

**RELIANCE COTTON SPINNING MILLS LIMITED**  
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**CONSOLIDATED CONDENSED INTERIM**  
**FINANCIAL STATEMENT SEPTEMBER-2022**

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# COMPANY INFORMATION

## BOARD OF DIRECTORS

Mr. Shahid Abdullah -Chairman

Mr. Shayan Abdullah -Chief Executive

Mr. Amer Abdullah -Director

Mr. Yousuf Abdullah -Director

Mr. Nabeel Abdullah Director

Mrs. Madiha Saeed Nagra -Independent Director

Mr. Asif Elahi -Independent Director

## AUDIT COMMITTEE

Mr. Asif Elahi -Chairman

Mr. Shahid Abdullah-Member

Mr. Nabeel Abdullah -Member

## HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Asif Elahi-Chairman

Mr. Yousuf Abdullah -Member

Mr. Shayan Abdullah -Member

## SHARE REGISTRAR

Hameeci Majeed Associagg'(Pvt.) Limited,

4th Floor, Karachi Chambers,

Hasrat Mohant Road, Karachi.

## CHIEF FINANCIAL OFFICER

Mr. Jawwad Faisal

## COMPANY SECRETARY

Mr. Rameez Ghausi

## TAX CONSULTANTS

Yousuf Adil, Chartered Accountants

## AUDITORS

Shinewing Hameed Chaudhri & Company

Chartered Accountants

## LEGAL ADVISOR

Hassan & Hassan, Advocates

## BANKERS

Habib Bank Limited

Habib Metropolitan Bank Limite

MCB Bank Limited

Meezan Bank Limited

United Bank Limited

## CORPORATE OFFICE:

Floor,Tricon Corporate Centre, 73-E Main

Jail Road, Gulberg II, Lahore. Pakistan.

I. I. Chundrigar Road, Karachi.

## REGISTERED OFFICE:

312, Cotton Exchange Building,

I. I. Chundrigar Road, Karachi.

Tel: +92 21 111 000 100

Fax 922132416705

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

## MILLS:

Feroze Wattoan,

District, Sheikhpura, Punjab.



## DIRECTORS' REPORT

The Directors of the Company are pleased to present un-audited financial statements for the quarter ended 30 September 2022.

### Financial Highlights

	Quarter Ended September 30,	
	2022	2021
	Rupees in thousand	
Sales & services	2,529,899	2,550,681
Gross profit	708,068	812,195
Profit before taxation	499,945	669,633
Taxation	(32,108)	(24,271)
Profit after taxation	<u>467,837</u>	<u>645,362</u>

During first quarter of the financial year, your company achieved sales of Rs. 2.53 billion compared to Rs. 2.55 billion during corresponding period of last year, showing a marginal decrease of 0.8%. The gross profit as a percentage of sales was 27.98% as compared to last year's 31.84%. Whereas, the company earned profit after tax of Rs. 468 million as against Rs. 645 million during last year's corresponding period.

### Earnings per share

The company's earnings per share (EPS) were at Rs. 45.46 as compared to Rs. 62.71 for the same period of last year.

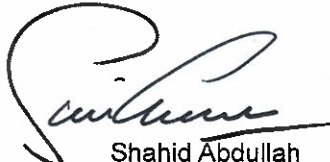
### Future Outlook


In addition to the challenges of global demand cut back and high inflation in the country, there is a lot of uncertainty at present in terms of cotton prices and exchange rate making it difficult to predict growth and profitability in remainder of the financial year.

In these challenging times, the management of your company remains focused on maintaining long-term competitive advantage through cost leadership and product diversification.

The directors appreciate sincere contribution and the hard work by staff and workers of the company.

For and on behalf of the Board

  
Shahid Abdullah  
Director

  
Shayan Abdullah  
Chief Executive

Lahore  
Dated: October 28, 2022

**ڈائریکٹرز رپورٹ**

کمپنی کے بورڈ آف ڈائریکٹرز 30 ستمبر 2022ء کو ختم ہونے والی سرمایہ کے لئے کمپنی کے غیر نظر ثانی شدہ مالیاتی گوشوارے پیش کرتے ہوئے خوش محسوس کرتے ہیں۔  
مالیاتی جھلکیاں

روپے ہزاروں میں

تفصیل	30 ستمبر 2022ء	30 ستمبر 2021ء
فروخت اور خدمات	2,529,899	2,550,681
مجموعی منافع	708,068	812,195
ٹیکس سے پہلے منافع	499,945	669,633
ٹیکسیشن	(32,108)	(24,271)
ٹیکس کے بعد منافع	467,837	645,362

آپ کی کمپنی نے گزشتہ سال کی اسی مدت میں 2.55 بلین روپے کے مقابلے میں سال کی پہلی سرمایہ کے دوران 2.53 بلین روپے کی فروخت حاصل کی جو 0.8 فیصد کی معمولی کمی کا باعث بنی ہے۔ فروخت فیصد کے طور پر مجموعی منافع گزشتہ سال کے دوران 31.84 فیصد کے مقابلے میں 27.98 فیصد تک رہا۔ جبکہ کمپنی نے گزشتہ سال اسی مدت میں درج 645 بلین روپے کے مقابلے میں موجودہ سرمایہ کے دوران 468 بلین روپے ٹیکس کے بعد منافع کمایا ہے۔

نی حصص آمدنی

کمپنی کی موجودہ سرمایہ کی فی شیئر آمدنی (EPS) 45.46 روپے ہے جو کہ پچھلے سال کی اسی سرمایہ کی 62.71 روپے تھی۔

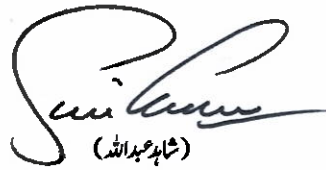
مستقبل کا نقطہ نظر

عالمی طلب میں کمی اور ملک میں بلند افراط زر کے چیلنجوں کے علاوہ، فی الحال کپاس کی قیمتوں اور شرح مبادلہ کے حوالے سے کافی غیر یقینی صورتحال ہے جس کی وجہ سے مالی سال کے بقیہ حصے میں نمو اور منافع کی پیش گوئی کرنا مشکل ہے۔

