



*of Companies*

HALF YEARLY ACCOUNTS  
2021-2022  
(UN - AUDITED)

UMER GROUP OF COMPANIES

FAISAL SPINNING MILLS LIMITED



## **Vision**

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



## **Mission Statement**

To become the leader of textile products globally and to achieve the epitome level of success.

## Directors' Review

On behalf of the board of directors of Faisal Spinning Mills Limited, I am pleased to present the unaudited condensed interim financial statements for the half year ended December 31, 2021.

### Significant Financial Performance for the Half Year Ended December 31, 2021;

Profit after tax for the half year ended December 31, 2021 is PKR 2,119.609 million as compared to PKR 453.730 million in the corresponding period ended December 31, 2020.

Earnings per share for the half year ended December 31, 2021 is PKR 211.96 (Dec 31 2020: PKR 45.37).

Break-up value of the share as on December 31, 2021 is PKR 1,065.62 (June 30, 2021: PKR 875.35).

The current ratio for half year ended December 31, 2021 is 1.79 (June 30, 2021: 2.14).

### Outlook of the Textile Sector

The textile sector planned to incur around \$3.5 billion CAPEX from which \$1.5 billion have already been made so far whereas remaining \$2.0 billion would be in placed by June 30, 2022. The major investments have been made for value-addition including from semi-finished to finished goods, raw cloth to dyed cloth to garments.

Owing to this enormous expansion by the textile sector since eruption of pandemic in 2020 under various subsidized schemes by the State Bank of Pakistan it's is highly anticipated that, textile exports are likely to increase surpass the \$20 billion target projected for the fiscal year 2021-22. The reason being that our industry became fully operational ahead of competing countries in the region since pandemic emerged in 2020 which led to shifting of bulk orders from global brands.

The exports of textile merchandise surged by almost 26.00 percent during the first half of the current fiscal year 2021-22 i.e from US\$ 7.40 to US\$ 9.30 billion during the corresponding periods ended December 31, 2021.

The cotton production shows some positive signs as output stood at 7.4 million bales on YoY basis showing an increase of 44 percent as per data released by Pakistan Cotton Ginners' Association reported on Dec 15, 2021. The Punjab's cotton ginning factories produced 3.77 million bales, which was 27 percent higher than 2.98 million bales produced in corresponding period. Even Sindh was not far behind and generated over 3.5 million bales, an increase of 68 percent in corresponding period where the output was little over 2 million bales.

At present, the distressing factor is sky rocketing pricing of oil in the global market which has crossed 100 per barrel in February due to Russian and Ukrainian crisis. The industry is definitely going to feel the pressure in case upwards trend remain continued in upcoming months.

### 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 Officer)

### *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, 2021 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 (herein-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 quarters ended December 31, 2021 and December 31, 2020 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2021.

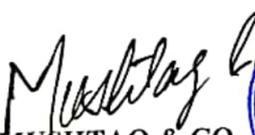
#### Scope of Review

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 Zahid Hussain Zahid, FCA.

  
MUSHTAQ & CO  
Chartered Accountants



Karachi.

Dated: 25 February, 2022

UDIN:RR202110043FkSB0MRud

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Financial Position As at December 31, 2021

