



*of Companies*

HALF YEARLY ACCOUNTS  
2020-2021  
(UN - AUDITED)

UMER GROUP OF COMPANIES

FAISAL SPINNING MILLS LIMITED

# VISION

A company providing quality textile products and maintaining an excellent level of ethical and professional standards.



# MISION STATEMENT

To become the leaders of textile products in the local and International market & to achieve the highest level of success.

## Directors' Review

On behalf of the board of directors of Faisal Spinning Mills Limited, I am presenting the unaudited condensed interim financial statements for the half year ended December 31, 2020.

### Significant Financial Performance of the Half Year Ended December 31, 2020;

Profit after tax for the half year ended December 31, 2020 is PKR 453.730 million as compared to PKR 404.627 million for the corresponding period ended December 31, 2019.

Earnings per share for the half year ended December 31, 2020 is PKR 45.37 (December 31, 2019: PKR 40.46).

Break-up value of the share as on December 31, 2020 is PKR 685.16 (June 30, 2020: PKR 593.69).

The current ratio for half year ended December 31, 2020 is 1.94 (June 30, 2020: 1.70).

### Textiles Outlook

The pandemic situation was the prime challenge for the outgoing 2020 that disrupted global economies and Pakistan too felt the heat of the deadly virus, starting late February 2020 however, surprisingly Pakistan's textile sector has helped the country pass through a difficult phase, especially during 2020, which is still a threat to the entire world.

In order to cater domestic textile industry which is planning the expansion and ready to invest dollars five billion across the textile chain to double the exports by 2025 the incumbent government offered some commendable incentives that must be appreciated during the testing times of pandemic situation. The massive reduction in policy rates to 7 percent, announcing of lucrative energy package refinancing of wages to prevent layoffs, deferred payments of loans as part of the debt restructuring to businesses, relief under the Export Financing Scheme and the Long-Term Financing Facility and in particular launching a long-term concessionary Temporary Economic Refinance Facility for boosting investments in new capacity expansion and up-gradation of technology are some incentives given to recuperate from the Covid 19 impact and enhance the capacity of the industry.

The point of concern for the various stakeholders is its minuscule contribution of meagre 1.7 percent in global textile exports of 941 billion in the year 2019 and remained stagnant even in 2020 due to absence of real value-added products. There is a dire need for resurgence of a strong appetite for value-addition in the country to compete in international markets along with the focus on cotton production as there has been a significant decline of 2.9 million cotton. According to a report 5.6 million bales are produced in the upto February 15, 2021 which is far below the industry requirements. (Source: PCGA)

### New Finishing Unit

By the grace of Almighty Allah the erecting process has been completed now and the unit is in Production Trial Run (PTR) which is essential to evaluate and validate the manufacturing process before commencement of commercial production. We are expecting to commence our commercial production by April 2021 once PTR process will be completed successfully. Consequently, all the PTR expenses will be capitalized under the provision of IAS 38 and IAS 16 accordingly.

### Acknowledgment

The Board highly appreciates the contribution of employees, bankers, corporate regulators, stakeholders and other government authorities for their continuous support.

On behalf of the Board



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**Bilal Sharif**

(Chief Executive)

Karachi: February 25, 2021

Faisal Spinning Mills Ltd

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### *Independent auditor's review report to the members of Faisal Spinning Mills Limited*

### *Report on the Review of the Interim Financial Statements*

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of Faisal Spinning Mills Limited as at December 31, 2020 and the related condensed interim statement of profit or loss and condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim statement of cash flows and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2020 and December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2020.

#### Scope of Review

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

#### Conclusion

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

The engagement partner on review resulting in this independent auditor's report is Ayaz Mahmood, ACA.

  
MUSHTAQ & CO.  
Chartered Accountants



Lahore.