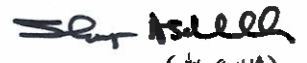
ان مشکل وقتوں میں، آپ کی کمپنی کی انتظامیہ لاگت کی قیادت اور مصنوعات کے تنوع کے ذریعے طویل مدتی مسابقتی فائدہ کو برقرار رکھنے پر توجہ مرکوز کرتی ہے۔

اعتراف

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

  
(شاہد عبداللہ)  
ڈائریکٹر

منجانب بورڈ آف ڈائریکٹرز

  
(شاہد عبداللہ)  
چیف ایگزیکٹو

لاہور تاریخ: 28 اکتوبر 2022ء

**RELIANCE COTTON SPINNIG MILLS LIMITED**  
**CONDENSED INTERIM UN-CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE 1<sup>ST</sup> QUARTER ENDED SEPTEMBER 30, 2022**

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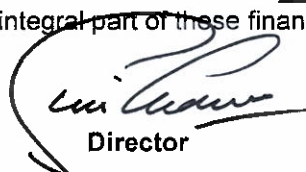
**(UN-AUDITED)**

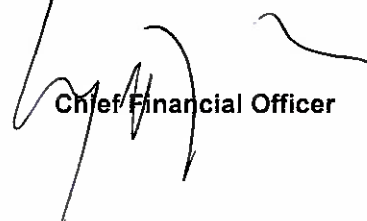
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT SEPTEMBER 30, 2022**

		Un-Audited September 30, 2022	Audited June 30, 2022
	Note	--- Rupees ---	
<b>Assets</b>			
<b>Non current assets</b>			
Property, plant and equipment	4	3,259,275,020	3,240,429,126
Long term investments	5	91,569,645	91,569,645
Long term advances and deposits		8,837,690	9,087,690
		<u>3,359,682,355</u>	<u>3,341,086,461</u>
<b>Current assets</b>			
Stores, spare parts and loose tools		84,495,720	67,383,004
Stock-in-trade		5,311,983,751	4,706,207,204
Trade debts		990,576,323	1,782,516,207
Loans and advances		191,850,783	115,133,605
Short term deposits and prepayments		4,092,065	1,048,065
Short term investments		48,705,908	53,461,960
Other receivables		213,656,195	178,868,742
Tax refunds due from Government		806,413,745	672,751,973
Cash and bank balances		87,355,701	27,494,124
		<u>7,739,130,191</u>	<u>7,604,864,884</u>
<b>Total assets</b>		<u><u>11,098,812,546</u></u>	<u><u>10,945,951,345</u></u>
<b>Equity and Liabilities</b>			
<b>Share capital and reserves</b>			
Authorised capital			
12,000,000 ordinary shares of Rs.10 each		120,000,000	120,000,000
Issued, subscribed and paid-up capital		102,920,000	102,920,000
Reserves		119,998,682	124,754,734
Unappropriated profit		6,526,715,257	6,059,364,729
<b>Total equity</b>		<u>6,749,633,939</u>	<u>6,287,039,463</u>
<b>Non current liabilities</b>			
Long term liabilities		1,654,170,247	1,633,494,492
Staff retirement benefit - gratuity		95,001,489	92,326,481
Deferred taxation		20,051,861	20,523,741
		<u>1,769,223,597</u>	<u>1,746,344,714</u>
<b>Current liabilities</b>			
Trade and other payables		1,013,330,501	1,367,013,885
Contract liabilities		139,924,999	68,893,983
Accrued mark-up / interest		59,160,928	43,655,577
Short term borrowings		956,536,130	1,043,240,168
Current portion of long term liabilities		198,923,040	210,608,139
Unclaimed dividend		701,948	844,398
Provision for taxation		211,377,464	178,311,018
		<u>2,579,955,010</u>	<u>2,912,567,168</u>
<b>Total liabilities</b>		<u>4,349,178,607</u>	<u>4,658,911,882</u>
<b>Contingencies and commitments</b>	6		
<b>Total equity and liabilities</b>		<u><u>11,098,812,546</u></u>	<u><u>10,945,951,345</u></u>

The annexed notes 1 to 10 form an integral part of these financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**

# RELIANCE COTTON SPINNING MILLS LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)


FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	Note	Un-Audited	
		Quarter Ended	
		September 30, 2022	September 30, 2021
		--- Rupees ---	
Sales		2,529,899,488	2,550,680,848
Cost of sales	7	(1,821,831,484)	(1,738,486,064)
<b>Gross profit</b>		<b>708,068,004</b>	<b>812,194,784</b>
Distribution cost		(48,091,483)	(53,622,529)
Administrative expenses		(53,816,531)	(23,791,981)
Other income		5,821,467	4,391,595
Other expenses		(37,311,747)	(33,966,405)
<b>Profit from operations</b>		<b>574,669,710</b>	<b>705,205,464</b>
Finance cost		(74,724,616)	(35,572,571)
<b>Profit before taxation</b>		<b>499,945,094</b>	<b>669,632,893</b>
Taxation		(32,107,986)	(24,271,204)
<b>Profit after taxation</b>		<b>467,837,108</b>	<b>645,361,689</b>
<b>Earnings per share - basic and diluted</b>		<b>45.46</b>	<b>62.71</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

# RELIANCE COTTON SPINNING MILLS LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED)

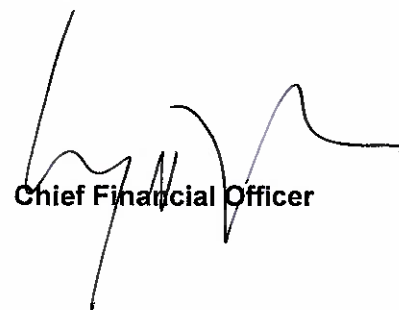
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022

	Un-Audited	
	Quarter Ended	
	September 30, 2022	September 30, 2021
	--- R u p e e s ---	
Profit after taxation	467,837,108	645,361,689
Other comprehensive (loss)		
Items that will not be reclassified to statement of profit or loss subsequently		
Unrealised (loss) on remeasurement of investment at fair value through other comprehensive income	(4,756,052)	(177,883)
Impact of deferred tax	(486,580)	-
	(5,242,632)	(177,883)
<b>Total comprehensive income for the quarter</b>	<b>462,594,476</b>	<b>645,183,806</b>

The annexed notes 1 to 10 form an integral part of these financial statements.

