



*of Companies*

THIRD QUARTERLY 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 nine months ended March 31, 2021.

### Significant Financial Performance for the Nine Months Ended March 31, 2021;

Profit after tax for the nine months ended March 31, 2021 is PKR 1,123.415 million as compared to PKR 474.661 million for the corresponding period ended March 31, 2020.

Earnings per share for the nine months ended March 31, 2021 is PKR 112.34 (March 31, 2020: PKR 47.47).

Break-up value of the share as on March 31, 2021 is PKR 752.12 (June 30, 2020: PKR 593.69).

The current ratio for nine months ended March 31, 2021 is 1.73 (June 30, 2020: 1.70).

### Industry Outlook

At present, majority of the textile mills are enhancing their production capacity to meet datelines for export orders inspite challenges like scarcity and high costs of raw material. The positive impact of the growth in textile industry is also being felt by the allied sectors including chemicals, logistics, packaging and other services. To ensure that it shouldn't turnout to be a fad, the textile industry should draw up a policy to sustain exports to the global market by paying emphasis on value addition products and innovative strategies before resumption of the activities closed due to pandemic by the competing countries.

The unavailability of cotton will hamper the growth prospect thus it is recommended to reconsider the duty structure on import of basic raw material. As per PCGA release the cotton output during the current crop year fell to 5.6 million bales from 8.7 million bales as compared to last year showing enormous decline of 37 percent which is the lowest in the past three decades and far below the target of 10.8 million bales.

The news that government is planning to increase the power tariff by Rs 5.65 per unit, an estimated 40 percent increase will have a negative impact on industrial growth in the country and remain competitive with neighboring countries. The industrialists have expressed concern over the hike in energy tariff and discontinuation of gas supply to the factories generating their own electricity. The biggest victims of the decision would be small-scale factories and industrial units, which are the backbone of the country

The government should encourage local production and import substitution through duty cut, tax incentives on investment in manufacturing and early release of tax refunds for exporters, and it should create a level playing field for domestic supplies compared to imports. The recent decision by the ECC of the cabinet to withdrew customs duty on import of cotton yarns will facilitate the value-added exporters.

### New Finishing Unit

Alhamdulillah after completion successful Production Trial Run (PTR) our printing has been formally commenced from April 1, 2021 whereas the PTR for commercial dyeing is expected by May 2021.

### Sale of 266.25 Acres of Land in Sindh

The transaction is expected to be executed by March, 2021 however, it's been delayed due to precarious situation of Covid 19. It's now expected that transaction will to be executed by June 2021.

### 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



**Bilal Sharif**  
(Chief Executive)  
Karachi: April 28, 2021

# Faisal Spinning Mills Limited

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

	Note	March 31, 2021	June 30, 2020		Note	March 31, 2021	June 30, 2020
		Un-Audited Rupees	Audited Rupees	ASSETS		Un-Audited Rupees	Audited Rupees
<b><u>EQUITY AND LIABILITIES</u></b>				<b><u>ASSETS</u></b>			
<b><u>SHARE CAPITAL AND RESERVES</u></b>				<b><u>NON CURRENT ASSETS</u></b>			
Authorized capital 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>	Property, plant and equipment	7	8,450,310,263	6,916,295,926
Issued, subscribed and paid up capital		100,000,000	100,000,000	Investment property	8	382,362,502	-
Reserves		5,300,000,000	5,300,000,000	Long term investment		922,294,728	717,433,134
Unappropriated profits		1,180,968,425	57,553,834	Long term deposits		22,418,915	10,540,635
Loan from directors and sponsors	4	940,281,000	479,337,000			9,777,386,408	7,644,269,695
		7,521,249,425	5,936,890,834				
<b><u>NON CURRENT LIABILITIES</u></b>				<b><u>CURRENT ASSETS</u></b>			
Long term financing - secured		4,520,290,986	4,073,590,976	Stores, spare parts and loose tools		192,730,734	124,540,026
Deferred liabilities	5	1,000,015,518	1,126,390,881	Stock in trade		5,055,684,794	6,128,002,911
		5,520,306,504	5,199,981,857	Trade debts		1,280,929,093	823,685,053
<b><u>CURRENT LIABILITIES</u></b>				Loans and advances		107,724,156	80,128,950
Trade and other payables		1,178,305,394	960,417,174	Trade deposits and prepayments		226,307,599	179,366,329
Unclaimed Dividend		14,066,912	14,088,849	Other receivables		9,231,211	77,853,981
Accrued markup / interest		60,233,475	101,145,281	Advance income tax		207,955,691	290,373,554
Short term borrowings - secured		2,792,097,282	3,876,008,889	Sales tax refundable		359,920,944	560,274,915
Current portion of non current liabilities		424,595,712	55,002,920	Cash and bank balances		282,707,970	235,040,390
		4,469,298,775	5,006,663,113			7,723,192,192	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>17,510,854,704</u>	<u>16,143,535,804</u>			7,733,468,296	8,499,266,109
				<b>TOTAL ASSETS</b>		<u>17,510,854,704</u>	<u>16,143,535,804</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 Nine Months Period Ended March 31, 2021