	Note	December 31, 2021	June 30, 2021		Note	December 31, 2021	June 30, 2021
		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><u>SHARE CAPITAL AND RESERVES</u></b>				<b><u>NON CURRENT ASSETS</u></b>			
<b>Authorized capital</b>				Property, plant and equipment	7	9,823,828,075	8,979,568,185
12,000,000 (June 30, 2021: 12,000,000) ordinary shares of PKR 10 each		<u>120,000,000</u>	<u>120,000,000</u>	Long term investment		1,355,614,679	1,112,185,082
Issued, subscribed and paid up capital		100,000,000	100,000,000	Long term deposits		27,532,315	22,618,915
Reserves		7,300,000,000	7,300,000,000			<b>11,206,975,069</b>	10,114,372,182
Unappropriated profits		2,318,369,876	413,260,867				
Loan from directors and sponsors	4	937,781,000	940,281,000				
		<b>10,656,150,876</b>	8,753,541,867				
<b><u>NON CURRENT LIABILITIES</u></b>				<b><u>CURRENT ASSETS</u></b>			
Long term financing - secured		4,458,764,384	4,404,730,067	Stores, spare parts and loose tools		370,373,710	238,240,041
Long term payables	5	680,968,744	840,903,279	Stock in trade		6,755,958,365	5,236,326,377
Employees retirement benefits		233,391,353	220,775,762	Trade debts	8	2,487,918,738	1,369,519,792
Deferred taxation		74,566,853	74,566,853	Loans and advances		160,032,935	148,747,264
Deferred grant		150,395,701	40,306,695	Trade deposits and prepayments		312,291,377	237,825,682
		<b>5,598,087,035</b>	5,581,282,656	Other receivables		13,728,491	23,561,693
<b><u>CURRENT LIABILITIES</u></b>				Advance income tax		143,628,846	150,733,872
Trade and other payables		2,208,007,378	1,400,126,334	Sales tax refundable		915,554,156	396,631,584
Unclaimed Dividend		16,271,444	14,042,893	Cash and bank balances		247,443,282	117,918,306
Accrued markup / interest		65,394,340	47,570,172			<b>11,406,929,900</b>	7,919,504,611
Short term borrowings - secured		3,595,732,783	1,878,178,226				
Current portion of non current liabilities		474,261,113	359,134,645				
		<b>6,359,667,058</b>	3,699,052,270				
<b><u>CONTINGENCIES AND COMMITMENTS</u></b>							
	6	-	-				
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>22,613,904,969</b></u>	<u><b>18,033,876,793</b></u>	<b>TOTAL ASSETS</b>		<u><b>22,613,904,969</b></u>	<u><b>18,033,876,793</b></u>

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

  
Chief Executive

  
Director

  
Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Profit or Loss (Un-Audited) For the Half Year Ended December 31, 2021

	Note	Half Year Ended		Quarter Ended	
		December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
		Rupees	Rupees	Rupees	Rupees
Sales		<b>13,818,714,620</b>	7,713,473,704	<b>7,269,488,875</b>	4,045,433,556
Cost of goods sold		<b>10,851,279,144</b>	6,838,786,055	<b>5,608,592,452</b>	3,485,502,308
<b>Gross profit</b>		<b>2,967,435,476</b>	874,687,649	<b>1,660,896,423</b>	559,931,248
Distribution cost		<b>548,916,156</b>	212,171,312	<b>305,018,009</b>	114,141,528
Administrative expenses		<b>124,380,570</b>	76,547,081	<b>60,436,666</b>	41,282,641
		<b>673,296,726</b>	288,718,393	<b>365,454,675</b>	155,424,169
Other income		<b>26,209,305</b>	41,914,929	<b>5,081,575</b>	37,833,748
		<b>2,320,348,055</b>	627,884,185	<b>1,300,523,323</b>	442,340,827
Other operating expenses		<b>152,445,464</b>	34,199,782	<b>85,288,158</b>	27,489,474
Finance cost		<b>183,227,102</b>	130,935,549	<b>104,466,439</b>	47,630,738
		<b>335,672,566</b>	165,135,331	<b>189,754,597</b>	75,120,212
<b>Operating Profit</b>		<b>1,984,675,489</b>	462,748,854	<b>1,110,768,726</b>	367,220,615
Share of profit of associated undertaking		<b>282,671,877</b>	76,016,274	<b>150,869,618</b>	59,771,885
<b>Profit before tax</b>		<b>2,267,347,366</b>	538,765,128	<b>1,261,638,344</b>	426,992,500
Provision for taxation	9	<b>147,738,357</b>	85,035,071	<b>78,066,802</b>	45,120,347
<b>Profit after tax</b>		<b>2,119,609,009</b>	453,730,057	<b>1,183,571,542</b>	381,872,153
<b>Earnings per share - basic and diluted</b>		<b>211.96</b>	45.37	<b>118.36</b>	38.19

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

  
Chief Executive

  
Director

  
Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Comprehensive Income (Un-Audited) For the Half Year Ended December 31, 2021

