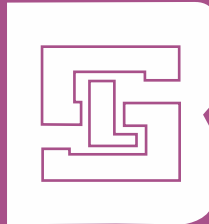


Nine Months
Accounts
Period Ended
March 31,
2021

BIBOJEE GROUP



BANNU WOOLLEN MILLS LIMITED

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BANNU WOOLLEN MILLS LIMITED

COMPANY'S PROFILE

Board Of Directors	Mr. Ahmad Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Mr. Raza Kuli Khan Khattak Lt Gen (Retd) Ali Kuli Khan Khattak Syed Zubair Ahmed Shah -NIT Mr. Abdul Rehman Qureshi (Independent) Brig(R) Agha Arshad Raza (Independent)	Chairman Chief Executive
Audit Committee	Mr. Abdul Rehman Qureshi Syed Zubair Ahmad Shah Brig(R) Agha Arshad Raza	Chairman Member Member
Human Resource & Remuneration Committee	Mr. Abdul Rehman Qureshi Lt Gen (Retd) Ali Kuli Khan Khattak Mrs. Shahnaz Sajjad Ahmad Syed Zubair Ahmed Shah -NIT Brig(R) Agha Arshad Raza	Chairman Member Member Member Member
Chief Financial Officer	Mr. Azher Iqbal - ACA	
Company Secretary	Ms. Jahanara Sajjad Ahmad - FCA	
Head Of Internal Audit	Mr. Salman Khan - ACA	
Auditors	M/S. ShineWing Hameed Chaudhri & Co Chartered Accountants	
Bankers	National Bank Of Pakistan Bank Alfalah Ltd.	
Legal Adviser	M/S Hassan & Hassan, Advocates Paaf Building, 1-D, Kashmir/ Egerton Road, Lahore	
Tax Consultant	M. Nawaz Khan & Co 1-Ground Floor, Farrah Centre, 2 Mozang Road, Lahore	
Registrars & Shares Registration Office	Vision Consulting Limited. 3-C, LDA Flats, First Floor, Lawrance. Road, Lahore. Tel: 042-36283096-97, Fax: 042-36312550 E-Mail: info@vcl.com.pk	
Registered Office	Bannu Woollen Mills Ltd. D.I.Khan Road, Bannu Tel. (0928) 615131, 611350 Fax. (0928) 611450 E-Mail bannuwoollen@yahoo.com Web Site: www.bwm.com.pk	
Mills	D.I.Khan Road, Bannu Tel. (0928) 613151, 611350 Fax (0928) 611450 E-Mail bannuwoollen@yahoo.com Web Site: www.bwm.com.pk	

DIRECTORS' REVIEW REPORT

Dear Members,

The Directors of your Company take pleasure in presenting the financial performance of the company for the third quarter and nine months period ended March 31, 2021.

PERFORMANCE REVIEW

We are pleased to report that during the period under report, the overall performance of your Company remained better than the corresponding period of last year. During this period your Company has earned a net profit of Rs. 92.174 million after addition of share of profit of Associated Companies and incorporation of taxation. The profit before these adjustments for the period amounts to Rs. 64.553 million as compared to loss of Rs. 21.040 million of the corresponding period.

During the third quarter, the Company successfully achieved the target of net sales of Rs. 58.258 million, which indicates an increase of 170% as compared to the corresponding quarter of last year. The nine months sales grew 2.19 times over the corresponding period of the last year. The increased turnover of the company can be attributed to continued emphasis on quality products and increase in sale of Byma cloth. The Company achieved an earnings per share (EPS) of Rs. 9.70 per share against loss of Rs. 3.21 per share for the corresponding period.

During the period under review, the Company achieved the following results.

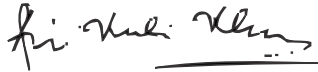
	March 31, 2021	March 31, 2020
	- Rupees in thousand -	
Sales - net	<u>696,906</u>	<u>317,757</u>
Gross profit	<u>196,868</u>	<u>106,295</u>
Profit from operations	<u>91,455</u>	<u>24,884</u>
Profit / (loss) before taxation	<u>110,143</u>	<u>(31,683)</u>
Profit / (loss) after taxation	<u>92,174</u>	<u>(30,532)</u>
Earnings / (loss) per share	<u>9.70</u>	<u>(3.21)</u>

The Company achieved greasy production of 900,900 meters of fabric as compared to 386,314 meters of corresponding period of last year. Keeping policy rate at 7% by the State Bank of Pakistan has led to a substantial decrease in finance cost.