Note	Nine Months Ended		Quarter Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Rupees	Rupees	Rupees	Rupees
Sales	12,462,586,295	11,616,379,161	4,749,112,591	3,735,447,485
Cost of goods sold	10,716,607,484	10,516,810,046	3,877,821,429	3,440,526,808
<b>Gross profit</b>	<b>1,745,978,811</b>	<b>1,099,569,115</b>	<b>871,291,162</b>	<b>294,920,677</b>
Distribution cost	375,674,224	285,967,484	163,502,912	93,253,067
Administrative expenses	117,199,679	105,174,132	40,652,598	37,788,411
	492,873,903	391,141,616	204,155,510	131,041,478
Other income	49,782,522	10,278,658	7,867,593	6,411,586
	1,302,887,430	718,706,157	675,003,245	170,290,785
Other operating expenses	73,254,258	41,028,172	39,054,476	7,841,106
Finance cost	213,361,901	143,268,190	82,426,352	60,557,098
	286,616,159	184,296,362	121,480,828	68,398,204
<b>Operating Profit</b>	<b>1,016,271,271</b>	<b>534,409,795</b>	<b>553,522,417</b>	<b>101,892,581</b>
Share of profit of associated undertaking	204,861,594	66,998,811	128,845,320	7,549,182
<b>Profit before tax</b>	<b>1,221,132,865</b>	<b>601,408,606</b>	<b>682,367,737</b>	<b>109,441,763</b>
Provision for taxation	97,718,274	126,748,051	12,683,203	39,408,070
<b>Profit after tax</b>	<b>1,123,414,591</b>	<b>474,660,555</b>	<b>669,684,534</b>	<b>70,033,693</b>
<b>Earnings per share - basic and diluted</b>	<b>112.34</b>	<b>47.47</b>	<b>66.97</b>	<b>7.00</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 Comprehensive Income (Un-Audited) For the Nine Months Period Ended March 31, 2021

Note	Nine Months Ended		Quarter Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Rupees	Rupees	Rupees	Rupees
Profit for the period after taxation	1,123,414,591	474,660,555	669,684,534	70,033,693
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>1,123,414,591</b>	<b>474,660,555</b>	<b>669,684,534</b>	<b>70,033,693</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 Nine Months Period Ended March 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, 2019</b>	100,000,000	24,150,000	4,875,850,000	280,827,457	5,156,677,457	-	5,280,827,457
Final dividend for the year ended June 30, 2019 PKR. 18.50 per share	-	-	-	(185,000,118)	(185,000,118)	-	(185,000,118)
Interim dividend for the year ended December 31, 2019 PKR 15.0 per share				(150,000,000)	(150,000,000)	-	(150,000,000)
<b>Comprehensive income</b>							
Profit after taxation				474,660,555	474,660,555	-	474,660,555
Other comprehensive income				-	-	-	-
Loan proceeds from directors & sponsors during the period	-	-	-	474,660,555	474,660,555	-	474,660,555
	-	-	-	-	-	127,590,000	127,590,000
							-
<b>Balance as at March 31, 2020</b>	<b>100,000,000</b>	<b>24,150,000</b>	<b>4,875,850,000</b>	<b>420,487,894</b>	<b>5,296,337,894</b>	<b>127,590,000</b>	<b>5,548,077,894</b>
<b>Balance as at July 01, 2020</b>	<b>100,000,000</b>	<b>24,150,000</b>	<b>5,275,850,000</b>	<b>57,553,834</b>	<b>5,333,403,834</b>	<b>479,337,000</b>	<b>5,936,890,834</b>
<b>Comprehensive income</b>	-	-	-	-	-	-	-
Profit after taxation	-	-	-	1,123,414,591	1,123,414,591	-	1,123,414,591
Other comprehensive income	-	-	-	-	-	-	-
Loan proceeds from directors & sponsors received during the period	-	-	-	1,123,414,591	1,123,414,591	-	1,123,414,591
	-	-	-	-	-	460,944,000	460,944,000
<b>Balance as at March 31, 2021</b>	<b>100,000,000</b>	<b>24,150,000</b>	<b>5,275,850,000</b>	<b>1,180,968,425</b>	<b>6,456,818,425</b>	<b>940,281,000</b>	<b>7,521,249,425</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 Cash Flows (Un-Audited) For the Nine Months Period Ended March 31, 2021