Dated: 25 FEB 2021

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Financial Position As at December 31, 2020

	Note	December 31, 2020	June 30, 2020		Note	December 31, 2020	June 30, 2020
		Un-Audited Rupees	Audited Rupees	ASSETS		Un-Audited Rupees	Audited Rupees
<b><u>EQUITY AND LIABILITIES</u></b>				<b><u>NON CURRENT ASSETS</u></b>			
<b>SHARE CAPITAL AND RESERVES</b>				<b>Property, plant and equipment</b>			
Authorized capital					7	7,791,347,812	6,916,295,926
12,000,000 (June 30, 2020: 12,000,000) ordinary shares of PKR 10 each		<u>120,000,000</u>	<u>120,000,000</u>	Investment property	8	382,362,502	-
Issued, subscribed and paid up capital		100,000,000	100,000,000	Long term investment		793,449,408	717,433,134
Reserves		5,300,000,000	5,300,000,000	Long term deposits		22,418,915	10,540,635
Unappropriated profits		511,283,891	57,553,834			8,989,578,637	7,644,269,695
Loan from directors and sponsors	4	940,281,000	479,337,000				
		6,851,564,891	5,936,890,834				
<b>NON CURRENT LIABILITIES</b>				<b>CURRENT ASSETS</b>			
Long term financing - secured		4,421,251,812	4,073,590,976	Stores, spare parts and loose tools		137,108,093	124,540,026
Deferred liabilities	5	995,685,031	1,126,390,881	Stock in trade		4,023,087,277	6,128,002,911
		5,416,936,843	5,199,981,857	Trade debts		851,502,569	823,685,053
<b>CURRENT LIABILITIES</b>				Loans and advances		95,616,308	80,128,950
Trade and other payables		990,206,307	960,417,174	Trade deposits and prepayments		216,593,403	179,366,329
Unclaimed dividend		14,066,912	14,088,849	Other receivables		369,677	77,853,981
Accrued markup / interest		55,526,420	101,145,281	Advance income tax		171,546,525	290,373,554
Short term borrowings - secured		2,048,048,122	3,876,008,889	Sales tax refundable		268,208,388	560,274,915
Current portion of non current liabilities		366,919,103	55,002,920	Cash and bank balances		979,381,617	235,040,390
		3,474,766,864	5,006,663,113			6,743,413,857	8,499,266,109
CONTINGENCIES AND COMMITMENTS	6	-	-	Non current asset held for sale	9	10,276,104	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>15,743,268,598</u>	<u>16,143,535,804</u>			6,753,689,961	8,499,266,109
				<b>TOTAL ASSETS</b>		<u>15,743,268,598</u>	<u>16,143,535,804</u>

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

  
Chief Executive  
Karachi: February 25, 2021

  
Director

  
Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Profit or Loss (Un-Audited) For the Half Year Ended December 31, 2020

Note	Half Year Ended		Quarter Ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Rupees	Rupees	Rupees	Rupees
Sales	<b>7,713,473,704</b>	7,880,931,676	<b>4,045,433,556</b>	4,158,582,294
Cost of goods sold	<b>6,838,786,055</b>	7,076,283,238	<b>3,485,502,308</b>	3,698,608,031
<b>Gross profit</b>	<b>874,687,649</b>	804,648,438	<b>559,931,248</b>	459,974,263
Distribution cost	<b>212,171,312</b>	192,714,417	<b>114,141,528</b>	98,585,522
Administrative expenses	<b>76,547,081</b>	67,385,721	<b>41,282,641</b>	34,019,738
	<b>288,718,393</b>	260,100,138	<b>155,424,169</b>	132,605,260
Other income	<b>41,914,929</b>	3,867,072	<b>37,833,748</b>	840,308
	<b>627,884,185</b>	548,415,372	<b>442,340,827</b>	328,209,311
Other operating expenses	<b>34,199,782</b>	33,187,066	<b>27,489,474</b>	20,876,157
Finance cost	<b>130,935,549</b>	82,711,092	<b>47,630,738</b>	38,352,730
	<b>165,135,331</b>	115,898,158	<b>75,120,212</b>	59,228,887
<b>Operating Profit</b>	<b>462,748,854</b>	432,517,214	<b>367,220,615</b>	268,980,424
Share of profit of associated undertaking	<b>76,016,274</b>	59,449,629	<b>59,771,885</b>	43,811,996
<b>Profit before tax</b>	<b>538,765,128</b>	491,966,843	<b>426,992,500</b>	312,792,420
Provision for taxation	10 <b>85,035,071</b>	87,339,981	<b>45,120,347</b>	45,561,817
<b>Profit after tax</b>	<b>453,730,057</b>	404,626,862	<b>381,872,153</b>	267,230,603
<b>Earnings per share - basic and diluted</b>	<b>45.37</b>	40.46	<b>38.19</b>	26.72