FUTURE OUTLOOK

The Company continues to strive towards minimizing the adverse impact on performance of the company owing to COVID-19. We have partially resumed the third production shift w.e.f. April 10, 2021 considering the orders for the next winter season. The Company will, however, remain exposed to foreign currency fluctuation risk which may adversely affect the prices of imported wool. Despite various challenges, the Company remains committed to provide quality products to its customers and meeting expectations of its stakeholders through improved sales by working on value added products.

We acknowledge and appreciate the overall performance of the Mill workers, and the continued support received from its customers, staff and executives of the company, particularly under the prevailing pandemic challenges being faced by the entire nation. The Board is also thankful to all stakeholders, Bankers, dealers, vendors, and associates for their valuable support.



Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Director



Shahnaz Sajjad Ahmad
Chief Executive

ڈائریکٹر کا جائزہ

ہم بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ، 2021 کو ختم ہونے والی تیسری سہ ماہی کی مدت پر کمپنی کی غیر آڈٹ شدہ مالیاتی رپورٹ پیش کرنے میں خوش محسوس کرتے ہیں۔ کارکردگی کا جائزہ:

ہم رپورٹ پیش کرتے ہوئے خوش محسوس کرتے ہیں کہ رواں سال کے دوران کمپنی کی کارکردگی پچھلے سال کے اسی عرصہ کے مقابلے میں بہتر رہی۔ موجودہ مدت کے دوران متعلقہ کمپنیوں کے منافع میں اضافہ اور ٹیکس لگانے کے بعد آپ کی کمپنی کو 92.174 ملین روپے کا منافع ہوا ہے۔ رواں سال کے دوران اس ایڈجسٹمنٹ سے پہلے کا منافع 64.553 ملین روپے ہوا جو گزشتہ سال اسی مدت کے دوران نقصان کے ساتھ 21.040 ملین روپے تھا۔

تیسری سہ ماہی کے دوران، کمپنی کو خالص فروخت کی مد میں 58.258 ملین روپے کا منافع اعداد کے مطابق ہوا ہے، جس میں گزشتہ سال کے مقابلے اسی مدت میں 170% اضافہ ہوا۔ گزشتہ سال کے اسی عرصہ کے مقابلے میں نومبر ماہ کی فروخت میں 2.19 فی صد اضافہ ہوا ہے۔ کمپنی کے بڑھتے ہوئے کاروبار کا سبب معیاری مصنوعات پر مسلسل زور دینا اور Byma کپڑے کی فروخت میں اضافے کو قرار دیا جاسکتا ہے۔ کمپنی کو رواں سال کے دوران فی حصص آمدنی کی مد میں 9.70 روپے فی حصص آمدنی ہوئی جو کہ گزشتہ سال 3.21 روپے فی حصص نقصان ہوا۔

رواں مدت کے جائزہ کے دوران، کمپنی کے حاصل کردہ نتائج:

31 مارچ، 2021	31 مارچ، 2020	
- روپے ہزاروں میں -		
696,906	317,757	خالص فروخت
196,868	106,295	مجموعی منافع
91,455	24,884	منافع کارکردگی
110,143	(31,683)	(نقصان) / منافع ٹیکس سے پہلے
92,174	(30,532)	(نقصان) / منافع ٹیکس کے بعد
9.70	(3.21)	(نقصان) / آمدنی فی حصص

رواں سال کے دوران کمپنی نے 900,900 میٹر کپڑا تیار کیا جو کہ گزشتہ سال 386,314 میٹر تھا۔ اسٹیٹ بینک آف پاکستان کے ذریعے پالیسی کی شرح کو 7% پر رکھنے سے فائننس لاگت میں خاطر خواہ کمی واقع ہوئی ہے۔

مستقبل کا نقطہ نظر:

کمپنی، Covid-19 کی وجہ سے کمپنی کی کارکردگی پر پڑنے والے اثرات کو کم کرنے کی کوشش کر رہی ہے۔ ہم نے اگلے موسم سرما کے احکامات کو مد نظر رکھتے ہوئے ہزوی طور پر 10 اپریل، 2021 سے تیسری پروڈکشن شفٹ کو دوبارہ شروع کر دیا ہے۔ تاہم کمپنی غیر ملکی کرنسی کے اتار چڑھاؤ کے خطرے سے دوچار رہے گی جو در آمد شدہ اون کی قیمتوں پر منفی اثر ڈال سکتی ہے۔ مختلف حالات کے باوجود کمپنی اپنے صارفین کو معیاری مصنوعات کی فراہمی اور ویلیو ایڈڈ مصنوعات پر کام کر کے بہتر اسٹاک کے ذریعے اپنے سٹیک ہولڈرز کی توقعات کو پورا کرنے کے لئے پرعزم ہے۔

ہم، مل کارکنوں کی مجموعی کارکردگی کو تسلیم کرتے ہیں اور ان کی تعریف کرتے ہیں اور اپنے تمام گاہکوں، حصص داران، سپلائرز، بکرز و دیگر کی مسلسل حمایت اور عزم کا شکر یہ ادا کرتے ہیں۔ اپنے تمام ملازمین کی انتھک محنت، کمپنی سے وابستگی اور وفاداری کا بھی اعتراف کرتے ہیں۔

محمد سعید احمد
شہناز سجاد احمد
چیف ایگزیکٹو

محمد سعید احمد
لیفٹننٹ جنرل (ر) علی قلی خان خٹک
ڈائریکٹر

BANNU WOOLLEN MILLS LIMITED

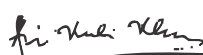
Condensed Interim Statement of Financial Position as at March 31, 2021

		Mar. 31, 2021	June 30, 2020	July 01, 2019
		Un-audited	Audited (Restated)	Audited (Restated)
--- Rupees in thousand ---				
Assets	Note			
Non-current assets				
Property, plant and equipment	6	1,261,901	1,278,910	1,068,086
Intangible assets		1,547	1,929	277
Investments in Associated Companies	7	1,128,304	1,093,058	1,097,756
Advances		0	0	56
Security deposits		3,794	3,794	3,794
		<u>2,395,546</u>	<u>2,377,691</u>	<u>2,169,969</u>
Current assets				
Stores and spares		70,822	71,652	69,210
Stock-in-trade		582,935	676,110	533,053
Trade debts	8	316,892	282,882	483,727
Current portion of advances		0	97	193
Advances to employees - unsecured, considered good		8,739	9,569	6,618
Advance payments		12,930	1,730	2,896
Prepayments and other receivables		1,772	801	643
Sales tax refundable		8,177	9,463	0
Income tax refundable, advance tax and tax deducted at source		11,778	6,881	7,044
Cash and bank balances		28,694	1,894	5,385
		<u>1,042,739</u>	<u>1,061,079</u>	<u>1,108,769</u>
Total assets		<u>3,438,285</u>	<u>3,438,770</u>	<u>3,278,738</u>
Equity and liabilities				
Share capital and reserves				
Authorised capital		200,000	200,000	200,000
Issued, subscribed and paid-up capital		95,063	95,063	95,063
Capital reserves				
- share premium		19,445	19,445	19,445
- revaluation surplus on property, plant and equipment	9	1,777,209	1,783,140	1,591,081
Revenue reserves				
- general reserve		654,055	654,055	654,055
- unappropriated profit		291,586	203,825	241,858
Shareholders' equity		<u>2,837,358</u>	<u>2,755,528</u>	<u>2,601,502</u>
Liabilities				
Non-current liabilities				
Lease liabilities		2,228	4,366	0
Staff retirement benefits - gratuity		66,260	67,096	57,304
Deferred taxation	10	63,847	57,101	54,034
		<u>132,335</u>	<u>128,563</u>	<u>111,338</u>
Current liabilities				
Trade and other payables	11	136,775	98,186	150,458
Unpaid dividends		3,359	3,452	3,452
Unclaimed dividends		6,184	6,298	6,545
Accrued mark-up		4,126	13,369	11,172
Short term finances		302,155	423,639	385,248
Current portion of lease liabilities		4,041	3,850	0
Provision for taxation	12	11,952	5,885	9,023
		<u>468,592</u>	<u>554,679</u>	<u>565,898</u>
Total liabilities		<u>600,927</u>	<u>683,242</u>	<u>677,236</u>
Contingencies and commitments	13			
Total equity and liabilities		<u>3,438,285</u>	<u>3,438,770</u>	<u>3,278,738</u>

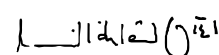
The annexed notes form an integral part of these condensed interim financial statements.



Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Director



Azher Iqbal
Chief Financial Officer

BANNU WOOLLEN MILLS LIMITED

Condensed Interim Statement of Profit or Loss & Other Comprehensive Income (Un-audited)

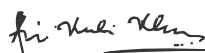
For the Quarter and Nine Months Period Ended March 31, 2021

	Note	Quarter ended		Nine months period ended	
		Mar. 31, 2021	Mar. 31, 2020	Mar. 31, 2021	Mar. 31, 2020
----- Rupees in thousand -----					
Sales - net		58,258	21,576	696,906	317,757
Cost of sales		(38,142)	(14,721)	(500,038)	(211,462)
Gross profit		20,116	6,855	196,868	106,295
Distribution cost		(4,746)	(4,167)	(38,030)	(17,097)
Administrative expenses		(19,602)	(19,531)	(63,982)	(67,501)
Other income		821	595	2,855	3,187
Other expenses		1,283	813	(6,256)	0
(Loss) / profit from operations		(2,128)	(15,435)	91,455	24,884
Finance cost		(6,400)	(13,616)	(26,902)	(45,924)
		(8,528)	(29,051)	64,553	(21,040)
Share of profit / (loss) of Associated Companies - net	7	0	0	45,590	(10,643)
(Loss) / profit before taxation		(8,528)	(29,051)	110,143	(31,683)
Taxation	14	3,703	3,525	(17,969)	1,151
(Loss) / profit after taxation		(4,825)	(25,526)	92,174	(30,532)
Other comprehensive income					
Surplus arisen upon revaluation of property, plant and equipment		0	0	0	223,461
Deferred taxation		0	0	0	(16,954)
		0	0	0	206,507
Total comprehensive (loss) / income for the period		(4,825)	(25,526)	92,174	175,975
----- Rupees -----					
(Loss) / earnings per share		(0.51)	(2.69)	9.70	(3.21)

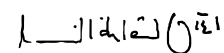
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Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Director



Azher Iqbal
Chief Financial Officer

BANNU WOOLLEN MILLS LIMITED

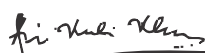
Condensed Interim Statement of Cash Flows (Un-audited) For the Quarter and Nine Months Period Ended March 31, 2021

	Nine months period ended	
	Mar. 31, 2021	Mar. 31, 2020
	Rupees in thousand	
Cash flows from operating activities		
Profit for the period - before taxation and share of profit / (loss) on investments in Associated Companies	64,553	(21,040)
Adjustments for non-cash charges and other items:		
Depreciation on property, plant and equipment	14,493	14,425
Depreciation on right of use of assets	3,804	0
Amortisation	382	401
Provision for impairment of trade debts	122	0
Staff retirement benefits - gratuity (net)	(836)	7,927
Lease liabilities- net	(1,947)	0
Impact of modification	(1,106)	0
Mark-up on bank deposits	(347)	(477)
Finance cost	26,902	45,924
Gain on foreign currency transactions	(1,493)	0
Gain on miscellaneous income	(961)	0
Loss on sale of intangible assets	0	19
Gain on sale of transformer	(55)	(297)
Profit before working capital changes	103,511	46,882
Effect on cash flows due to working capital changes		
(Increase) / decrease in current assets		
Stores and spares	830	(1,015)
Stock-in-trade	93,175	(84,927)
Trade debts	(34,010)	181,760
Advances	927	(670)
Advance payments	(11,200)	2,547
Prepayments and other receivables	(971)	(1,793)
Sales tax refundable	1,286	(5,937)
Increase / (decrease) in trade and other payables	38,589	(60,159)
	88,626	29,806
Cash generated from operations	192,137	76,688
Taxes paid	(5,155)	(7,025)
Net cash generated from operating activities	186,982	69,663
Cash flows from investing activities		
Fixed capital expenditure	(212)	0
Sale proceeds of transformer	85	650
Intangible assets acquired	0	(2,200)
Mark-up received on bank deposits	347	477
Net cash generated from / (used in) investing activities	220	(1,073)
Cash flows from financing activities		
Lease rentals paid	(3,611)	0
Short term finances - net	(121,484)	(23,333)
Dividend paid	(207)	(202)
Finance cost paid	(35,100)	(43,311)
Net cash used in from financing activities	(160,402)	(66,846)
Net increase in cash and cash equivalents	26,800	1,744
Cash and cash equivalents - at beginning of the period	1,894	5,385
Cash and cash equivalents - at end of the period	28,694	7,129