	March 31, 2021	March 31, 2020
	Rupees	Rupees
<b>Cash flows from operating activities</b>		
Profit before tax	1,221,132,865	601,408,606
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	252,909,000	267,759,000
Share of profit of associated undertaking	(204,861,594)	(66,998,811)
Infrastructure fee - ETO	36,738,229	24,901,769
Infrastructure fee - Gas	(87,790,028)	57,116,690
Provision for employee benefits	41,140,000	36,970,000
Gain on disposal of property, plant and equipment	(496,257)	(2,954,544)
Finance cost	213,361,901	143,268,190
	<b>251,001,251</b>	<b>460,062,294</b>
<b>Operating cash flows before movements in working capital</b>	<b>1,472,134,116</b>	<b>1,061,470,900</b>
Increase in stores, spares and loose tools	(68,190,708)	(5,969,336)
Decrease / (increase) in stock in trade	1,072,318,117	(611,663,117)
Increase in trade debts	(457,244,040)	(48,124,598)
Increase in loans and advances	(27,595,206)	(16,414,797)
Increase in trade deposits	(46,941,270)	(96,040,793)
Decrease / (increase) in other receivable	68,622,770	(26,343,886)
Decrease / (increase) in sales tax refund and other receivables	200,353,971	(219,362,496)
Increase / (decrease) in trade and other payables	217,888,220	(9,506,043)
	<b>959,211,854</b>	<b>(1,033,425,066)</b>
<b>Cash generated from from operations</b>	<b>2,431,345,970</b>	<b>28,045,834</b>
Finance cost paid	(254,273,707)	(163,118,296)
Employee benefit costs paid	(22,733,512)	(18,355,119)
Income taxes payments - net	(15,300,411)	(109,087,706)
Long-term deposits	(11,878,280)	(904,500)
	<b>(304,185,910)</b>	<b>(291,465,621)</b>
<b>Net cash generated from / (used in) operating activities</b>	<b>2,127,160,060</b>	<b>(263,419,787)</b>



# Faisal Spinning Mills Limited

## Condensed Interim Statement of Cash Flows (Un-Audited) For the Nine Months Period Ended March 31, 2021

	March 31, 2021	March 31, 2020
	Rupees	Rupees
<b>Cash flows from investing activities</b>		
Proceeds from disposal of property, plant and equipment	1,877,215	14,183,236
Addition in property plant and equipment	(2,180,942,901)	(1,452,886,435)
Dividend received	-	23,545,368
<b>Net cash used in investing activities</b>	<b>(2,179,065,686)</b>	<b>(1,415,157,831)</b>
<b>Cash flows from financing activities</b>		
Proceed from long term finance	751,164,377	820,045,506
Proceed of loans from directors and sponsors	460,944,000	127,590,000
Repayment of long term financing	(28,601,627)	(221,590,244)
Increase in short term borrowings	(1,083,911,607)	1,069,136,545
Dividends paid	(21,937)	(182,996,304)
<b>Net cash generated from financing activities</b>	<b>99,573,206</b>	<b>1,612,185,503</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>47,667,580</b>	<b>(66,392,115)</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>282,707,970</b>	<b>99,553,995</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 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 and 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>March 31, 2021</b>	June 30, 2020
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>5 DEFERRED LIABILITIES</b>			
Infra structure development cess payable		<b>217,258,854</b>	180,520,625
Infra structure fee payable - Gas	5.1	<b>499,155,015</b>	679,988,279
Staff retirement benefits - gratuity		<b>210,927,816</b>	192,521,328
Deferred taxation		<b>71,143,467</b>	71,143,467
Deferred grant		<b>1,530,366</b>	2,217,182
		<b><u>1,000,015,518</u></b>	<b><u>1,126,390,881</u></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 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.