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



Chief Executive

Karachi: February 25, 2021



Director



Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Comprehensive Income (Un-Audited) For the Half Year Ended December 31, 2020

Note	Half Year Ended		Quarter Ended	
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Rupees	Rupees	Rupees	Rupees
Profit for the period after taxation	453,730,057	404,626,862	381,872,153	267,230,603
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive Income for the period</b>	<b>453,730,057</b>	<b>404,626,862</b>	<b>381,872,153</b>	<b>267,230,603</b>

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



Chief Executive  
Karachi: February 25, 2021



Director



Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Changes in Equity (Un-Audited) For the Half Year Ended December 31, 2020

	Share Capital PKR	Capital Reserves PKR	Revenue Reserves			Loans from Directors & Sponsors	Grand Total PKR
			General Reserves PKR	Unappropriated Profit PKR	Total PKR		
<b>Balance as at 1st July, 2019</b>	100,000,000	24,150,000	4,875,850,000	280,827,457	5,156,677,457	-	5,280,827,457
Final for the year ended June 30, 2019 PKR. 18.50 per share	-	-	-	(185,000,118)	(185,000,118)	-	(185,000,118)
Profit for the period after taxation	-	-	-	404,626,862	404,626,862	-	404,626,862
Other comprehensive income for the half year period ended Dec 31, 2019	-	-	-	-	-	-	-
<b>Balance as at December 31, 2019</b>	<b>100,000,000</b>	<b>24,150,000</b>	<b>4,875,850,000</b>	<b>500,454,201</b>	<b>5,376,304,201</b>	-	<b>5,500,454,201</b>
<b>Balance as at 1st July, 2020</b>	100,000,000	24,150,000	5,275,850,000	57,553,834	5,333,403,834	479,337,000	5,936,890,834
Profit for the period after taxation	-	-	-	453,730,057	453,730,057	-	453,730,057
Other comprehensive income for the half year period ended Dec 31, 2020	-	-	-	-	-	-	-
Loan from directors & sponsors received during the period	-	-	-	-	-	460,944,000	460,944,000
<b>Balance as at December 31, 2020</b>	<b>100,000,000</b>	<b>24,150,000</b>	<b>5,275,850,000</b>	<b>511,283,891</b>	<b>5,787,133,891</b>	<b>940,281,000</b>	<b>6,851,564,891</b>

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

  
Chief Executive  
Karachi: February 25, 2021

  
Director

  
Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Cash Flows (Un-Audited) For the Half Year Ended December 31, 2020

	December 31, 2020	December 31, 2019
	Rupees	Rupees
<b>Cash flows from operating activities</b>		
Profit before tax	538,765,128	491,966,843
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	168,606,000	178,506,000
Share of profit of associated undertaking	(76,016,274)	(59,449,629)
Infrastructure fee - ETO	17,576,125	3,191,671
Infrastructure fee - Gas	(71,047,027)	39,762,727
Provision for employee benefits	27,880,000	23,780,000
Gain on disposal of property, plant and equipment	-	(236,866)
Finance cost	130,935,549	82,711,092
	<b>197,934,373</b>	<b>268,264,995</b>
<b>Operating cash flows before movements in working capital</b>	<b>736,699,501</b>	<b>760,231,838</b>
Increase in stores, spares and loose tools	(12,568,067)	(13,679,594)
Decrease in stock in trade	2,104,915,634	1,693,948,921
(Increase) / Decrease in trade debts	(27,817,516)	140,299,515
Increase in loans and advances	(15,487,358)	(15,489,206)
Increase in trade deposits	(37,227,074)	(117,953,390)
Decrease in other receivable	77,484,304	19,463,622
Decrease / (Increase) in sales tax refund and other receivables	292,066,527	(163,442,707)
Increase in trade and other payables	29,789,133	24,669,136
	<b>2,411,155,583</b>	<b>1,567,816,297</b>
<b>Cash generated from operations</b>	<b>3,147,855,084</b>	<b>2,328,048,135</b>
Finance cost paid	(176,554,410)	(124,265,133)
Employee benefit costs paid	(13,357,412)	(7,615,877)
Income taxes refund / payments - net	33,791,958	(73,413,131)
Long-term deposits	(11,878,280)	-
	<b>(167,998,144)</b>	<b>(205,294,141)</b>
<b>Net cash generated from operating activities</b>	<b>2,979,856,940</b>	<b>2,122,753,994</b>