Note	Half Year Ended		Quarter Ended	
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Rupees	Rupees	Rupees	Rupees
Profit for the period after taxation	2,119,609,009	453,730,057	1,183,571,542	381,872,153
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive Income for the period</b>	<b>2,119,609,009</b>	<b>453,730,057</b>	<b>1,183,571,542</b>	<b>381,872,153</b>

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

  
Chief Executive

  
Director

  
Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Changes in Equity (Un-Audited)

For the Half Year Ended December 31, 2021

	Share Capital	Capital Reserves	Revenue Reserves			Loans from Directors & Sponsors	Grand Total
			General Reserves	Unappropriated Profit	Total		
	PKR	PKR	PKR	PKR	PKR		PKR
<b>Balance as at July 01, 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
<b>Comprehensive income</b>							
Profit after taxation				453,730,057	453,730,057	-	453,730,057
Other comprehensive income				-	-	-	-
Loan proceeds from directors & sponsors during the period				453,730,057	453,730,057	-	453,730,057
						460,944,000	460,944,000
<b>Balance as at December 31, 2020</b>	100,000,000	24,150,000	5,275,850,000	511,283,891	5,787,133,891	940,281,000	6,851,564,891
<b>Balance as at July 01, 2021</b>	100,000,000	24,150,000	7,275,850,000	413,260,867	7,689,110,867	940,281,000	8,753,541,867
<b>Comprehensive income</b>							
Profit after taxation				2,119,609,009	2,119,609,009	-	2,119,609,009
Other comprehensive income				-	-	-	-
Final dividend @PKR 21.45 per share for the year ended June 30, 2021				2,119,609,009	2,119,609,009	-	2,119,609,009
Loan to directors & sponsors repaid during the period				(214,500,000)	(214,500,000)	-	(214,500,000)
						(2,500,000)	(2,500,000)
<b>Balance as at December 31, 2021</b>	100,000,000	24,150,000	7,275,850,000	2,318,369,876	9,594,219,876	937,781,000	10,656,150,876

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

  
Chief Executive

  
Director

  
Chief Financial Officer

# Faisal Spinning Mills Limited

## Condensed Interim Statement of Cash Flows (Un-Audited) For the Half Year Ended December 31, 2021

	December 31, 2021 Rupees	December 31, 2020 Rupees
<b>Cash flows from operating activities</b>		
Profit before tax	2,267,347,366	538,765,128
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	377,706,000	168,606,000
Share of profit of associated undertaking	(282,671,877)	(76,016,274)
Doubtful debts recovered	(13,674,143)	-
Infrastructure fee - ETO	35,202,993	17,576,125
Infrastructure fee - Gas	(195,137,528)	(71,047,027)
Provision for employee benefits	25,649,994	27,880,000
Gain on disposal of property, plant and equipment	(2,230,318)	-
Finance cost	183,227,102	130,935,549
	<u>128,072,223</u>	<u>197,934,373</u>
<b>Operating cash flows before changes in working capital (Increase) / decrease in current assets</b>	<b>2,395,419,589</b>	<b>736,699,501</b>
Stores, spares and loose tools	(132,133,669)	(12,568,067)
Stock in trade	(1,519,631,988)	2,104,915,634
Trade debts	(1,104,724,803)	(27,817,516)
Loans and advances	(11,285,671)	(15,487,358)
Trade deposits	(74,465,695)	(37,227,074)
Other receivable	9,833,202	77,484,304
Sales tax refund	(518,922,572)	292,066,527
Increase in trade and other payables	807,881,044	29,789,133
	<u>(2,543,450,152)</u>	<u>2,411,155,583</u>
<b>Cash (used in) / generated from operations</b>	<b>(148,030,563)</b>	<b>3,147,855,084</b>
Finance cost paid	(165,402,934)	(176,554,410)
Employee benefit costs paid	(13,034,403)	(13,357,412)
Income taxes payments - net	(140,633,331)	33,791,958
Long-term deposits	(4,913,400)	(11,878,280)
	<u>(323,984,068)</u>	<u>(167,998,144)</u>
<b>Net cash (used in) / generated from operating activities</b>	<b>(472,014,631)</b>	<b>2,979,856,940</b>
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	39,469,300	-
Addition in property plant and equipment	(1,259,204,872)	(1,436,296,492)
Dividend Received	39,242,280	-
<b>Net cash used in investing activities</b>	<b>(1,180,493,292)</b>	<b>(1,436,296,492)</b>
<b>Cash flows from financing activities</b>		
Proceed from long term finance	450,303,340	567,819,483
(Repayment)/Proceed of loans from directors and sponsors	(2,500,000)	460,944,000
Repayment of long term financing	(171,053,549)	-
Increase in short term borrowings	1,717,554,557	(1,827,960,767)
Dividend paid	(212,271,449)	(21,937)
<b>Net cash generated from / (used in) financing activities</b>	<b>1,782,032,899</b>	<b>(799,219,221)</b>
<b>Net increase in cash and cash equivalents</b>	<b>129,524,976</b>	<b>744,341,227</b>
<b>Cash and cash equivalent at the beginning of period</b>	<b>117,918,306</b>	<b>235,040,390</b>
<b>Cash and cash equivalent at the end of period</b>	<b>247,443,282</b>	<b>979,381,617</b>

