

Thal Limited

Condensed Interim Financial Statements
For the Half-Year Ended
December 31, 2021
(Un-audited)



Thal Limited

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Thal Limited

Directors' Review Report to the Shareholders

On behalf of the Board of Directors, I am pleased to share the Directors' Review Report along with unaudited condensed interim financial statements for the period ended December 31, 2021.

Financial Highlights

<i>(PKR in millions) except earnings per share</i>	<i>Standalone</i>		<i>Consolidated</i>	
	half-year ended		half-year ended	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Sales	17,164	11,455	18,421	12,471
Profit Before Taxes	2,779	2,113	4,217	3,373
Profit After Taxes	2,087	1,592	3,168	2,607
Earnings Per Share (Rs.)	25.76	19.65	36.10	29.55

Performance Overview

For the half year ended December 31, 2021, the Company posted sales revenue of Rs. 17.2 billion, up by Rs. 5.7 billion (50%), compared to Rs. 11.5 billion in the corresponding period last year. The basic & diluted earnings per share (EPS) for the current period was Rs. 25.76, compared to Rs. 19.65 in the corresponding prior period last year.

We consider safety of our people as our primary responsibility. The Company is taking all precautionary measures during this pandemic to ensure a safe working environment for its employees, with a zero-tolerance policy in this regard. We are closely working with all our employees to ensure that they have taken a booster shot of the COVID-19 vaccine to ensure a safe and healthy working environment.

Business Brief – Engineering Segment

The Company's engineering segment is comprised of the Thermal & Engine Components Business and Electric Systems Business. These businesses are primarily focused on parts manufacturing for the automotive industry.

During the six-month period ended December 31, 2021, the turnover of the engineering segment achieved the highest ever sales of Rs. 11 billion, compared to Rs. 7 billion during the same period last year, showing a remarkable growth of 57% year-over-year. The growth in sales was due to combination of higher volumes and increased selling prices. Volumes have picked up since last year, which was significantly impacted by the global COVID-19 pandemic, whereas selling prices were higher due to further strengthening of the foreign currency against the Pakistani rupee.

International supply chain disruptions are likely to prevail till end of the current financial year. The current threat of new variants of COVID-19 may cause further disruption in shipment from different ports. The management is closely monitoring stock levels and supply ability in close coordination with OEMs.

Outlook of the business looks challenging due to a continuous pressure on the local economy. However, the automotive sector has seen a resurgence in demand from OEMs. In addition, with the entrance of new OEMs that have started local production, opportunities have been created to diversify our customer base. The business is also actively involved in the development of new business and is confident of securing more business in the coming years.

The management is committed to continue to strengthen the pillars of 5S and health, safety & environment policies & initiatives.



Business Brief – Building Material & Allied Product Segment

Sales revenue of the building material & allied product segment for the six-month period ended December 31, 2021, was Rs. 6.1 billion, up by Rs. 1.7 billion (39%), compared to Rs. 4.4 billion during the same period last year.

Jute Operations

The business continued its journey of success and maintained its market position. Business' turnover and profitability improved largely due to higher export demand of hessian, and sacking in the local market.

The domestic economy continued its recovery from the unprecedented challenges faced from the COVID-19 pandemic. With wider access to vaccines and increasing awareness, a faster recovery is anticipated, however, inflationary pressures on cost of raw material and freight are creating challenges for the future.

Raw jute prices in Bangladesh increased to record levels impacting both raw material cost and working capital.

The business has managed to partially mitigate these pressures by moving to finer yarns and fabrics for export and is also working to keep its overhead costs in control to maintain margins, but the long-term market demand is being adversely affected.

Local sales during next quarter are expected to remain stable. Export prospects remain positive and we expect more penetration in international markets. The management will continue its focus on improving quality, health, safety and environment initiatives while enhancing cost efficiencies through continuous process improvement.

Papersack Business

Business Overview

During the period, revenue grew significantly in comparison to corresponding period of last year, driven by an increase in the cost of raw materials. This is expected to be a challenging year as input costs, especially for paper, are continuously increasing due to adverse exchange parity, global supply shortages and supply chain disruptions.

Increasing coal and crude oil prices have also affected local demand for cement leading to lower demand for cement packaging. However, volumes of other consumer packaging segments have increased as the pandemic restrictions were reduced. Profitability of the business has improved due to operational controls and efficient utilization of resources. The business is also developing export markets to utilize potential opportunities.

The business has recently invested Rs. 1.7 billion in a new woven polypropylene bag manufacturing facility to tap into the demand for polypropylene bags in cement and non-cement sectors. The project is in its last stages of completion and we are confident for timely commercialization. The business has also upgraded its cement paper bag manufacturing plant in the north, to better service our customers in central and north regions. As a part of our sustainability initiatives, the business has also invested in a total of 1.75 MW solar power installation at its plants in Hub and Gadoon.

The outlook for coming quarter is positive as we are expecting the demand for all segments to grow after the end of winter season. The management is focused on cost efficiencies, tapping increasing market demand including export markets and ensuring a safe work environment for employees. However, exchange rate volatility, increase in power tariffs, rising price of paper in international markets and supply chain disruptions remain a challenge for the business.

Laminates Operations

The laminates business operates under the brand name "Formite" in three segments. HPL (High Pressure Laminates), Compact Laminates and Lamination Boards. The brand is known for its quality and adherence to corporate values.

During the second quarter of FY2021-22, the markets stabilized towards the end of the year. In addition, the impact of a significant increase in costs from devaluation, load-shedding of natural gas and rising freight costs



was also partially passed onto the customers. On the supply chain side, rising input costs owing to increased freight costs and rupee devaluation remained a constant challenge.

Post quarter-end, the market has expectedly picked up and demand appears to be growing. However, increased shipping delays for raw materials due to port congestion still remain a constant challenge, with the new spike of COVID-19 adding to the delays.