  
Chief Executive Officer

  
Director

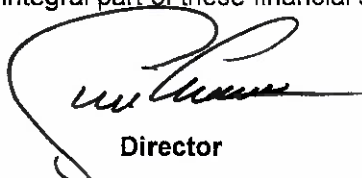
  
Chief Financial Officer

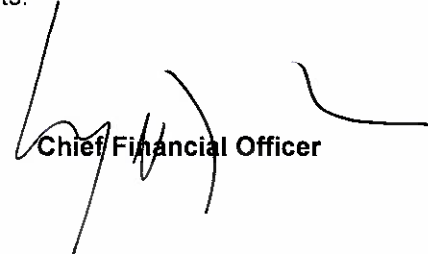
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	Un-Audited	
	Quarter Ended	
	September 30, 2022	September 30, 2021
	--- Rupees ---	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	499,945,094	669,632,893
Adjustments for non-cash and other items:		
Depreciation	61,083,306	52,132,325
Staff retirement benefit - gratuity	8,850,000	7,200,000
Gain on disposal of operating fixed assets	(109,497)	(1,342,215)
Dividend income	(1,120,675)	(1,800,781)
Finance cost	74,724,616	35,572,571
	<u>643,372,844</u>	<u>761,394,793</u>
<b>Working capital changes</b>		
Decrease / (increase) in current assets:		
- stores, spare parts and loose tools	(17,112,716)	(1,276,126)
- stock-in-trade	(605,776,547)	(618,297,154)
- trade debts	791,939,884	(616,254,678)
- loans and advances	(76,717,178)	(82,338,759)
- short term deposit and prepayments	(3,044,000)	(994,831)
- other receivables	(29,460)	12,098
<b>Increase in current liabilities:</b>		
- trade and other payables	(281,811,360)	(184,807,904)
	<u>(192,551,377)</u>	<u>(1,503,957,354)</u>
<b>Net working capital changes</b>	450,821,467	(742,562,561)
Staff retirement benefits paid	(6,174,992)	(4,535,792)
Finance cost paid	(59,219,265)	(43,393,384)
Taxes paid / refunds	(169,654,116)	21,365,403
Rebate income received	1,234,352	12,098
Long term advances and deposits - net	250,000	-
	<u>(233,564,021)</u>	<u>(26,551,675)</u>
<b>Net cash generated from operating activities</b>	217,257,446	(769,114,236)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(80,619,702)	(395,039,890)
Proceeds from disposal of operating fixed assets	800,000	1,425,000
Dividend income received	1,120,675	1,800,781
<b>Net cash used in investing activities</b>	(78,699,027)	(391,814,109)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances - obtained	45,961,999	267,867,000
- repaid	(37,812,352)	(29,968,395)
Dividend paid	(142,450)	-
Short term borrowings - net	(86,704,038)	919,799,860
<b>Net cash generated from / (used in) financing activities</b>	(78,696,841)	1,157,698,465
<b>Net increase (decrease) in cash and cash equivalents</b>	59,861,577	(3,229,880)
<b>Cash and cash equivalents - at beginning of the period</b>	27,494,124	19,565,431
<b>Cash and cash equivalents - at end of the period</b>	<u>87,355,701</u>	<u>16,335,551</u>

The annexed notes 1 to 10 form an integral part of these financial statements.

  
 Chief Executive Officer

  
 Director

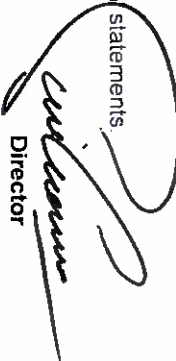
  
 Chief Financial Officer

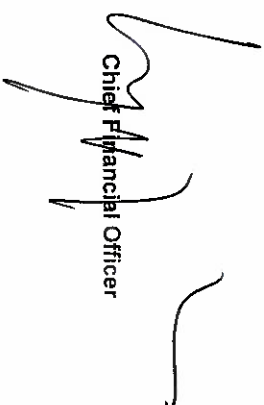
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	Reserves		Revenue		Total	
	Issued, subscribed and paid-up capital	Unrealised (loss) on financial assets at fair value through other comprehensive income	General	Sub-total		Unappropriated profit
<b>Balance as at July 01, 2021</b>	102,920,000	(3,237,162)	130,000,000	126,762,838	3,340,985,754	3,570,668,592
<b>Total comprehensive income/ (loss) for the quarter ended September 30, 2021</b>	-	(177,883)	-	(177,883)	645,361,689	645,361,689
<b>Profit for the quarter</b>	-	(177,883)	-	(177,883)	-	(177,883)
<b>Other comprehensive (loss)</b>	-	(177,883)	-	(177,883)	645,361,689	645,183,806
<b>Balance as at September 30, 2021</b>	102,920,000	(3,415,045)	130,000,000	126,584,955	3,986,347,443	4,215,852,398
<b>Balance as at July 01, 2022</b>	102,920,000	(5,245,266)	130,000,000	124,754,734	6,059,364,729	6,287,039,463
<b>Total comprehensive income/ (loss) for the quarter ended September 30, 2022</b>	-	-	-	(4,756,052)	467,837,108	467,837,108
<b>Profit for the quarter</b>	-	(4,756,052)	-	(4,756,052)	(486,580)	(5,242,632)
<b>Other comprehensive (loss)</b>	-	(4,756,052)	-	(4,756,052)	467,350,528	462,594,476
<b>Balance as at September 30, 2022</b>	102,920,000	(10,001,318)	130,000,000	119,998,682	6,526,715,257	6,749,633,939