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Cash Flows (Un-Audited) For the Half Year Ended December 31, 2020

	December 31, 2020	December 31, 2019
	Rupees	Rupees
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	-	833,236
Addition in property plant and equipment	(1,436,296,492)	(223,017,186)
Dividend received	-	23,545,368
<b>Net cash used in investing activities</b>	<b>(1,436,296,492)</b>	<b>(198,638,582)</b>
<b>Cash flows from financing activities</b>		
Proceed from long term finance	567,819,483	91,423,800
Proceed of loans from directors and sponsors	460,944,000	-
Repayment of long term financing	-	(175,344,392)
Increase in short term borrowings	(1,827,960,767)	(1,149,912,679)
Dividends paid	(21,937)	(182,996,304)
<b>Net cash used in financing activities</b>	<b>(799,219,221)</b>	<b>(1,416,829,575)</b>
<b>Net increase in cash and cash equivalents</b>	<b>744,341,227</b>	<b>507,285,837</b>
<b>Cash and cash equivalent at the beginning of period</b>	<b>235,040,390</b>	<b>165,946,110</b>
<b>Cash and cash equivalent at the end of period</b>	<b>979,381,617</b>	<b>673,231,947</b>

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



Chief Executive

Karachi: February 25, 2021



Director



Chief Financial Officer

**1 REPORTING ENTITY**

Faisal Spinning Mills Limited ('the Company') is incorporated in Pakistan as a Public Limited Company under the Repealed Companies Ordinance, 1984, now Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The Company is primarily a spinning and weaving unit engaged in the manufacture and sale of yarn and woven fabric, dyed and stiched fabric, however, it is also engaged in the generation of electricity for self consumption. The registered office of the Company is situated at Umer House, 23/1, Sector 23, S.M. Farooq Road, Korangi Industrial Area, Karachi. The manufacturing facility is located at Nooriabad District Dadu in the Province of Sindh and District Sheikhpura in the Province of Punjab.

**2 BASIS OF PREPARATION**

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2020.

**2.1 Statement of compliance**

This condensed interim financial information has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting, and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

**2.3 Judgments, estimates and assumptions**

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

**2.4 Functional currency**

This financial information is prepared in Pak Rupees which is the Company's functional currency.

**3 SIGNIFICANT ACCOUNTING POLICIES****3.1 Investment property**

Property held to earn rentals or for capital appreciation or both and which is not in Company's own use is classified as investment property. The investment property of the Company comprise of land and is valued using cost model i.e. at cost less identified impairment loss, if any.

**3.2 Non current assets held for sale**

Non-current asset is classified as held for sale if most of its carrying amount is expected to be recovered via future cash flows from the sale of the asset rather than future cash flows from use. Non current asset is valued at the lower of its carrying amount or fair value less costs to sell.

**3.3 All other accounting policies and methods of computation adopted in the preparation of these interim financial statements are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2020.****4 LOAN FROM DIRECTORS AND SPONSORS**

Directors and sponsors entered into a contract with the Company to provide funds to the Company. As per the contract, the loans are unsecured, interest free and repayable at the discretion of the Company. The loans are presented under equity as per Technical Release-32 of The Institute of Chartered Accountants of Pakistan.

	<i>Note</i>	<b>December 31, 2020</b>	June 30, 2020
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>5 DEFERRED LIABILITIES</b>			
Infra structure fee payable - ETO		<b>198,096,750</b>	180,520,625
Infra structure fee payable - Gas	5.1	<b>516,425,273</b>	679,988,279
Staff retirement benefits - gratuity		<b>207,043,916</b>	192,521,328
Deferred taxation		<b>71,143,467</b>	71,143,467
Deferred govt. grant		<b>2,975,625</b>	2,217,182
		<b>995,685,031</b>	<b>1,126,390,881</b>