## 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, 2020 except following:

6.1 Contingencies			<u>2,833,100,663</u>	<u>2,009,214,358</u>
Bills Discounted				
6.2 Commitments			<u>2,966,090,977</u>	<u>2,173,604,045</u>
Letter of credit (for store, raw material and machinery)				
		<b>Note</b>	<b>March 31, 2021</b>	<b>June 30, 2020</b>
			<i>Rupees</i>	<i>Rupees</i>
			<i>(Un-Audited)</i>	<i>(Audited)</i>
<b>7</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>			
	Operating fixed assets	7.1	<b>3,309,103,044</b>	3,860,627,486
	Capital work in progress		<b>5,141,207,219</b>	3,055,668,440
			<u><b>8,450,310,263</b></u>	<u>6,916,295,926</u>
<b>7.1</b>	<b>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>35,020,830</b>	9,366,010
			<b>95,404,122</b>	661,022,748
	Net book value of assets disposed during the period/year		<b>(1,380,958)</b>	(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>(252,909,000)</b>	(322,574,599)
	Net book value at the end of the period/year		<u><b>3,309,103,044</b></u>	<u>3,860,627,486</u>
<b>8</b>	<b>INVESTMENT PROPERTY</b>			
	Opening balance		-	-
	Transfer from Fixed Assets		<b>382,362,502</b>	-
	Disposed off during the period / year		-	-
	Closing balance		<u><b>382,362,502</b></u>	<u>-</u>
<b>8.1</b>	The fair value of investment property is Rs. 400,000,000 approximately as at period end.			
<b>9</b>	<b>NON CURRENT ASSET HELD FOR SALE</b>			
	These consist of freehold agriculture land measuring 265 Acres and 25 Ghuntas located at Deh Kalo Khokar, Taluka Thanu 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.			

8.1 The fair value of investment property is Rs. 400,000,000 approximately as at period end.

## 9 NON CURRENT ASSET HELD FOR SALE

These consist of freehold agriculture land measuring 265 Acres and 25 Ghuntas located at Deh Kalo Khokar, Taluka Thanu 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.

		Nine Months Ended		Quarter Ended	
		March 31, 2021	March 31, 2020	March 31, 2021	March 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>10</b>	<b>PROVISION FOR TAXATION</b>				
	Current taxation				
	- For the year	10.1	<b>135,954,376</b>	126,748,051	50,919,305
	- prior years		<b>(38,236,102)</b>	-	(38,236,102)
	Deferred taxation	10.2	-	-	-
			<u><b>97,718,274</b></u>	<u>126,748,051</u>	<u>12,683,203</u>
					<u>39,408,070</u>

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

	Nine Months Ended		Quarter Ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	Rupees	Rupees	Rupees	Rupees
	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>
<b>11.1 Transactions with related parties</b>				
<b>Nature of transaction</b>				
Purchases	1,487,096,135	1,195,481,413	564,459,230	473,382,089
Sales	256,792,432	9,503,796	29,360,510	2,143,119
Services received	231,750	231,750	77,250	77,250
Purchase of electricity	995,683	579,703	969,589	398,947
Dividend received	-	23,545,368	-	23,545,368
Loans obtained from directors and sponsors	460,944,000	127,590,000	-	127,590,000
Dividend receivable	-	27,826,344	-	27,826,344
Balance with related party	20,000	20,000	20,000	20,000

## 12 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 March 31, 2021 is as follows:

Third Quarter Ended March 31, 2021					
	Spinning	Weaving	Finishing / Home Textile		Total
	Rupees	Rupees	Rupees		Rupees
Revenue from external customers	6,637,234,780	5,825,351,515	-		12,462,586,295
Inter-segment transfers	228,704,991	-	-		228,704,991
Segment results	870,496,222	432,391,208	-		1,302,887,430
Third Quarter Ended March 31, 2020					
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Revenue from external customers	5,681,636,008	5,934,743,153	-	-	11,616,379,161
Inter-segment transfers	130,800	-	-	-	130,800
Segment results	340,067,016	378,639,141	-	-	718,706,157
AS at March 31, 2021					
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Segment assets	6,340,883,070	3,771,254,577	6,104,532,870	1,294,184,187	17,510,854,704
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 March 31, 2021					
	Spinning Rupees	Weaving Rupees	Finishing / Home Textile Rupees	Un-allocated Rupees	Total Rupees
Segment liabilities	4,107,270,771	1,792,275,207	3,801,656,980	288,402,321	9,989,605,279
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 April 28, 2021.

  
Chief Executive

  
Director

  
Chief Financial Officer