The business has continued to actively work on key projects to further improve quality of our products, rationalize cost, optimize capacity and improve delivery timelines.

Subsidiaries

Thal Boshoku Pakistan (Private) Limited ("TBPK")

During the six-month period ended December 31, 2021, the business made sales amounting to Rs. 1,068.4 million against last year sales of Rs. 898.7 million. Increase in sales is due to combination of higher volumes and increased selling prices. Volumes have picked up versus the corresponding period of last year, whereas selling price is higher due to further strengthening of the Dollar against the Rupee.

With the increase in volume prices, and product diversification, the business has been able to improve its presence in the market, and the high-quality seats manufactured have been recognized by the customers.

On the operations side, all customer supplies requirements were met in time with zero defects, and the customers rated the business in the "*green zone*" throughout the year. Focus remained on improving production efficiency, kaizen and towards providing a healthy and safe working environment to the team members.

Outlook for the future of the Company looks challenging due to continued pressure on the local economy. However, the automotive sector has seen a resurgence in demand from the OEMs. In addition, the new OEM entrants have started local production which has created further opportunities to diversify the customer base.

Habib METRO Pakistan (Private) Limited ("HMPL")

The main business of Habib METRO Pakistan (Private) Limited (HMPL) is to own and manage properties. Thal Limited holds 60% shareholding in HMPL while 40% is held by Metro Cash & Carry International Holding B.V. The Company is exploring various business opportunities to complement the cash & carry retail rental business and to enhance enterprise value from its store locations.

During the quarter, HMPL approved an interim dividend of Rs. 175 million for payment to Thal Limited.

Makro-Habib Pakistan Limited ("MHPL")

Makro Habib Pakistan Limited ("MHPL") is a wholly owned subsidiary of Thal Limited that owns the Makro Saddar store. The Honorable Supreme Court of Pakistan dismissed MHPL's Review Petition for the Saddar store and as a consequence, the Saddar store was closed down on September 11, 2015.

Subsequently, on December 9, 2015 the Honorable Supreme Court of Pakistan accepted the request of Army Welfare Trust ("AWT") for restoration of its review petition. In the hearing held on February 2, 2016 the Honorable Chief Justice commented that while reviewing AWT's review petition, both MHPL and Ministry of Defense will also get a chance to argue their points on merit as they are respondents in AWT's petition.

AWT's review petition was fixed for hearing on October 17, 2017 before a new bench. However, there were no proceedings during the hearing on account of adjournment filed by counsel representing Shehri & KWSB.

The matter is being pursued to fix the next hearing.



Investment in Power Sector

Sindh Engro Coal Mining Company Limited ("SECMC")

The Company owns 11.9% of the ordinary shareholding in SECMC. SECMC is a joint venture between the Government of Sindh, Thal Limited, Engro Energy Limited, The Hub Power Company Limited, Habib Bank Limited, CMEC Thar Mining Investments Limited and SPI Mengdong. It is engaged in developing Pakistan's first open pit mining project at Thar Coal Block II.

SECMC achieved a commercial operations date for 3.8 million tonnes per annum ("MTPA") capacity mine (Phase I) on July 10, 2019. Phase I of the Thar mining is to supply coal to a 2x330MW power generation plant set up by Engro Powergen Thar (Private) Limited which is already supplying power to the national grid.

In the calendar year 2021 (12-month period), SECMC operated smoothly and supplied 3.8 million tonnes of coal. SECMC has generated positive cash flows over the period. However, it is restricted from declaring any dividends under its financing agreements until achievement of Project Completion Date (PCD) which is subject to 'true up' and approval of SECMC's COD stage tariff petition by the Thar Coal and Energy Board. SECMC management is targeting achievement of PCD in first half of CY2022. The Company has not received any dividend from SECMC so far.

SECMC successfully achieved financial close for expansion of its mining operations to 7.6 MTPA on December 31, 2019. For Phase II, SECMC has entered into Coal Supply Agreements ("CSA") with ThalNova Power Thar (Private) Limited and Thar Energy Limited to supply an additional 1.9 MTPA of lignite to each of the 330MW power plants. SECMC is now striving to achieve commercial operations date for Phase II in second half of CY2022.

Thal Power (Private) Limited

Thal Ltd. owns 26% ordinary shareholding in ThalNova Power Thar Private Limited ("ThalNova") through its wholly owned subsidiary Thal Power (Private) Limited.

ThalNova achieved its financial close on September 30, 2020. The project is expected to come online in last quarter of calendar year 2022, in line with Phase II expansion of SECMC.

Acknowledgement

We would like to thank and convey our appreciation in these challenging times to our Board of Directors, customers, dealers, bankers and the joint venture & technical partners for their continued support and confidence in the company. We also want to recognize the efforts of all our fellow employees who have worked with commitment to achieve the results.

On behalf of the Board

Muhammad Tayyab Ahmad Tareen
Chief Executive

Salman Burney
Director

Karachi: February 21, 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF THAL LIMITED

REPORT ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Thal Limited** (the Company) as at **31 December 2021**, and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity, and unconsolidated condensed interim statement of cash flows, and notes to the financial statements for the six-months period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review. The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of comprehensive income and the notes forming part thereof for the three-months period ended 31 December 2021 and 2020 have not been reviewed, as we are required to review only the cumulative figures of the six-months period ended 31 December 2021.

Scope of Review

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

Conclusion

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

The engagement partner on the audit resulting in this independent auditor's report is **Mr. Arif Nazeer**.