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

  
Chief Executive

  
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, weaving, dyeing, stitching unit engaged in the manufacture and sale of yarn and woven fabric, dyed and stitched 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, 2021.

**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**

All 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, 2021.

**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>Dec 31, 2021</b>	June 30, 2021
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>5 LONG TERM PAYABLES</b>			
Infra structure development cess payable - ETO		267,400,269	232,197,276
Infra structure fee payable - Gas		413,568,475	608,706,003
		<b>680,968,744</b>	<b>840,903,279</b>

**6 CONTINGENCIES AND COMMITMENTS**

There is no material change in contingencies and commitments as disclosed in annual financial statements for the year ended June 30, 2021 except following:

**6.1 Contingencies**

Bills Discounted	<b>3,648,729,909</b>	<b>2,726,744,776</b>
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**6.2 Commitments**

<b>6.2.1</b> Letter of credit (for store, raw material and machinery)	<b>4,893,437,184</b>	<b>2,211,005,770</b>
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**6.2.2** The Company has entered into Ijarah arrangements for vehicles with Meezan Bank Limited. These arrangements have been made for the period of five years. Such arrangements carry Bench Mark Rate of 0.5% per annum over the 3 Month KIBOR. The rate would be fixed for the first three months on the last working day before the first disbursement date and subsequently on each last working day immediately preceding the beginning of next three months. Lease rentals shall be revised in accordance with the change in KIBOR to appropriately reflect the Bench Mark. Future Ijarah payments due under these arrangements at the period end are as follows:

Not later than one year	2,095,764	-
Later than one year & not later than five years	10,221,042	-
	<b>12,316,806</b>	<b>-</b>

	<i>Note</i>	Dec 31, 2021	June 30, 2021
		<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	8,437,949,616	8,619,790,759
Capital work in progress	7.2	1,385,878,459	359,777,426
		<u>9,823,828,075</u>	<u>8,979,568,185</u>
<b>7.1 Operating fixed assets</b>			
Net book value at the beginning of the period/year		8,619,790,759	3,860,627,486
Additions during the period/year			
Freehold land		192,074,479	60,383,292
Factory buildings lease hold		-	1,281,534,115
Plant and machinery		8,957,650	3,595,495,932
Electric installation		-	112,022,672
Factory equipment		-	10,128,046
Furniture and fixture		-	50,453,131
Equipment and other assets		-	26,981,744
Vehicles		32,071,710	62,714,137
		<u>233,103,839</u>	5,199,713,069
Net book value of assets disposed during the period/year		(37,238,982)	(11,645,987)
Depreciation for the period/year		(377,706,000)	(428,903,809)
Net book value at the end of the period/year		<u>8,437,949,616</u>	<u>8,619,790,759</u>
<b>7.2 Capital Work in Progress</b>			
Balance as at beginning of the period/year		359,777,426	3,055,668,440
Additions during the period/year		1,026,101,033	2,334,828,649
Transfer to operating fixed assets		-	(5,030,719,663)
<b>Balance as at end of period / year</b>		<u>1,385,878,459</u>	<u>359,777,426</u>