The annexed notes 1 to 10 form an integral part of these financial statements

  
 Chief Executive Officer

  
 Director

  
 Chief Financial Officer

## **RELIANCE COTTON SPINNING MILLS LIMITED**

### **NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**

#### **FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

#### **1 LEGAL STATUS AND OPERATIONS**

- 1.1 Reliance Cotton Spinning Mills Limited ("the Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Company was listed on June 16, 1993 on Pakistan stock exchange limited. The principal activity of the Company is manufacturing and sale of yarn. The registered office of the Company is situated at 312, Cotton Exchange Building, Karachi and mills are located at Warburton Road, Ferozewattoan, District Sheikhpura, Punjab.
- 1.2 These financial statements are presented in Pakistani Rupees, which is the Company's functional and presentation currency.
- 1.3 These are the standalone financial statements of the company in which investments in subsidiary and associates are accounted for on cost. Consolidated financial statements are prepared separately.

#### **2 BASIS OF PREPARATION**

##### **2.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRS Standards) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

##### **2.2 Separate financial statements**

These unconsolidated condensed interim financial statements are the separate unconsolidated condensed interim financial statements of the Company in which investments in subsidiary and associate are accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investees. Consolidated condensed interim financial statements of the Company are prepared separately.

#### **3 ACCOUNTING POLICIES AND ESTIMATES**

- 3.1 The accounting policies and methods of computation adopted for preparation of these unconsolidated condensed interim financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2022.
- 3.2 The preparation of this unconsolidated condensed interim financial statements in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.
- 3.3 The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2022.

		Un-audited September 30, 2022 Rupees	Audited June 30, 2022 Rupees
<b>4</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets	4.1 <b>2,425,278,203</b>	2,484,217,013
	Capital work in progress	4.2 <b>833,996,816</b>	756,212,113
		<b>3,259,275,020</b>	<b>3,240,429,126</b>
<b>4.1</b>	<b>Operating assets</b>		
	Opening book value	2,484,217,013	2,105,320,345
	Additions during the period / year		
	Vehicles	2,651,000	30,713,000
	Furniture and fixture	184,000	-
	Transfer from capital work in progress		
	Factory building	-	19,649,131
	Plant and machinery	-	575,248,430
		2,835,000	625,610,561
	Book value of assets disposed off during the period / year	(690,504)	(8,902,954)
	Depreciation charged during the period /year	(61,083,306)	(237,810,939)
	Closing book value	<b>2,425,278,203</b>	<b>2,484,217,013</b>
<b>4.2</b>	<b>Capital work in progress</b>		
	Plant and machinery	684,489,943	645,948,157
	Vehicle	9,713,000	5,865,000
	Building - civil work	139,793,874	104,398,956
		<b>833,996,816</b>	<b>756,212,113</b>
<b>5</b>	<b>LONG TERM INVESTMENTS</b>		
	<b>Investment in subsidiary - at cost:</b>		
	<b>Un-quoted:</b>		
	RCSM Company (Private) Limited	2,600,000	2,600,000
	<b>Investments in associates - at cost:</b>		
	<b>Quoted:</b>		
	Sapphire Fibres Limited	41,956,482	41,956,482
	Sapphire Textile Mills Limited	8,114,578	8,114,578
	SFL Limited	2,439,475	2,439,475
	<b>Un-quoted:</b>		
	Sapphire Finishing Mills Limited	16,509,160	16,509,160
	Sapphire Holding Limited	524,950	524,950
	Sapphire Power Generation Limited	19,425,000	19,425,000
		<b>91,569,645</b>	<b>91,569,645</b>
<b>6</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>6.1</b>	<b>Contingencies</b>		
	Guarantees have been issued by banks on behalf of the Company in the normal course of business	336,662,298	286,662,298
	Post dated cheques issued	550,769,038	550,659,038
		<b>887,431,336</b>	<b>837,321,336</b>
<b>6.2</b>	<b>Claims of Input Sales Tax</b>		
	There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2022.		

	<u>Un-audited</u> <u>September 30,</u> <u>2022</u> <u>Rupees</u>	<u>Audited</u> <u>June 30,</u> <u>2022</u> <u>Rupees</u>
<b>6.3 Commitments</b>		
Irrevocable letters of credit for import of:		
-Plant and machinery	709,410,400	653,562,710
-Raw material and spare parts & chemicals	480,517,936	203,360,516
Commitment in respect of capital expenditure	<u>145,465,316</u>	<u>145,465,316</u>
	<u><u>1,335,393,652</u></u>	<u><u>1,002,388,542</u></u>

	<u>Un-Audited</u> <u>Quarter ended</u>	
	<u>September 30,</u> <u>2022</u>	<u>September 30,</u> <u>2021</u>
	..... Rupees.....	
<b>7 COST OF SALES</b>		
Stocks - opening	400,139,698	363,753,827
Cost of goods manufactured	7.1 2,034,181,618	1,648,046,558
	<u>2,434,321,316</u>	<u>2,011,800,385</u>
Stocks - closing	(612,489,832)	(273,314,321)
	<u><u>1,821,831,484</u></u>	<u><u>1,738,486,064</u></u>

**7.1 Cost of goods manufactured**

Work in process - opening	309,372,499	223,211,729
Raw material consumed	1,465,863,388	1,210,466,749
Overheads	589,224,597	428,794,565
	2,055,087,985	1,639,261,314
Work in process - closing	(330,278,866)	(214,426,485)
	<u><u>2,034,181,618</u></u>	<u><u>1,648,046,558</u></u>

**8 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, subsidiary and other related group companies, directors of the Company, key management personnel and post employment benefit plans. The Company in the normal course of business enters into transactions with various related parties.

The transactions with related parties during the period generally consist of sales and purchases.