EY Ford Rhodes

Chartered Accountants

Place: Karachi

Date: 25 February 2022

UDIN Number: RR202110099AV5CE2Jiy

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	Note	December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,449,638	3,710,820
Intangible assets		92,045	120,776
Investment property		983	985
Long-term investments	6	9,231,944	8,007,397
Long-term loans		275,000	275,000
Long-term deposits		25,388	20,378
Deferred tax asset		222,930	218,793
		15,297,928	12,354,149
CURRENT ASSETS			
Stores, spares and loose tools		138,655	117,827
Stock-in-trade	7	10,328,319	7,730,049
Trade debts	8	3,985,578	3,231,174
Loans and advances		394,717	103,160
Trade deposits and short-term prepayments		630,741	452,711
Interest accrued		36,379	20,582
Other receivables		724,961	619,151
Short-term investments		2,214,684	2,802,265
Cash and bank balances		2,712,508	2,096,373
		21,166,542	17,173,292
Assets classified as held for sale		-	5,000
		21,166,542	17,178,292
TOTAL ASSETS		36,464,470	29,532,441
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2021: 200,000,000) ordinary shares of Rs. 5/- each		1,000,000	1,000,000
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2021: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Reserves		25,108,088	23,500,483
		25,513,238	23,905,633
NON-CURRENT LIABILITIES			
Long-term deposits and payables	9	10,514	11,887
Long-term borrowing	10	2,347,147	185,242
Lease liabilities	11	89,093	100,550
Deferred income	12	274,964	22,309
		2,721,718	319,988
CURRENT LIABILITIES			
Trade and other payables		5,626,410	4,335,229
Accrued mark-up		20,384	3,651
Unclaimed dividend		84,934	89,256
Unpaid dividend		38,896	36,242
Current portion of long-term borrowing	10	106,791	109,164
Current portion of lease liabilities	11	20,496	17,140
Current portion of deferred income	12	60,511	4,394
Short-term borrowing	13	1,667,818	361,000
Income tax - net	14	507,981	264,628
Sales tax payable		95,293	86,116
		8,229,514	5,306,820
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		36,464,470	29,532,441

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

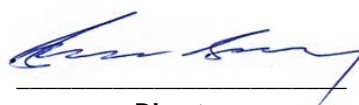
THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

	Note	Half-year ended		Quarter ended	
		December 31, 2021 (Rupees in thousands)	December 31, 2020	December 31, 2021 (Rupees in thousands)	December 31, 2020
Revenue – net		17,164,348	11,454,544	9,490,505	6,350,093
Cost of sales		(14,149,290)	(9,065,749)	(7,812,848)	(4,867,600)
Gross profit		3,015,058	2,388,795	1,677,657	1,482,493
Distribution and selling expenses		(344,313)	(248,326)	(170,943)	(144,013)
Administrative expenses		(472,271)	(399,325)	(240,876)	(205,542)
Other charges		(252,954)	(136,611)	(124,721)	(71,127)
		(1,069,538)	(784,262)	(536,540)	(420,682)
Other income	16	876,393	522,648	435,681	131,040
Operating profit		2,821,913	2,127,181	1,576,798	1,192,851
Finance cost		(42,543)	(14,108)	(30,028)	(7,755)
Profit before taxation		2,779,370	2,113,073	1,546,770	1,185,096
Taxation		(692,065)	(520,884)	(406,498)	(309,649)
Profit after taxation		2,087,305	1,592,189	1,140,272	875,447
		Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share		25.76	19.65	14.07	10.80

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

	Half-year ended		Quarter ended	
	December 31, 2021 (Rupees in thousands)	December 31, 2020	December 31, 2021 (Rupees in thousands)	December 31, 2020
Profit after taxation	2,087,305	1,592,189	1,140,272	875,447
Other comprehensive income				
Item that will not be reclassified to unconsolidated statement of profit or loss in subsequent periods - net of tax				
Gain on revaluation of long-term investments classified at fair value through other comprehensive income (FVOCI)	6,479	97,180	(18,708)	19,340
Total comprehensive income	2,093,784	1,689,369	1,121,564	894,787

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Chief Executive Officer

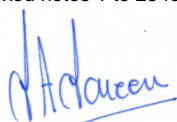
Director

Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2021

	RESERVES					Total Equity
	Issued, subscribed & paid-up capital	Capital	Revenue		Gain on revaluation of investments classified at FVOCI	
			General Reserve	Unappropriated profit		
----- (Rupees in '000) -----						
Balance as at June 30, 2020 (Audited)	405,150	1,006,915	17,629,999	1,743,690	115,399	20,901,153
Transfer to general reserve	-	-	1,460,000	(1,460,000)	-	-
Final dividend @ Rs. 3.5/- per share for the year ended June 30, 2020	-	-	-	(283,606)	-	(283,606)
Profit after taxation	-	-	-	1,592,189	-	1,592,189
Other comprehensive income	-	-	-	-	97,180	97,180
Total comprehensive income	-	-	-	1,592,189	97,180	1,689,369
Balance as at December 31, 2020 (Un-audited)	405,150	1,006,915	19,089,999	1,592,273	212,579	22,306,916
Balance as at June 30, 2021 (Audited)	405,150	1,006,915	19,089,999	3,158,159	245,410	23,905,633
Transfer to general reserve	-	-	2,649,001	(2,649,001)	-	-
Final dividend @ Rs. 6.00 per share for the year ended June 30, 2021	-	-	-	(486,179)	-	(486,179)
Profit after taxation	-	-	-	2,087,305	-	2,087,305
Other comprehensive income	-	-	-	-	6,479	6,479
Total comprehensive income	-	-	-	2,087,305	6,479	2,093,784
Balance as at December 31, 2021 (Un-audited)	405,150	1,006,915	21,739,000	2,110,284	251,889	25,513,238

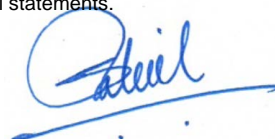
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Chief Executive Officer



