>				
Yarn	2,052,309,396	1,619,786,754	576,044,119	657,688,441
Yarn (indirect export)	6,310,568,486	4,671,330,641	2,296,356,902	1,874,571,448
Waste	129,992,175	138,273,461	56,508,265	62,970,535
	8,492,870,057	6,429,390,856	2,928,909,286	2,595,230,424
	10,594,594,302	7,951,649,554	3,861,851,138	3,172,732,569
Processing income	2,200,249	3,740,342	201,799	49,500
Steam income	15,322,500	9,600,000	8,748,000	3,309,000
	10,612,117,051	7,964,989,896	3,870,800,937	3,176,091,069

## 12. COST OF SALES

	----- Un-audited -----			
	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Note	----- Rupees -----			
Finished goods at beginning of the period	843,332,923	400,139,698	1,041,782,028	476,222,974
Cost of goods manufactured 12.1	8,718,972,043	6,376,198,128	3,031,572,043	2,560,890,063
	9,562,304,966	6,776,337,826	4,073,354,071	3,037,113,037
Finished goods at end of the period	(701,468,783)	(429,791,179)	(701,468,783)	(429,791,179)
	8,860,836,183	6,346,546,647	3,371,885,288	2,607,321,858



12.1 Cost of goods manufactured	----- Un-audited -----			
	Nine months period ended		Quarter ended	
	March 31, 2024	March 31, 2023	March 31, 2024	March 31, 2023
Note	----- Rupees -----			
Work-in-process at beginning of the period	609,784,835	309,372,499	622,509,285	466,085,214
Raw materials consumed	6,504,936,990	4,917,280,940	2,248,391,277	2,033,403,699
Direct labour and other overheads	2,311,272,159	1,688,350,803	867,693,422	600,207,264
	8,816,209,149	6,605,631,743	3,116,084,699	2,633,610,963
	9,425,993,984	6,915,004,242	3,738,593,984	3,099,696,177
Work-in-process at end of the period	(707,021,941)	(538,806,114)	(707,021,941)	(538,806,114)
	8,718,972,043	6,376,198,128	3,031,572,043	2,560,890,063

### 13. FINANCIAL RISK MANAGEMENT

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

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

These consolidated financial statement does not include all financial risk management information and disclosures as are required in the audited annual financial statements and should be read in conjunction with the Group's audited annual financial statement as at June 30, 2023.

### 14. FAIR VALUE OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Fair value is the price that would be received upon sale of an asset or paid upon transfer of a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operation or to undertake a transaction on adverse terms.

Given below is the analysis of financial instruments, carried at fair value, by valuation method. The different levels have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities [Level 1].
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) [Level 2].
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) [Level 3].

The Company's financial assets measured at fair value consists of level 1 financial assets amounting Rs.25.056 million (June 30, 2023: Rs.16.938 million).

During the period ended March 31, 2024, there were no transfers amongst the levels. Further, there were no changes in the valuation techniques during the period.

The carrying values of other financial assets and liabilities reflected in the financial statements approximate their fair values.

**15. TRANSACTIONS WITH RELATED PARTIES**

**15.1 Significant transactions with related parties are as follows:**

	Un-audited	
	Nine months period ended	
	March 31, 2024	March 31, 2023
	----- Rupees -----	
<b>Transactions with Associated Companies</b>		
Sales:		
• raw material / yarn / stores and spare parts	831,543,706	1,034,649,974
• fixed assets	50,000,000	-
Purchases:		
• raw material / yarn / stores and spare parts	317,561,744	16,239,919
• fixed assets	289,270,112	-
• Services obtained	6,794,580	-
Expenses charged by	24,939,056	18,084,795
Expenses charged to	10,318,320	
Donation made	-	30,300,000
Dividend:		
• received	8,990,189	4,939,200
• paid	27,047,232	50,552,310
<b>Transactions with Key management personnel</b>		
Remuneration and other benefits	90,617,086	78,679,885
<b>15.2 Period / year end balances are as follows:</b>	<b>Un-audited March 31, 2024</b>	<b>Audited June 30, 2023</b>
	----- Rupees -----	
<b>Receivables from related parties</b>		
Trade debts	320,505,751	566,961,004
<b>Payable to related parties</b>		
Trade and other payables	104,998,326	214,362,472

**16. CORRESPONDING FIGURES**


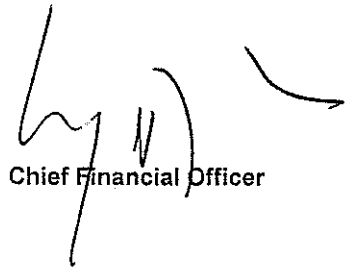
- In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of audited annual financial statements of the Company for the year ended June 30, 2023, whereas, the condensed interim statement of profit or loss, condensed interim statement of other comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of consolidated financial statements of the Group for the Nine months period ended March 31, 2023.
- Comparative information has been re-classified, re-arranged or additionally incorporated in these interim financial statements, where necessary, to facilities better comparison and to conform with the changes in presentation.

**17. DATE OF AUTHORISATION FOR ISSUE**

These Group financial statements were approved by the Board of Directors and authorised for issue on April 29, 2024.



Chief Executive Officer

  
Director  
Chief Financial Officer



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