Nature and description of related party transactions during the period along with monetary values are as follows:

Nature of Relationship	Nature of Transaction	Un-Audited	
		Quarter ended	
		September 30, 2022	September 30, 2021
		..... Rupees.....	
<b>Associated companies</b>			
	Sales of finished goods, raw material / stores and spare parts	<b>322,433,631</b>	204,947,308
	Purchases of;		
	- finished goods, raw material / stores and spare parts	<b>8,366,445</b>	7,419,547
	Shared expenses paid	<b>1,518,805</b>	1,050,146
	Donation	<b>21,300,000</b>	-

Transactions with related parties are carried out at agreed terms in the normal course of business.

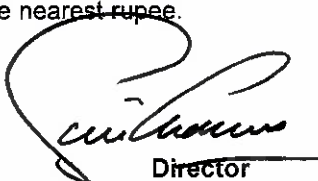
**9 DATE OF AUTHORIZATION FOR ISSUE**

This unconsolidated condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue on October 28, 2022.

**10 GENERAL**

Figures have been rounded off to the nearest rupee.

  
Chief Executive

  
Director

  
Chief Financial Officer



## **DIRECTORS' REPORT**

The directors are pleased to present their report together with consolidated financial statements of Reliance Cotton Spinning Mills Limited and its subsidiary RCSM Company (Pvt.) Limited for the period ended September 30, 2022. The Company has annexed consolidated financial statements along with its separate financial statements in accordance with the requirements of the International Accounting Standard-27 (Consolidated and Separate Financial Statements)

### **RCSM Company (Pvt.) Limited**

Reliance Cotton Spinning Mills Limited ("The Holding Company") and its wholly owned subsidiary RCSM Company (Pvt.) Limited collectively referred to as 'the Group' was incorporated in Pakistan under the Companies Ordinance, 1984. The wholly owned subsidiary was incorporated on November 08, 2017.

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

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

**For and on behalf of Board**

A handwritten signature in black ink, appearing to read "Shayan Abdullah".

Chief Executive  
Shayan Abdullah

A handwritten signature in black ink, appearing to read "Shahid Abdullah".

Director  
Shahid Abdullah

Lahore  
October 28, 2022



ڈائریکٹرز کی حصص داران کو رپورٹ

ڈائریکٹرز 30 ستمبر 2022ء کو ختم ہونے والی سرمایہ کے لئے ریلائنس کاشن سپننگ ملز لمیٹڈ اور اسکی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈ کے اشتمال شدہ مالیاتی گوشواروں کے ہمراہ اپنی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ کمپنی نے بین الاقوامی اکاؤنٹنگ معیار-27 (اشتمال شدہ اور الگ مالی گوشوارے) کی ضروریات کے مطابق اشتمال شدہ مالی گوشواروں کے ساتھ ساتھ اپنے الگ الگ مالی گوشوارے منسلک کئے ہیں۔

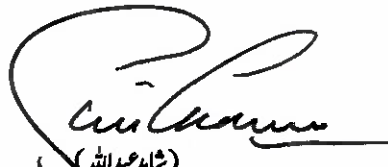
RCSM کمپنی (پرائیویٹ) لمیٹڈ:

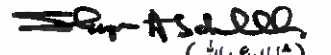
RCSM کمپنی (پرائیویٹ) لمیٹڈ (ہولڈنگ کمپنی) اور اس کی مکمل ملکیتی ذیلی کمپنی RCSM کمپنی (پرائیویٹ) لمیٹڈ جو مجموعی طور ایک "گروپ" کہلاتا ہے کچھ نیوز آرڈیننس، 1984 کے تحت پاکستان میں قائم ہوا۔ مکمل ملکیتی ذیلی کمپنی 8 نومبر 2017ء کو قائم ہوئی تھی۔

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

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

منجانب بورڈ آف ڈائریکٹرز

  
(شاہد عبداللہ)  
ڈائریکٹر

  
(شاہان عبداللہ)  
چیف ایگزیکٹو

لاہور

تاریخ: 28 اکتوبر 2022

**RELIANCE COTTON SPINNIG MILLS LIMITED**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE 1<sup>ST</sup> QUARTER ENDED SEPTEMBER 30, 2022**

---

**(UN-AUDITED)**

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION-(Un-Audited)**  
**AS AT SEPTEMBER 30, 2022**

		Un-Audited September 30, 2022	Audited June 30, 2022
	Note	--- R u p e e s ---	
<b>Assets</b>			
<b>Non current assets</b>			
Property, plant and equipment	4	3,259,275,020	3,240,429,126
Long term investments	5	1,397,112,754	1,320,571,480
Long term advances and deposits		8,837,690	9,087,690
		<u>4,665,225,464</u>	<u>4,570,088,296</u>
<b>Current assets</b>			
Stores, spare parts and loose tools		84,495,720	67,383,004
Stock-in-trade		5,311,983,751	4,706,207,204
Trade debts		990,576,322	1,782,516,207
Loans and advances		191,850,783	115,133,605
Short term deposits and prepayments		4,092,065	1,048,065
Short term investments		51,278,249	55,954,543
Other receivables		213,656,195	178,868,742
Tax refunds due from Government		806,413,745	672,751,973
Cash and bank balances		87,407,827	27,546,250
		<u>7,741,754,657</u>	<u>7,607,409,593</u>
<b>Total assets</b>		<u><u>12,406,980,121</u></u>	<u><u>12,177,497,889</u></u>
<b>Equity and Liabilities</b>			
<b>Share capital and reserves</b>			
Authorised capital			
12,000,000 ordinary shares of Rs.10 each		120,000,000	120,000,000
Issued, subscribed and paid-up capital		102,920,000	102,920,000
Reserves		37,979,799	60,973,010
Unappropriated profit		7,771,316,900	7,214,445,036
<b>Total equity</b>		<u>7,912,216,699</u>	<u>7,378,338,046</u>
<b>Non current liabilities</b>			
Long term liabilities		1,654,170,247	1,633,494,492
Staff retirement benefit - gratuity		95,001,489	92,326,481
Deferred taxation		165,504,176	160,651,702
		<u>1,914,675,912</u>	<u>1,886,472,675</u>
<b>Current liabilities</b>			
Trade and other payables		1,013,463,001	1,367,133,885
Contract liabilities		139,924,999	68,893,983
Accrued mark-up / interest		59,160,928	43,655,577
Short term borrowings		956,536,130	1,043,240,168
Current portion of long term liabilities		198,923,040	210,608,139
Unclaimed dividend		701,948	844,398
Provision for taxation		211,377,464	178,311,018
		<u>2,580,087,510</u>	<u>2,912,687,168</u>
<b>Total liabilities</b>		<u>4,494,763,422</u>	<u>4,799,159,843</u>
<b>Contingencies and commitments</b>	6		
<b>Total equity and liabilities</b>		<u><u>12,406,980,121</u></u>	<u><u>12,177,497,889</u></u>