Director

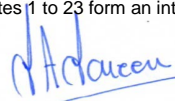


Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

	Half-year ended	
	December 31, 2021	December 31, 2020
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,779,370	2,113,073
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	11,810	2,952
- Others	317,151	246,389
Gain on disposal of operating fixed assets	(7,669)	(5,844)
Amortization	29,277	30,276
Finance cost of:		
- Lease liabilities	4,927	586
- Others	37,616	13,522
Dividend income	(733,541)	(415,049)
Interest income	(85,708)	(58,195)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(9,022)	(47,823)
Reversal of allowance for expected credit losses	(1,032)	(97,940)
Provision for obsolescence of inventories	68,822	49,045
Provision for impairment of property, plant and equipment	13,621	-
Provision for impairment of assets classified as held for sale	1,021	-
Provision for impairment on loan to subsidiary company	-	4,500
Provision for retirement benefits	4,572	4,157
	(348,155)	(273,424)
Increase in current assets		
Stores, spares and loose tools	(27,930)	(2,843)
Stock-in-trade	(2,659,990)	(1,179,862)
Trade debts	(749,393)	(275,786)
Loans and advances	(41,557)	(5,046)
Trade deposits and short-term prepayments	(178,030)	(108,817)
Other receivables	(105,810)	(158,415)
	(3,762,710)	(1,730,769)
Increase in current liabilities		
Trade and other payables	1,295,453	991,540
Sales tax payable	9,177	15,765
	1,304,630	1,007,305
Cash (used in) / generated from operations	(26,865)	1,116,185
Finance costs paid	(25,810)	(10,979)
Retirement benefits paid	(8,844)	(8,153)
Income tax paid	(452,849)	(480,314)
Long-term deposits - net	(6,383)	13,052
Net cash (used in) / generated from operating activities	(520,751)	629,791
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(2,087,305)	(262,329)
Additions to intangible assets	(546)	(5,899)
Proceeds from disposal of operating fixed assets	13,576	7,509
Short-term loans to subsidiaries	(250,000)	(163,750)
Dividend income received	733,541	415,049
Interest income received	70,452	43,355
Long-term investments made	(1,218,068)	-
Short-term investments - net	596,062	(1,853,407)
Net cash used in investing activities	(2,142,288)	(1,819,472)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(8,101)	(4,222)
Export Refinance Facility obtained	194,000	216,000
SBP's Refinance Facility for Salaries and Wages repaid	(49,784)	-
SBP's Temporary Economic Refinance Facility obtained	1,359,733	-
SBP's Financing Scheme for Renewable Energy obtained - net	239,447	-
Long-term financing obtained	918,908	-
Dividends paid	(487,847)	(279,076)
Net cash generated from / (used in) financing activities	2,166,356	(67,298)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(496,683)	(1,256,979)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,096,373	3,061,598
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,599,690	1,804,619
Cash and bank balances	2,712,508	1,804,619
Short-term running finance	(1,112,818)	-
	1,599,690	1,804,619

The annexed notes 1 to 23 form an integral part of these unconsolidated condensed interim financial statements.


 Chief Executive Officer


 Director


 Chief Financial Officer

THAL LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

1.1 Thal Limited (the Company) was incorporated on January 31, 1966 as a public company limited by shares and is listed on the Pakistan Stock Exchange Limited.

The Company is engaged in the manufacture of jute goods, engineering goods, papersack and laminate sheets. The jute operations are located at Muzaffargarh, Punjab, engineering operations at Karachi, Sindh, papersack operations at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa and laminate operations at Hub, Balochistan. The registered / head office of the Company is situated at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi.

1.2 These unconsolidated condensed interim financial statements are separate condensed interim financial statements of the Company in which investments in subsidiaries and associates are accounted for at cost, less impairment losses, if any.

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 for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act and IFAS differ with the requirements of IAS 34, the provisions of and directives issued under the Act and IFAS have been followed.

These unconsolidated condensed interim financial statements do not include all the information and disclosures required in annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the quarter ended December 31, 2021 and December 31, 2020 and notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the cumulative figures for the half year ended December 31, 2021 and December 31, 2020.

2.2 Adoption of amendments and framework effective during the period

The Company has adopted the following amendments of IFRSs and the framework for financial reporting which became effective for the current period:

Standard, Amendment or Interpretation

Covid-19-Related Rent Concessions beyond 30 June 2021 - Amendment to IFRS 16

Interest Rate Benchmark Reform - Phase 2 - Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16

The adoption of the above amendments and framework did not have any effect on the unconsolidated condensed interim financial statements.

3. ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the Company's annual audited financial statements for the year ended June 30, 2021.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these unconsolidated condensed interim financial statements are in conformity with the approved accounting standards which requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates and assumptions.

During the preparation of these unconsolidated condensed interim financial statements, except for the change in estimate explained in note 5.2 to these condensed interim unconsolidated financial statements, the significant judgements made by management in applying Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2021.

	Note	December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- owned	5.1 & 5.2	3,167,892	2,983,479
- right-of-use assets		99,109	110,919
		3,267,001	3,094,398
Capital work-in-progress	5.3	2,182,637	616,422
		5,449,638	3,710,820

5.1 Details of additions and disposals are as follows:

Note	Additions at cost		Disposals at net book value	
	Half-year ended December 31,		Half-year ended December 31,	
	2021 (Un-audited)	2020	2021	2020 (Un-audited)
	----- (Rupees in thousands) -----			
	16,356	11,138	-	-
	-	11,934	-	-
	391,549	12,814	40	156
	2,968	570	-	3
	68,884	106	5,809	1,299
	13,908	5,897	-	140
	11,389	6,712	58	67
	15,566	26,704	-	-
	470	-	-	-
5.1.1	521,090	75,875	5,907	1,665

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 266.747 million (December 31, 2020: Rs. 15.927 million).