**5.1** Gas Infrastructure Development Cess ['GIDC'] was levied by Sui Northern Gas Pipelines Limited ['SNGPL'] and Sui Southern Gas Pipelines Limited ['SSGC']. The Company and others have filed a suit before the Sindh High Court ['SHC'] challenging the levy. The SHC have granted the stay in favour of the Company and directed SNGPL and SSGC to avoid collection of GIDC. But the Company has decided to make payment in 24 equal installments in order to avoid Late Payment Surcharge (LPS), in the interest of all fairness, without prejudice and subject to all just exceptions, including the expected relief to be granted by the Government or the Court in due course. The liability has been recorded at fair value i.e present value of payments to be made in future.

	<i>Note</i>	<b>December 31, 2020</b>	June 30, 2020
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>6 CONTINGENCIES AND COMMITMENTS</b>			
There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2020 except following:			
<b>6.1 Contingencies</b>			
Bills Discounted		<u>2,247,159,438</u>	<u>2,009,214,358</u>
<b>6.2 Commitments</b>			
Letter of credit (for store, raw material and machinery)		<u>3,743,625,116</u>	<u>2,173,604,045</u>

	<i>Note</i>	<b>December 31, 2020</b>	June 30, 2020
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>7 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	7.1	<b>3,374,999,842</b>	3,860,627,486
Capital work in progress		<b>4,416,347,970</b>	3,055,668,440
		<u><b>7,791,347,812</b></u>	<u>6,916,295,926</u>
<b>7.1 Operating fixed assets</b>			
Net book value at the beginning of the period/year		<b>3,860,627,486</b>	3,533,394,262
Additions during the period/year			
Freehold land		<b>60,383,292</b>	369,725,100
Factory buildings		-	1,613,000
Non factory buildings		-	21,233,614
Plant and machinery		-	234,122,296
Electric installation		-	975,000
Factory equipment		-	3,285,952
Equipment and other assets		-	20,701,776
Vehicles		<b>15,233,670</b>	9,366,010
		<b>75,616,962</b>	661,022,748
Net book value of assets disposed during the period/year		-	(11,214,925)
Classified as Held for sale		<b>(10,276,104)</b>	-
Transfer to Investment property		<b>(382,362,502)</b>	-
Depreciation for the period/year		<b>(168,606,000)</b>	(322,574,599)
Net book value at the end of the period/year		<u><b>3,374,999,842</b></u>	<u>3,860,627,486</u>

<b>8 INVESTMENT PROPERTY</b>			
Opening balance		-	-
Transfer from operating fixed assets		<b>382,362,502</b>	-
Disposed off during the period / year		-	-
Closing balance		<u><b>382,362,502</b></u>	<u>-</u>

**8.1** The fair value of investment property is Rs. 450,000,000 approximately.

**9 NON CURRENT ASSET HELD FOR SALE**

This consists of freehold agriculture land measuring 265 Acres and 25 Ghuntas located at Deh Kalo Khokar, Taluka Thano Bula Khan, District Jamshooro, Sindh and Leasehold industrial land measuring 1 Acre situated at Plot No. D/45, SITE, Nooriabad, Sindh.

The land will be disposed through negotiations with the buyers.

The proceeds will be utilized for running and managing the working capital requirements of newly established finishing unit in Sheikhpura Punjab.

**10 PROVISION FOR TAXATION**

**10.1** Provision for current tax has been made in accordance with the requirements of Income Tax Ordinance, 2001.

**10.2** No provision for deferred tax has been made as the impact of the same is considered immaterial.

## 11 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties from the Company's perspective comprise associated companies and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and include the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of short term employee benefits only. The Company in the normal course of business carries out various transactions with associated companies and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.