The annexed notes 1 to 10 form an integral part of these consolidated financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**

# RELIANCE COTTON SPINNING MILLS LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS-(Un-Audited)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30 , 2022

	Note	Un-Audited	
		Quarter Ended	
		September 30, 2022	September 30, 2021
		- - - R u p e e s - - -	
Sales		2,529,899,488	2,550,680,848
Cost of sales	7	(1,821,831,484)	(1,738,486,064)
<b>Gross profit</b>		<b>708,068,004</b>	<b>812,194,784</b>
Distribution cost		(48,091,483)	(53,622,529)
Administrative expenses		(53,816,531)	(23,791,981)
Other income		5,915,299	4,391,595
Other expenses		(37,324,247)	(33,978,905)
<b>Profit from operations</b>		<b>574,751,042</b>	<b>705,192,964</b>
Finance cost		(74,724,616)	(35,572,571)
		<b>500,026,426</b>	<b>669,620,393</b>
Share of profit from Associated Companies		<b>94,866,884</b>	<b>73,121,537</b>
<b>Profit before taxation</b>		<b>594,893,310</b>	<b>742,741,930</b>
Taxation		(37,446,415)	(30,674,811)
<b>Profit after taxation</b>		<b>557,446,895</b>	<b>712,067,119</b>
Earnings per share - basic and diluted		<b>54.16</b>	<b>69.19</b>

The annexed notes 1 to 10 form an integral part of these consolidated financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer

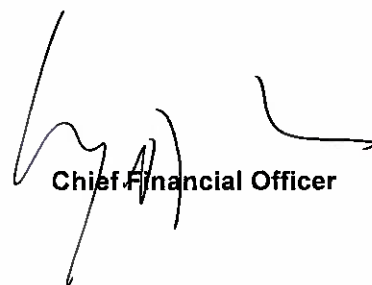
**RELIANCE COTTON SPINNING MILLS LIMITED**

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME-(Un-Audited)

FOR THE FIRST QUARTER ENDED SEPTEMBER 30 , 2022

	Un-Audited	
	Quarter Ended	
	September 30, 2022	September 30, 2021
	--- Rupees ---	
<b>Profit after taxation</b>	<b>557,446,895</b>	<b>712,067,119</b>
<b>Other comprehensive (loss)</b>		
<b>Items that will not be reclassified to statement of profit or loss subsequently</b>		
Unrealised (loss) on remeasurement of investment at fair value through other comprehensive income	(4,756,052)	(15,052,631)
Share of fair value (loss) on remeasurement of investment at fair value through other comprehensive income by Associates	(18,504,806)	(132,008)
	(23,260,858)	(15,184,639)
Loss on re-measurement of staff retirement benefit obligation	-	(143,191)
Impact of deferred tax	(486,580)	-
	(486,580)	(143,191)
	(23,747,438)	(15,327,830)
<b>Items that will be reclassified to statement of profit or loss subsequently</b>		
<b>Forward foreign exchange contracts</b>		
Share of unrealised gain on remeasurement of forward foreign currency contract of Associates	267,647	-
Other comprehensive (loss) for the period	(23,479,791)	(15,327,830)
<b>Total comprehensive income for the period</b>	<b>533,967,104</b>	<b>696,739,289</b>

The annexed notes 1 to 10 form an integral part of these consolidated financial statements.

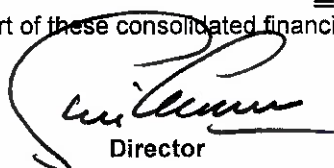
  
Chief Executive Officer  
Director  
Chief Financial Officer

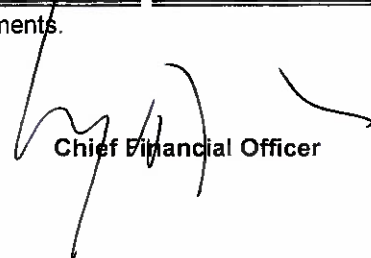
**RELIANCE COTTON SPINNING MILLS LIMITED**  
**CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS-(Un-Audited)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30 , 2022**