5.2 Useful life and depreciation method of property, plant and equipment

During the period, as a result of annual reassessment of the review of the useful lives and depreciation method of operating fixed assets, the management has identified that there has been a change in the expected pattern of consumption of the future economic benefits embodied in the assets. Accordingly, useful lives and depreciation method for certain classes of operating fixed assets have been revised to reflect the changed pattern. These revisions were accounted for prospectively as changes in accounting estimates.

As stated above, had there been no changes in accounting estimates, the profit before tax for the period and carrying value of such operating fixed assets as at the period end would have been higher by Rs. 35.391 million, due to change of depreciation method and useful lives. Consequently, the profit before tax in future periods is expected to be decreased by the same amount.

		December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
5.3	The movement of capital work-in-progress is as follows:		
	Opening balance	616,422	61,214
	Additions during the period	1,832,962	661,613
	Transfers to operating fixed assets	<u>(266,747)</u>	<u>(106,405)</u>
	Closing balance	<u><u>2,182,637</u></u>	<u><u>616,422</u></u>

		December 31, 2021 (Un-audited) (Rupees in thousands)	December 31, 2020 (Un-audited)
5.3.1	Details of additions at cost are as follows:		
	Factory building	555,918	-
	Plant and machinery	1,061,010	184,668
	Furniture and fittings	188,560	-
	Vehicles	169	-
	Office and mills equipment	1,990	12,233
	Jigs and fixtures	<u>25,315</u>	<u>5,480</u>
		<u><u>1,832,962</u></u>	<u><u>202,381</u></u>

		December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
6.	LONG-TERM INVESTMENTS		
	Investments in related parties - at cost		
	Subsidiaries	6,005,009	5,080,009
	Associates	<u>2,920,398</u>	<u>2,627,330</u>
		<u>8,925,407</u>	<u>7,707,339</u>
	Other investments - at fair value through other comprehensive income		
	Listed shares	<u>306,537</u>	<u>300,058</u>
		<u><u>9,231,944</u></u>	<u><u>8,007,397</u></u>

6.1 The Company, through its subsidiary, Thal Power (Private) Limited (TPL), undertook to invest USD 34.3 million in PKR equivalent in ThalNova Power Thar (Private) Limited (TNTPL), which is a company developing a coal based power plant. Upto the statement of financial position date, it has invested Rs. 1,747.792 million in TNTPL acquiring 174,779,039 ordinary shares having face value of Rs. 10 each. In addition, during the period the Company invested Rs. 925 million in TPL as advance against issue of share capital for further investment in TNTPL. The balance commitment of the investment is USD 16.1 million in PKR equivalent. TNTPL achieved its financial close on September 30, 2020 and expects to achieve Commercial Operations Date (COD) in 2022.

6.2 This includes investment in Sindh Engro Coal Mining Company Limited (SECMC), an associate established for the construction of coal mine. Although the Company has less than 20% equity interest in the associate, the management believes that it has significant influence due to the contractual agreement with the shareholders. The Company undertook to invest a total of USD 25.6 million to expand the mine to 7.6 mtpa. Phase I of the Project achieved commercial operations in July 2019 and Phase II achieved financial close in December 2019. During the period, the Company invested Rs. 293 million in SECMC. As on the statement of financial position date, the Company has invested Rs. 2,840.15 million acquiring 191,643,025 ordinary shares having face value of Rs. 10 each, at a price of Rs. 14.82 per share. The balance commitment of the investment is USD 2.5 million in PKR equivalent.

		December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
7. STOCK-IN-TRADE			
Raw material:			
- In hand		5,559,758	4,755,273
- In transit		<u>3,592,256</u>	<u>2,019,451</u>
		<u>9,152,014</u>	<u>6,774,724</u>
Work-in-process		585,923	560,647
Finished goods		864,239	606,815
Less: Provision for obsolescence		<u>(273,857)</u>	<u>(212,137)</u>
		<u><u>10,328,319</u></u>	<u><u>7,730,049</u></u>
8. TRADE DEBTS			
Considered good		4,066,666	3,313,294
Allowance for expected credit losses		<u>(81,088)</u>	<u>(82,120)</u>
		<u><u>3,985,578</u></u>	<u><u>3,231,174</u></u>
9. LONG-TERM DEPOSITS AND LIABILITY			
Long-term deposits		1,464	1,463
Long-term liability		14,545	15,919
Current portion of long-term liability		<u>(5,495)</u>	<u>(5,495)</u>
		<u><u>10,514</u></u>	<u><u>11,887</u></u>
10. LONG-TERM BORROWING - secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages	10.1	<u>124,465</u>	174,249
Less: Current portion		<u>(99,571)</u>	<u>(99,571)</u>
		<u>24,894</u>	74,678
SBP's Temporary Economic Refinance Facility	10.2	<u>1,459,014</u>	99,281
Less: Deferred income	12	<u>(335,475)</u>	<u>(26,703)</u>
		<u>1,123,539</u>	72,578
SBP's Financing Scheme for Renewable Energy	10.3	<u>287,026</u>	47,579
Less: Current portion		<u>(7,220)</u>	<u>(9,593)</u>
		<u>279,806</u>	37,986
Long-term loan	10.4	<u>918,908</u>	-
		<u><u>2,347,147</u></u>	<u><u>185,242</u></u>

10.1 In 2020, SBP introduced a temporary Refinance Scheme for payment of wages and salaries to the workers and employees of business concerns to support companies in making the payment of salaries and wages due to economic challenges imposed by COVID-19. This carries interest at the rate of 1.25% per annum and is repayable in eight equal quarterly installments. The borrowing is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Company.

10.2 In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from various commercial banks is Rs 1,510 million, out of which the Company has utilised Rs 1,459 million as at December 31, 2021. The facilities carry interest at rates ranging from of 1.95% to 3.00% and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets.