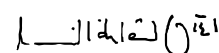
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Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Director



Azher Iqbal
Chief Financial Officer

BANNU WOOLLEN MILLS LIMITED

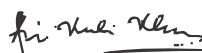
Condensed Interim Statement of Changes in Equity (Un-audited) For the Quarter and Nine Months Period Ended March 31, 2021

	Capital Reserves		Revenue Reserves		Total	
	Share capital	Share premium	Revaluation surplus on property, plant and equipment	General		Unappropriated profit
----- Rupees in thousand -----						
Balance as at June 30, 2020 (audited)	95,063	19,445	1,783,140	654,055	208,890	2,760,593
Effect of retrospective restatement of deferred taxation on impairment loss on investments (note 5)	0	0	0	0	(5,065)	(5,065)
Balance as at July 01, 2020-restated	95,063	19,445	1,783,140	654,055	203,825	2,755,528
Total comprehensive income for the period ended March 31, 2021	0	0	0	0	92,174	92,174
Revaluation surplus on property, plant and equipment realised during the period on account of incremental depreciation (net of deferred taxation)	0	0	(3,848)	0	3,848	0
Share of revaluation surplus on property, plant and equipment of Associated Companies	0	0	(2,083)	0	0	(2,083)
Effect of items directly credited in equity by Associated Companies	0	0	0	0	(8,261)	(8,261)
Balance as at March 31, 2021 (un-audited)	95,063	19,445	1,777,209	654,055	291,586	2,837,358
Balance as at June 30, 2019 - audited	95,063	19,445	1,591,081	654,055	241,858	2,601,502
Total comprehensive loss for the period ended March 31, 2020	0	0	0	0	175,975	175,975
Revaluation surplus on property, plant and equipment realised during the period on account of incremental depreciation (net of deferred taxation)	0	0	(2,803)	0	2,803	0
Share of revaluation surplus on property, plant and equipment of Associated Companies	0	0	(4,000)	0	0	(4,000)
Effect of items directly credited in equity by Associated Companies	0	0	0	0	59,134	59,134
Balance as at March 31, 2020 (un-audited)	95,063	19,445	1,584,278	654,055	479,770	2,832,611

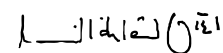
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Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Director



Azher Iqbal
Chief Financial Officer

BANNU WOOLLEN MILLS LIMITED

Notes to the Condensed Interim Financial Statements (Un-audited) For the Quarter and Nine Months Period Ended March 31, 2021

1. Legal status and operations

Bannu Woollen Mills Ltd. (the Company) was incorporated in Pakistan as a Public Company in the year 1960 under the Companies Act, 1913 (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange Ltd. The Company is principally engaged in manufacture and sale of woollen yarn, cloth and blankets. The Company's registered office and mills are located at D.I. Khan Road, Bannu whereas the retail outlet is located at Raja Bazar, Rawalpindi.

2. Basis of preparation

2.1 Statement of compliance

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

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

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

2.2 These condensed interim financial statements do not include all the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the Company as at and for the year ended June 30, 2020.

2.3 The comparative condensed interim statements of financial position presented in these condensed interim financial statements have been extracted from the audited financial statements of the Company for the year ended June 30, 2020 and June 30, 2019, whereas the comparative condensed interim statement of profit or loss & other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been extracted from the un-audited condensed interim financial statements for the period ended March 31, 2020.

2.4 These condensed interim financial statements are un-audited and are being submitted to the shareholders as required by the listing regulations of Pakistan Stock Exchange Ltd. vide section 237 of the Companies Act, 2017.