	<i>Note</i>	Dec 31, 2021	June 30, 2021
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>8 TRADE DEBTS</b>			
Considered good			
Foreign secured		1,390,364,281	597,010,641
Foreign unsecured		390,403,565	316,925,713
Local unsecured		707,150,892	455,583,438
		<u>2,487,918,738</u>	1,369,519,792
Considered doubtful:			
Export		14,204,494	14,204,494
Local		142,302,411	155,976,554
		<u>156,506,905</u>	170,181,048
Allowance for ECL		(156,506,905)	(170,181,048)
		<u>2,487,918,738</u>	<u>1,369,519,792</u>

		Half Year Ended		Quarter Ended	
		Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>
<b>9 PROVISION FOR TAXATION</b>					
Current taxation					
- For the year	9.1	147,738,357	85,035,071	78,066,802	45,120,347
- prior years		-	-	-	-
Deferred taxation	9.2	-	-	-	-
		<u>147,738,357</u>	<u>85,035,071</u>	<u>78,066,802</u>	<u>45,120,347</u>

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

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

## 10 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
Bilal Sharif	Director	3.64

	Half Year Ended		Quarter Ended	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
	Rupees	Rupees	Rupees	Rupees
	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>
<b>10.1 Transactions with related parties</b>				
<b>Nature of transaction</b>				
Purchases	1,483,728,482	922,636,905	763,749,612	439,749,539
Sales	18,423,658	227,431,922	10,339,663	40,536,888
Services received	154,500	154,500	77,250	77,250
Purchase of electricity	217,469	26,094	186,732	26,094
Dividend received	39,242,280	-	39,242,280	-
Loans repaid to directors and sponsors	2,500,000	-	-	-
Remuneration to key management personnel	4,800,000	4,800,000	2,400,000	4,800,000
Balance with related party	20,000	20,000	20,000	20,000

## 11 SEGMENT REPORTING

The Company has three 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
Finishing / Home Textile	Manufacture and sale of dyed and stitched fabric

Information about operating segments as at December 31, 2021 is as follows:

	Half Year Ended			Total
	December 31, 2021			
	Spinning	Weaving	Finishing / Home Textile	
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Revenue from external customers	5,994,579,446	5,303,387,816	2,520,747,358	13,818,714,620
Inter-segment transfers	99,969,290	-	-	99,969,290
Segment results	1,463,635,733	728,306,851	128,405,471	2,320,348,055
	Half Year Ended			Total
	December 31, 2020			
	Spinning	Weaving	Finishing / Home Textile	
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Revenue from external customers	3,950,349,736	3,763,123,968	-	7,713,473,704
Inter-segment transfers	57,905,000	-	-	57,905,000
Segment results	373,222,595	254,661,590	-	627,884,185

		As at Dec 31, 2021				
		Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment assets		<u>6,050,758,925</u>	<u>5,371,189,482</u>	<u>9,935,572,149</u>	<u>1,256,384,413</u>	<u>22,613,904,969</u>
		As at Jun 30, 2021				
		Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment assets		<u>5,453,031,336</u>	<u>3,736,001,052</u>	<u>6,927,783,525</u>	<u>1,917,060,880</u>	<u>18,033,876,793</u>
		As at Dec 31, 2021				
		Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment liabilities		<u>2,930,712,358</u>	<u>2,572,995,173</u>	<u>6,112,079,440</u>	<u>341,967,122</u>	<u>11,957,754,093</u>
		As at Jun 30, 2021				
		Spinning	Weaving	Finishing / Home Textile	Un-allocated	Total
		<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
Segment liabilities		<u>2,614,365,930</u>	<u>1,933,409,127</u>	<u>4,411,752,847</u>	<u>320,807,022</u>	<u>9,280,334,926</u>

## 12 EVENTS AFTER THE REPORTING PERIOD

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

## 13 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.

## 14 GENERAL

14.1 There are no other significant activities since June 30, 2021 affecting the interim financial information.

14.2 Figures have been rounded off to the nearest Rupee.

## 15 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, 2022.

  
Chief Executive

  
Director

  
Chief Financial Officer