10.3 In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from various commercial banks is Rs 358 million, out of which the Company has utilised Rs 290 million as at December 31, 2021 for installation of solar power system at various location. The facilities carries interest at rates ranging from 2.45% to 3.45% and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.

10.4 During the period, the Company obtained long-term loan from a commercial bank for investment in ThalNova Power Thar (Private) Limited through its subsidiary, Thal Power (Private) Limited. The facility carries interest at 3-month KIBOR + 0.25% and is repayable in 20 equal quarterly installments starting from January 2024. The facility is secured against charge against fixed assets of the Company.

	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
Note	(Rupees in thousands)	
11. LEASE LIABILITY		
Opening balance	117,690	8,443
Re-assessment of lease liabilities	-	120,334
Accretion of interest	4,927	5,552
Lease rentals paid	<u>(13,028)</u>	<u>(16,639)</u>
Closing balance	109,589	117,690
Less: Current portion	<u>(20,496)</u>	<u>(17,140)</u>
	<u><u>89,093</u></u>	<u><u>100,550</u></u>

12. DEFERRED INCOME

Deferred income	335,475	26,703
Less: Current portion of deferred income	<u>(60,511)</u>	<u>(4,394)</u>
	<u><u>274,964</u></u>	<u><u>22,309</u></u>

13. SHORT TERM BORROWING - secured

Export Refinance Facility	13.1	555,000	361,000
Running finance	13.2	<u>1,112,818</u>	-
		<u><u>1,667,818</u></u>	<u><u>361,000</u></u>

13.1 This represents Export Refinance Facility availed by the Company from various commercial banks. The total amount of facility is Rs. 555 million, carries markup at rates ranging from 2.35% to 3% per annum and is payable within 180 days. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Company.

13.2 This represents running finance facility availed by the Company from various commercial banks. The facility carries mark-up at 3-month KIBOR + 0.4% to 0.75%. The total amount of the facility is Rs. 4,269 million out of which the Company has utilised Rs. 1,112 million as at December 31, 2021. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Company.

	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
Note	(Rupees in thousands)	
14. INCOME TAX – net		
Group Tax Relief adjustments	14.1	(684,120)
Group Taxation adjustments	14.2	46,904
Income tax provision less tax payments – net	14.3	<u>901,844</u>
		<u><u>507,981</u></u>

14.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its holding company for set off against the income of its holding company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Company adjusted its tax liabilities for the tax years 2008 to 2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired had been paid to the subsidiary company.

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs.593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeals) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years. In response, the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

In addition to the above, the Company had also acquired the tax losses of Thal Boshoku Pakistan (Private) Limited (TBPK) in tax year 2019 and 2020 amounting to Rs. 135.224 million and Rs. 175.331 million, respectively, for set off against the Company's tax liability.

- 14.2** In terms of provision of Section 59AA of Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries namely Makro-Habib Pakistan Limited (MHPL) and Thal Power (Private) Limited (TPL) have irrevocably opted to be taxed as a single fiscal unit. Accordingly, the tax loss and tax transferred by the subsidiaries amount to Rs. 2.354 million (December 31, 2020: Rs. 1.949 million) and Nil (December 31, 2020: Rs. 2.482 million), respectively.
- 14.3** Includes adjustment of tax challans acquired from MHPL and TPL amounting to Rs 0.038 million (December 31, 2020: Rs 0.022 million) and Rs 0.881 million (December 31, 2020: Rs 2.243 million), respectively.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There were no material changes in the status of contingencies as reported in the audited unconsolidated financial statements for the year ended December 31, 2021 except as disclosed in note 14.1 to these unconsolidated condensed interim financial statements.

		December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
15.2 Commitments	Note		
15.2.1 Post dated cheques have been issued to Collector of Custom		<u>128,468</u>	<u>18,866</u>
15.2.2 Outstanding letters of credit for import of raw material and plant and machinery		<u>2,975,341</u>	<u>4,168,056</u>
15.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial commitments of the Company	15.2.7	<u>4,200,271</u>	<u>3,874,935</u>
15.2.4 Commitments in respect of raw material		<u>1,256,493</u>	<u>959,051</u>
15.2.5 Commitments in respect of capital expenditure		<u>23,229</u>	<u>261,528</u>
15.2.6 Commitments for rentals under Ijarah (lease) agreements			
Within one year		13,893	21,571
After one year but not later than five years		6,198	13,347
	15.2.8	<u>20,091</u>	<u>34,918</u>
15.2.7 These guarantees are secured against certain items of property, plant and equipment of the Company.			
15.2.8 These are secured by on-demand promissory notes of Rs. 56.89 million (June 30, 2021: Rs 65.15 million).			

16. OTHER INCOME

This includes dividend income amounting to Rs. 733.541 million (December 31, 2020: Rs. 415.049 million).

17. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of subsidiaries, associates, employee benefit funds, directors and key management personnel. Detail of transactions with related parties during the period are as under:

Relationship	Nature of transactions	Half-year ended	
		December 31, 2021	December 31, 2020
		(Un-audited)	
		(Rupees in thousands)	
Subsidiaries	Professional services acquired	71,180	83,337
	Dividend income	289,959	254,658
	Purchase of supplies	497	-
	Purchase of goods	-	781
	Loan to subsidiary	250,000	163,750
	Investment in subsidiary	925,000	-
	Interest income on loan to subsidiary	12,599	10,999
	Service fee	16,200	16,200
Associates	Sales of goods	8,072,561	5,398,746
	Dividend income	363,786	95,026
	Investment in associate	293,068	404,692
	Insurance premium	23,173	18,845
	Insurance claim received	51	3,069
	Purchase of assets	6,850	-
	Rent received	1,417	1,416
Employee benefit funds	Contribution to provident fund	27,026	23,287
	Contribution to retirement benefit fund	5,140	4,157
Key management personnel	Remuneration paid	58,179	41,955
Directors	Directors' meeting fee paid	1,220	1,100

18. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2021. There have been no changes in any risk management policies since the year end.