2.5 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention except for the Company's liability under defined benefit plan (gratuity), which is determined on the present value of defined benefit obligations determined by an independent actuary and property, plant and equipment at revalued amounts assessed by an independent valuer.

2.6 Functional and presentation currency

These condensed interim financial statements are presented in Pak Rupees, which is also the Company's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise stated.

3. Significant accounting policies

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of audited annual financial statements of the Company as at and for the year ended June 30, 2020.

3.1 Changes in accounting standards, interpretations and pronouncements

a) Standards and amendments to approved accounting and reporting standards that are effective

There are certain amendments and interpretations to the accounting and reporting standards, which are mandatory for the Company's annual accounting period commenced on July 01, 2020. However, these do not have any significant impact on the Company's financial reporting.

b) Standards and amendments to approved accounting and reporting standards that are not yet effective

There are certain amendments and interpretations to the accounting and reporting standards, that will be mandatory for the Company's annual accounting periods commencing on or after January 01, 2021. However, these will not have any material impact on the Company's financial reporting and, therefore, have not been disclosed in these condensed interim financial statements.

4. Accounting estimates, judgments and financial risk management

4.1 The preparation of condensed interim financial statements in conformity with accounting and reporting standards, as applicable in Pakistan, requires management to make judgments, estimates and assumptions that affect the application of the accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

4.2 The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the annual audited financial statements of the Company as at and for the year ended June 30, 2020.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements as at and for the year ended June 30, 2020.

5. Restatement

The management, during the period, has decided to discontinue recognition of deferred taxation on impairment loss of investments in Associated Companies for fair and better presentation. Accordingly, corresponding figures have been restated retrospectively. The effect of this restatement has been disclosed in the condensed interim statement of changes in equity.

6. Property, plant and equipment

	Note	Un-audited March 31, 2021 (Rupees in thousand)	Audited June 30, 2020
Operating fixed assets	6.1	1,257,225	1,271,536
Right of use assets	6.2	4,676	7,374
		1,261,901	1,278,910

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6.1 Operating fixed assets	Note	Un-audited March 31, 2021 (Rupees in thousand)
Book value of operating fixed assets as at June 30, 2020		1,271,536
Additions in plant and machinery during the period		212
Book value of transformer disposed-off during the period		(30)
Depreciation charge for the period		(14,493)
Book value of operating fixed assets as at March 31, 2020		<u>1,257,225</u>
6.2 Right of use assets		
Book value of right of use assets as at June 30, 2020		7,374
Impact of modification		1,106
Depreciation charge for the period		(3,804)
Book value of right of use assets as at March 31, 2020		<u>4,676</u>
7. Investments in Associated Companies - Quoted		
Babri Cotton Mills Ltd. (BCM)		
144,421 ordinary shares of Rs.10 each - cost	7.2	1,632
Equity held: 3.95%		
Post acquisition profit and other comprehensive income brought forward including effect of items directly credited in equity		2,216
Loss for the period - net of taxation		(8,632)
Share of revaluation surplus on property, plant and equipment		35,164
Share of other comprehensive loss		(3,768)
		<u>26,612</u>
Janana De Malucho Textile Mills Ltd. (JDM)		
1,559,230 ordinary shares of Rs.10 each - cost	7.2	27,762
Equity held 32.59%		
Post acquisition profit and other comprehensive income brought forward including effect of items directly credited in equity		297,222
Profit for the period - net of taxation		50,588
Share of revaluation surplus on property, plant and equipment		736,182
Share of other comprehensive loss		(5,218)
		<u>1,106,536</u>
Carrying value under equity method of accounting		1,133,148
Less: impairment loss - BCM		(4,844)
		<u>1,128,304</u>
7.1	Although the Company has less than 20% voting rights in BCM as at March 31, 2021 and June 30, 2020, BCM has been treated as an Associated Company by virtue of common directorship.	
7.2	Market values of the Company's investments in BCM and JDM as at March 31, 2021 were Rs.8.414 million (June 30, 2020: Rs.7.896 million) and Rs.146.567 million (June 30, 2020: Rs.122.602 million) respectively.	
7.3	The management intends to carry-out impairment testing of its investments in BCM as at June 30, 2021 as significant variation in estimates have been observed during the current period since June 30, 2020.	