	Un-Audited	
	Quarter Ended	
	September 30, 2022	September 30, 2021
	Note	--- Rupees ---
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation		594,893,310
Adjustments for non-cash and other items:		742,741,930
Depreciation		61,083,306
Staff retirement benefit - gratuity		8,850,000
Gain on disposal of operating fixed assets		(109,497)
Dividend income		(1,214,507)
Finance cost		74,724,616
Share of Profit from Associates		(94,866,884)
		<u>643,360,343</u>
		<u>761,382,293</u>
<b>Working capital changes</b>		
Decrease / (increase) in current assets:		
- stores, spare parts and loose tools		(17,112,716)
- stock-in-trade		(605,776,547)
- trade debts		791,939,884
- loans and advances		(76,717,178)
- short term deposit and prepayments		(3,044,000)
- other receivables		(29,460)
		<u>(281,798,860)</u>
		<u>(184,686,374)</u>
		<u>(192,538,877)</u>
		<u>(1,503,835,824)</u>
		<u>450,821,466</u>
		<u>(742,453,531)</u>
<b>Increase in current liabilities:</b>		
- trade and other payables		(6,174,992)
		(59,219,265)
		(169,668,190)
		1,234,352
		250,000
		<u>(233,578,095)</u>
		<u>(26,551,675)</u>
		<u>217,243,371</u>
		<u>(769,005,206)</u>
<b>Net cash generated from operating activities</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure		(80,619,702)
Proceeds from disposal of operating fixed assets		800,000
Short term investment		(79,758)
Dividend income received		1,214,507
		<u>(78,684,953)</u>
		<u>(391,814,109)</u>
<b>Net cash used in investing activities</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finances - obtained		45,961,999
- repaid		(37,812,352)
Dividend paid		(142,450)
Short term borrowings - net		(86,704,038)
		<u>(78,696,841)</u>
		<u>1,157,698,465</u>
<b>Net cash generated from / (used in) financing activities</b>		
<b>Net increase (decrease) in cash and cash equivalents</b>		
		59,861,577
		(3,120,850)
<b>Cash and cash equivalents - at beginning of the period</b>		27,546,250
		19,619,976
<b>Cash and cash equivalents - at end of the period</b>		<u>87,407,827</u>
		<u>16,499,126</u>

The annexed notes 1 to 10 form an integral part of these consolidated financial statements.

  
**Chief Executive Officer**

  
**Director**

  
**Chief Financial Officer**

**RELIANCE COTTON SPINNING MILLS LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY-(Un-Audited)  
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

	Reserves					Revenue		Total
	Issued, subscribed and paid-up capital	Unrealised (loss) on financial assets at fair value through other comprehensive income	On hedging instruments	General	Sub-total	Unappropriated profit		
<b>Balance as at July 01, 2021</b>	102,920,000	(8,977,256)	467,951	118,353,673	109,844,368	4,222,246,418	4,435,010,786	
<b>Total comprehensive income/ (loss) for the quarter ended September 30, 2021</b>	-	(15,184,639)	-	-	(15,184,639)	7,12,067,119	7,12,067,119	
<b>Profit for the quarter</b>	-	(15,184,639)	-	-	(15,184,639)	(143,191)	(15,327,830)	
<b>Other comprehensive (loss)</b>	-	(15,184,639)	-	-	(15,184,639)	7,11,923,928	696,739,289	
<b>Balance as at September 30, 2021</b>	102,920,000	(24,161,895)	467,951	118,353,673	94,659,729	4,934,170,346	5,131,750,075	
<b>Balance as at July 01, 2022</b>	102,920,000	(57,891,148)	510,485	118,353,673	60,973,010	7,214,445,036	7,378,338,046	
<b>Total comprehensive income/ (loss) for the quarter ended September 30, 2022</b>	-	-	-	-	-	557,446,895	557,446,895	
<b>Profit for the quarter</b>	-	(23,260,858)	267,647	-	(22,993,211)	(486,580)	(23,479,791)	
<b>Other comprehensive (loss) /income</b>	-	(23,260,858)	267,647	-	(22,993,211)	556,960,315	533,967,104	
<b>Share of decrease in reserves of associated companies under equity method</b>	-	-	-	-	-	(88,451)	(88,451)	
<b>Balance as at September 30, 2022</b>	102,920,000	(81,152,006)	778,132	118,353,673	37,979,799	7,771,316,900	7,912,216,699	

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

*SAJ ASLAM*  
Chief Executive Officer

*Sulaiman*  
Director

*[Signature]*  
Chief Financial Officer

**RELIANCE COTTON SPINNING MILLS LIMITED**  
**SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)**  
**FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2022**

**1 LEGAL STATUS AND OPERATIONS**

**1.1** Reliance Cotton Spinning Mills Limited ("The Parent Company") was incorporated in Pakistan on June 13, 1990 as a public limited company under the Companies Ordinance, 1984 (now Companies Act, 2017). The Parent Company was listed on June 16, 1993 on Pakistan stock exchange limited. The principal activity of the Holding Company is manufacturing and sale of yarn. The registered office of the Parent Company and Subsidiary Company is situated at 312, Cotton Exchange Building, Karachi and mill of Parent Company is located at Warburton Road, Ferozewattoan, District Sheikhpura, Punjab.

**1.2 RCSM Company (Private) Limited - the Subsidiary Company (Holding-100%)**

RCSM Company (Private) Limited was incorporated in Pakistan under the Companies Ordinance, 1984 (now Companies Act, 2017) on November 8, 2017.

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

These consolidated financial statements are presented in Pakistani Rupees, which is the Group's functional and presentation currency.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

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

- International Financial Reporting Standards (IFRS Standards) 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 provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2 Separate financial statements**

These consolidated condensed interim financial statements does not include all the information required for the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2022.

**3 ACCOUNTING POLICIES AND ESTIMATES**

**3.1** The accounting policies and methods of computation adopted for preparation of these consolidated financial statements are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2022.

**3.2** The preparation of this consolidated financial statements in conformity with the approved accounting standards requires management to make estimates, assumptions and use judgements that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

**3.3** The significant estimates, judgments and assumptions made by management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied to the annual published audited financial statements as at and for the year ended June 30, 2022.