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

20. GENERAL

20.1 Figures have been rounded off to the nearest thousand Rupee, unless otherwise stated.

20.2 Corresponding figures have been re-arranged and reclassified, wherever necessary. However, other than those disclosed in note , there were no significant reclassifications to report.

21. CORRESPONDING FIGURES

For better presentation, corresponding figures have been rearranged as follows:

Transfer from	Transfer to	Rupees in '000
Other receivables	Income tax - net	<u>1,768</u>
Revenue - net	Distribution and selling expenses	<u>119,970</u>
Other income	Cost of sales	<u>173,465</u>

22. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on February 21, 2022 declared interim cash dividend amounting to Rs. 5.00 per share.

23. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on February 21, 2022 by the Board of Directors of the Company.

Chief Executive Officer

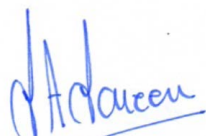
Director

Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

	Note	December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,474,544	4,775,320
Intangible assets		95,713	126,158
Investment property		6,366,040	6,473,153
Long-term investments	6	12,579,237	10,517,824
Long-term deposits		29,812	24,803
Long-term prepayments		22,501	22,501
		25,567,847	21,939,759
CURRENT ASSETS			
Stores, spares and loose tools		181,475	158,309
Stock-in-trade	7	10,739,786	8,118,615
Trade debts	8	4,192,450	3,463,037
Loans and advances		566,118	113,330
Trade deposits and short-term prepayments		652,285	466,582
Interest accrued		24,080	13,263
Other receivables		840,447	719,635
Short-term investments	9	6,747,148	7,107,687
Cash and bank balances		3,165,218	2,680,774
		27,109,007	22,841,232
Non-current assets held for sale		-	5,000
		27,109,007	22,846,232
TOTAL ASSETS		52,676,854	44,785,991
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2021: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2021: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		32,101,717	29,659,829
Equity attributable to equity holders' of the parent		32,506,879	30,064,991
Non-controlling interest		6,614,131	6,565,006
		39,121,010	36,629,997
NON-CURRENT LIABILITIES			
Long-term deposits and liability	10	339,458	339,587
Long-term borrowings	11	2,602,235	415,191
Lease liabilities	12	867,402	905,894
Deferred income	13	274,964	22,309
Deferred tax liability		323,968	243,136
		4,408,027	1,926,117
CURRENT LIABILITIES			
Trade and other payables		6,192,883	4,873,466
Accrued markup		20,384	7,422
Unclaimed dividend		84,934	89,256
Unpaid dividend		38,896	36,242
Current portion of long-term borrowings	11	106,791	109,164
Current portion of lease liabilities	12	120,713	120,223
Current portion of deferred income	13	60,511	4,394
Short-term borrowings	14	1,786,819	528,164
Income Tax - net	15	667,958	412,838
Sales tax payable		67,928	48,708
		9,147,817	6,229,877
CONTINGENCIES AND COMMITMENTS	16		
TOTAL EQUITIES AND LIABILITIES		52,676,854	44,785,991

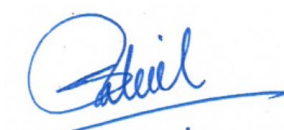
The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

	Notes	Half-year ended		Quarter ended	
		December 31, 2021 (Rupees in thousands)	December 31, 2020 (Rupees in thousands)	December 31, 2021 (Rupees in thousands)	December 31, 2020 (Rupees in thousands)
Revenue - net		18,421,463	12,470,528	10,139,366	6,909,511
Cost of sales		(15,389,356)	(10,246,702)	(8,455,170)	(5,567,382)
Gross Profit		3,032,107	2,223,826	1,684,196	1,342,129
Distribution costs		(354,971)	(258,386)	(178,259)	(151,232)
Administrative expenses		(746,826)	(636,479)	(389,886)	(326,561)
Other charges		(282,795)	(136,841)	(136,326)	(112,958)
		(1,384,592)	(1,031,706)	(704,471)	(590,751)
Other income	16	1,471,610	1,463,640	742,433	723,911
Operating Profit		3,119,125	2,655,760	1,722,158	1,475,289
Finance costs		(113,171)	(86,321)	(64,916)	(43,131)
		3,005,954	2,569,439	1,657,243	1,432,158
Share of net profit of associates - after tax		1,210,583	803,092	890,482	121,738
Profit before taxation		4,216,537	3,372,531	2,547,725	1,553,896
Taxation		(1,048,679)	(765,346)	(623,811)	(432,649)
Profit after taxation		3,167,858	2,607,185	1,923,913	1,121,247
Attributable to:					
- Equity holders of the Holding Company		2,925,427	2,394,145	1,800,846	1,002,158
- Non-controlling interest		242,431	213,040	123,067	119,089
		3,167,858	2,607,185	1,923,913	1,121,247
		Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share attributable to the equity holders of the Holding Company		36.10	29.55	22.22	12.37