Names and details of transactions and balances with related parties are as under:

Name	Nature of relationship	Shareholding percentage
Bhanero Textile Mills Limited	Associated companies	N/A
Blessed Textiles Limited	Associated companies	18.49
Bhanero Energy Limited	Associated companies	N/A
Admiral (Private) Limited	Associated companies	N/A
Mohammad Salim	Director	0.29
Khurram Salim	Director	2.00
Mohammad Shaheen	Director	0.33
Mohammad Amin	Director	4.61
Hamza Shakeel	Director	4.77
Bilal Sharif	Director	3.64
Yasmeen Begum	Directorship of close family relative	2.39
Farrukh Salim	Directorship of close family relative	1.37
Yousaf Salim	Directorship of close family relative	3.13
Saqib Salim	Directorship of close family relative	1.99
Amna Khurram	Directorship of close family relative	1.10
Sadaf Farrukh	Directorship of close family relative	N/A
Saba Yousaf	Directorship of close family relative	0.98
Saba Saqib	Directorship of close family relative	2.12
Muhammad Umer	Directorship of close family relative	0.97
Samia Bilal	Directorship of close family relative	5.34
Abdullah Bilal	Directorship of close family relative	3.37
Ali Bilal	Directorship of close family relative	3.37
Azan Bilal	Directorship of close family relative	3.37
Seema Shaheen	Directorship of close family relative	3.35
Mohammad Qasim	Directorship of close family relative	3.95
Fatima Amin	Directorship of close family relative	4.51
Mohammad Shakeel	Directorship of close family relative	0.48
Nazli Shakeel	Directorship of close family relative	4.29
Adil Shakeel	Directorship of close family relative	4.77
Faisal Shakeel	Directorship of close family relative	4.77
Yahya Farrukh	Directorship of close family relative	2.74
Sumbul Qasim	Directorship of close family relative	2.35
Anjum Sharif	Directorship of close family relative	N/A

Nature of transaction	Half Year Ended		Quarter Ended	
	Dec 31, 2020	Dec 31, 2019	Dec 31, 2020	Dec 31, 2019
	Rupees	Rupees	Rupees	Rupees
	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)
<b>11.1 Transactions with related parties</b>				
<b>Nature of transaction</b>				
Purchases	922,636,905	722,099,324	439,749,539	361,362,139
Sales	227,431,922	7,360,677	40,536,888	2,309,284
Services received	154,500	154,500	77,250	77,250
Purchase of electricity	26,094	180,756	26,094	180,756
Balance with related party	20,000	20,000	20,000	20,000
<b>11.2 Balances with related parties</b>				

There are no other balances with related parties as at the reporting date.

## 12 SEGMENT REPORTING

The Company has two reportable segments, which offer different products and are managed separately. The following summary describes the operations in each of the company's reportable segments.

Reportable segment	Principal activity
Spinning	Manufacture and sale of yarn
Weaving	Manufacture and sale of woven fabric
Home Textile	Manufacture and sale of dyed and stitched fabric

Information about operating segments as at December 31, 2020 is as follows:

	Half Year Ended Dec 31, 2020				Total  Rupees
	Spinning  Rupees	Weaving  Rupees	Finishing / Home Textile Rupees		
	Revenue from external customers	3,950,349,736	3,763,123,968	-	
Inter-segment transfers	57,905,000	-			57,905,000
Segment results	373,222,595	254,661,590	-		627,884,185
	Half Year Ended Dec 31, 2019				
	Spinning Rupees	Weaving Rupees		Un-allocated Rupees	Total Rupees
Revenue from external customers	3,786,467,107	4,094,464,569	-	-	7,880,931,676
Inter-segment transfers	-	-	-	-	-
Segment results	229,913,968	318,501,404	-	-	548,415,372
	As at Dec 31, 2020				
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Segment assets	5,578,040,534	3,991,706,159	5,119,304,760	1,054,217,145	15,743,268,598
	As at Jun 30, 2020				
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Segment assets	6,971,839,174	3,939,841,734	3,477,193,049	1,754,661,847	16,143,535,804
	As at Dec 31, 2020				
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	3,468,054,628	1,978,563,510	3,175,845,352	269,240,217	8,891,703,707
	As at Jun 30, 2020				
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	5,292,366,654	2,089,498,529	2,559,026,846	265,752,941	10,206,644,970

## 13 EVENTS AFTER THE REPORTING PERIOD

13.1 There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial report.

## 14 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

## 15 GENERAL

15.1 There are no other significant activities since June 30, 2020 affecting the interim financial information.

15.2 Figures have been rounded off to the nearest Rupee.

## 16 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on February 25, 2021.

  
Chief Executive  
Karachi: February 25, 2021

  
Director  
Faisal Spinning Mills Ltd

  
Chief Financial Officer