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8. Trade debts - unsecured	Un-audited Mar. 31, 2021	Audited June 30, 2020
	(Rupees in thousand)	
Considered good	296,630	262,498
Considered doubtful	31,240	31,240
	<u>327,870</u>	<u>293,738</u>
Less: allowance for Expected Credit Loss	<u>(10,978)</u>	<u>(10,856)</u>
	<u>316,892</u>	<u>282,882</u>
9. Surplus on revaluation of property, plant and equipment - net		
Surplus on revaluation of the Company's property, plant and equipment	1,005,863	1,009,711
Share of surplus on revaluation of property, plant and equipment of Associated Companies	771,346	773,429
	<u>1,777,209</u>	<u>1,783,140</u>
10. Deferred taxation - net		
This is composed of the following:		
Taxable temporary differences arising in respect of :		
- accelerated tax depreciation allowances	39,727	39,718
- surplus on revaluation of property, plant & equipment	40,249	41,813
	<u>79,976</u>	<u>81,531</u>
Deductible temporary differences arising in respect of :		
- provision against slow moving stores and spares	(580)	(580)
- provision for impairment of trade debts	(3,184)	(3,148)
- minimum tax recoverable against normal tax charge in future years	0	(5,155)
- alternative corporate tax recoverable against normal tax charge in future years	(11,903)	0
- unused tax losses	0	(15,303)
- lease liabilities	(462)	(244)
	<u>63,847</u>	<u>57,101</u>
11. Trade and other payables		
Due to a related party - Gammon Pakistan Ltd.	112	1,385
Creditors	11,297	14,108
Advances from customers - contract liabilities	3,219	2,245
Security deposits - interest free, repayable on demand	8,700	8,700
Accrued expenses	94,053	58,737
Due to Waqf-e-Kuli Khan	6,725	5,524
Tax deducted at source	7	44
Workers' (profit) participation fund	3,541	0
Workers' welfare fund	5,941	4,549
Staff retirement benefits (gratuity) due but unpaid	1,407	1,942
Others	1,773	952
	<u>136,775</u>	<u>98,186</u>

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12. Provision for taxation - net	Un-audited March 31, 2021 (Rupees in thousand)
Opening balance	5,885
Add: provision made during the period - current	11,222
Less: payments / adjustments made during the period against completed assessment	5,155
Closing balance	11,952

12.1 Income tax assessments of the Company have been completed upto the tax year 2020 i.e. accounting year ended June 30, 2020.

12.2 There has no significant change in status of taxation matters as detailed in note 22.2 to 22.8 to the audited financial statements of the Company for the year ended June 30, 2020.

13. Contingencies and commitments

There has been no significant change in the status of contingencies during the current period as disclosed in the audited financial statements of the Company for the year ended June 30, 2020.

	Nine months period ended	
	March 31,	
	2021	2020
	(Rupees in thousand)	
14. Taxation		
- current	11,222	4,768
- prior year	0	9
- deferred	6,747	(5,928)
	17,969	(1,151)

15. Transactions with related parties

15.1 Significant transactions with related parties during the period were as follows:

i) Associated Companies

Expenses shared	3,172	2,459
Rent of marketing office	1,838	3,133
Rent of internal audit office	113	113
Purchase of raw materials	1,527	463

ii) Key management personnel

Salary and other employment benefits	46,329	50,374
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15.2 Period-end balance was as follows:

Payable to Gammon Pakistan Ltd. (grouped under trade and other payables)	112	735
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16. Corresponding figures

16.1 In order to comply with the requirements of IAS 34 "Interim financial reporting", the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim statement of profit or loss & other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

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16.2 Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison; however, no significant re-classifications / re-statements have been made to these condensed interim financial statements.

17. Date of authorisation for issue

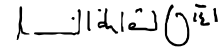
These condensed interim financial statements were approved and authorised for issue by the Board of Directors of the Company on April 20, 2021.



Shahnaz Sajjad Ahmad
Chief Executive



Lt. Gen. (Retd.) Ali Kuli Khan Khattak
Director



Azher Iqbal
Chief Financial Officer

If undelivered please return to
Share Department
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