		Un-audited September 30, 2022 Rupees	Audited June 30, 2022 Rupees
<b>4</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets	4.1 2,425,278,203	2,484,217,013
	Capital work in progress	4.2 833,996,816	756,212,113
		<u>3,259,275,020</u>	<u>3,240,429,126</u>
<b>4.1</b>	<b>Operating assets</b>		
	Opening book value	2,484,217,013	2,105,320,345
	Additions during the period / year		
	Office equipment	-	-
	Vehicles	2,651,000	30,713,000
	Computers	184,000	-
		<u>2,835,000</u>	<u>30,713,000</u>
	Transfer from capital work in progress		
	Factory building	-	19,649,131
	Plant and machinery	-	575,248,430
		-	594,897,561
	Book value of assets disposed off during the period / year	(690,504)	(8,902,954)
	Depreciation charged during the period /year	(61,083,306)	(237,810,939)
	Closing book value	<u>2,425,278,203</u>	<u>2,484,217,013</u>
<b>4.2</b>	<b>Capital work in progress</b>		
	Plant and machinery	684,489,943	645,948,157
	Vehicle	9,713,000	5,865,000
	Building - civil work	139,793,874	104,398,956
		<u>833,996,816</u>	<u>756,212,113</u>
<b>5</b>	<b>LONG TERM INVESTMENTS</b>		
	Investments in associates - at cost:		
	Quoted:		
	Sapphire Fibres Limited	5.1 696,089,348	667,230,823
	Sapphire Textile Mills Limited	5.2 192,566,416	185,929,252
	Un-quoted:		
	SFL Limited	5.3 146,599,370	133,536,834
	Sapphire Finishing Mills Limited	5.4 233,738,881	212,582,801
	Sapphire Holding Limited	5.5 71,287,437	65,894,734
	Sapphire Power Generation Limited	5.6 56,831,302	55,397,036
		<u>1,397,112,754</u>	<u>1,320,571,480</u>

	Un-audited September 30, 2022 Rupees	Audited June 30, 2022 Rupees
<b>5.1 Investment in Sapphire Fibres Limited</b>		
393,697 (June 30, 2022: 393,697) ordinary shares of Rs. 10 each - cost	41,956,482	41,956,482
Share of post acquisition profit	654,132,866	625,274,341
	<u>696,089,348</u>	<u>667,230,823</u>
<b>5.2 Investment in Sapphire Textile Mills Limited</b>		
100,223 (June 30, 2022: 100,223) ordinary shares of Rs. 10 each - cost	8,114,578	8,114,578
Share of post acquisition profit	184,451,838	177,814,674
	<u>192,566,416</u>	<u>185,929,252</u>
<b>5.3 Investment in SFL Limited</b>		
401,570 (June 30, 2022: 401,570) ordinary shares of Rs. 10 each - cost	2,439,475	2,439,475
Share of post acquisition profit	144,159,895	131,097,359
	<u>146,599,370</u>	<u>133,536,834</u>
<b>5.4 Investment in Sapphire Finishing Mills Limited</b>		
1,556,000 (June 30, 2022: 1,556,000) ordinary shares of Rs. 10 each - cost	16,509,160	16,509,160
Share of post acquisition profit	217,229,721	196,073,641
	<u>233,738,881</u>	<u>212,582,801</u>
<b>5.5 Investment in Sapphire Holding Limited</b>		
100,223 (June 30, 2022: 100,223) ordinary shares of Rs. 10 each - cost	524,950	524,950
Share of post acquisition profit	70,762,487	65,369,784
	<u>71,287,437</u>	<u>65,894,734</u>
<b>5.6 Investment in Sapphire Power Generation Limited</b>		
555,000 (June 30, 2022: 555,000) ordinary shares of Rs. 10 each - cost	19,425,000	19,425,000
Share of post acquisition profit	37,406,302	35,972,036
	<u>56,831,302</u>	<u>55,397,036</u>
<b>6 CONTINGENCIES AND COMMITMENTS</b>		
<b>6.1 Contingencies</b>		
Guarantees have been issued by banks on behalf of the Company in the normal course of business	336,662,298	286,662,298
Post dated cheques issued	550,769,038	550,659,038
	<u>887,431,336</u>	<u>837,321,336</u>
<b>6.2 Claims of Input Sales Tax</b>		

There has been no material change in the status of contingencies pointed in the financial statements for the year ended June , 30 2022.

**6.3 Commitments**

Irrevocable letters of credit for import of:

-Plant and machinery

-Stores and spare parts

-Raw material

Commitment in respect of capital expenditure

<u>Un-audited</u> <u>September 30,</u> <u>2022</u> <u>Rupees</u>	<u>Audited</u> <u>June 30,</u> <u>2022</u> <u>Rupees</u>
709,410,400	653,562,710
18,456,078	36,518,794
462,061,858	166,841,722
145,465,316	145,465,316
<u>1,335,393,652</u>	<u>1,002,388,542</u>

**Un-Audited****Quarter ended****September 30,****September 30,****2022****2021**

.....Rupees.....

**7 COST OF SALES**

Stocks - opening

Cost of goods manufactured

7.1

Stocks - closing

400,139,698	363,753,827
2,034,181,618	1,648,046,558
<u>2,434,321,316</u>	<u>2,011,800,385</u>
(612,489,832)	(273,314,321)
<u>1,821,831,484</u>	<u>1,738,486,064</u>

**7.1 Cost of goods manufactured**

Work in process - opening

Raw material consumed

Overheads

Work in process - closing

309,372,499	223,211,729
1,465,863,388	1,210,466,749
589,224,597	428,794,565
2,055,087,985	1,639,261,314
(330,278,866)	(214,426,485)
<u>2,034,181,618</u>	<u>1,648,046,558</u>

## 8 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, subsidiary and other related group companies, directors of the Company, key management personnel and post employment benefit plans. The Company in the normal course of business enters into transactions with various related parties.

The transactions with related parties during the period generally consist of sales and purchases.

Nature and description of related party transactions during the period along with monetary values are as follows:

Nature of Relationship	Nature of Transaction	Un-Audited	
		Quarter ended	
		September 30, 2022	September 30, 2021
		.....Rupees.....	
<b>Associated companies</b>			
	Sales of finished goods, raw material / stores and spare parts	322,433,631	204,947,308
	Purchases of;		
	- finished goods, raw material / stores and spare parts	8,366,445	7,419,547
	Shared expenses paid	1,518,805	1,050,146
	Donation	21,300,000	-

Transactions with related parties are carried out at agreed terms in the normal course of business.

## 9 DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial statements has been approved by the Board of Directors of the Company and authorized for issue on October 28, 2022.

## 10 GENERAL

Figures have been rounded off to the nearest rupee.

  
Chief Executive

  
Director

  
Chief Financial Officer