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director

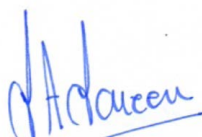


Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

	Half-year ended		Quarter ended	
	December 31, 2021 (Rupees in thousands)	December 31, 2020	December 31, 2021 (Rupees in thousands)	December 31, 2020 (Rupees in thousands)
Profit after taxation	3,167,858	2,607,185	1,923,913	1,121,247
Other comprehensive income				
(Loss) / gain on revaluation of investments at fair value through other comprehensive income	6,479	97,180	(18,708)	19,340
Share of actuarial loss on remeasurement of defined benefit plans of associates	(3,839)	1,643	(2,239)	5,930
Total comprehensive income for the period, net of tax	<u>3,170,498</u>	<u>2,706,008</u>	<u>1,902,966</u>	<u>1,146,517</u>
Attributable to:				
- Equity holders of the Holding Company	2,928,067	2,492,968	1,779,899	1,027,428
- Non-controlling interest	242,431	213,040	123,067	119,089
	<u>3,170,498</u>	<u>2,706,008</u>	<u>1,902,966</u>	<u>1,146,517</u>

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director

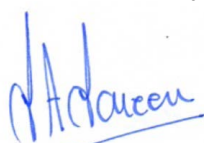


Chief Financial Officer

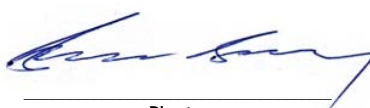
THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED DECEMBER 31, 2021

	Issued, subscribed & paid-up capital	Share deposit money	RESERVES				Non-controlling interest	Total equity
			Capital	Revenue				
				General Reserve	Unappropriated profit	Gain on revaluation of investments classified at FVOCI		
----- Rupees in '000 -----								
Balance as at June 30, 2020 (Audited)	405,150	12	67,929	17,671,874	6,841,559	115,402	6,451,573	31,553,499
Transfer to general reserve	-	-	-	1,460,000	(1,460,000)	-	-	-
Final dividend @ Rs. 3.50/- per share for the year ended June 30, 2020	-	-	-	-	(283,606)	-	-	(283,606)
Subsidiary Company								
Final dividend @ Rs. 0.623/- per share for the year ended June 30, 2020	-	-	-	-	-	-	(84,705)	(84,705)
1st Interim dividend @ Rs. 0.625/- per share for the year ended June 30, 2021	-	-	-	-	-	-	(85,067)	(85,067)
Profit for the period	-	-	-	-	2,394,145	-	213,040	2,607,185
Other comprehensive income	-	-	-	-	1,643	97,180	-	98,823
Total comprehensive income	-	-	-	-	2,395,788	97,180	213,040	2,706,008
Balance as at December 31, 2020 (Un-audited)	405,150	12	67,929	19,131,874	7,493,741	212,582	6,494,841	33,806,129
Balance as at June 30, 2021 (Audited)	405,150	12	67,929	19,131,874	10,214,613	245,413	6,565,006	36,629,997
Transfer to general reserve	-	-	-	2,649,001	(2,649,001)	-	-	-
Final dividend @ Rs. 6.00/- per share for the year ended June 30, 2021	-	-	-	-	(486,179)	-	-	(486,179)
Subsidiary Company								
Final dividend @ Rs. 0.730/- per share for the year ended June 30, 2021	-	-	-	-	-	-	(99,306)	(99,306)
1st Interim dividend @ Rs. 0.691/- per share for the year ending June 30, 2022	-	-	-	-	-	-	(94,000)	(94,000)
Profit for the period	-	-	-	-	2,925,427	-	242,431	3,167,858
Other comprehensive income	-	-	-	-	(3,839)	6,479	-	2,640
Total comprehensive income	-	-	-	-	2,921,588	6,479	242,431	3,170,498
Balance as at December 31, 2021 (Unaudited)	405,150	12	67,929	21,780,875	10,001,021	251,892	6,614,131	39,121,010

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director

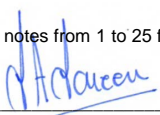


Chief Financial Officer


THAL LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

	Half-year ended	
	December 31, 2021	December 31, 2020
	(Rupees in thousands)	
Profit before taxation	4,216,537	3,372,531
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	30,726	18,102
- Others	544,170	461,960
Gain on disposal of property, plant and equipment	(11,302)	(6,629)
Gain on disposal of investment property	(484)	(7,432)
Amortisation	30,987	31,981
Share in profit of associates - after taxation	(1,210,583)	(803,092)
Finance cost of:		
- Lease liabilities	5,852	55,071
- Others	107,319	31,250
Dividend income	(232,677)	(168,476)
Interest income	(130,329)	(117,103)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(9,022)	(47,823)
Reversal of allowance for expected credit loss	(1,032)	(87,804)
Provision for obsolescence of inventories	73,025	50,320
Provision for impairment of property, plant and equipment	13,621	4,730
Provision for impairment of assets classified as held for sale	1,021	-
Provision for retirement benefits	4,572	4,157
Exchange gain on long-term borrowing	25,139	(1,095)
	<u>(758,997)</u>	<u>(581,883)</u>
	3,457,540	2,790,648
(Increase) / decrease in current assets		
Stores, spares and loose tools	(33,954)	(22,797)
Stock-in-trade	(2,683,408)	(1,213,289)
Trade debts	(724,402)	(300,405)
Loans and advances	(452,788)	(15,041)
Trade deposits and short-term prepayments	(185,703)	(122,572)
Other receivables	(120,436)	(144,047)
Sales tax refundable	19,220	11,639
Increase / (decrease) in current liabilities		
Deferred income	3,802	(2,287)
Trade and other payables	1,321,067	1,126,639
	<u>(2,856,602)</u>	<u>(682,160)</u>
Cash generated from operations	600,938	2,108,488
Finance costs paid	(100,209)	(80,291)
Retirement benefits paid	(10,400)	(7,860)
Income tax paid	(712,727)	(738,559)
Long-term loans	-	-
Long-term deposits - net	(5,138)	11,134
Net cash used in operating activities	<u>(227,536)</u>	<u>1,292,912</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(2,109,171)	(277,501)
Additions to investment property	(72,881)	(58,163)
Additions to intangible assets	(546)	(6,394)
Proceeds from disposal of property, plant and equipment	20,998	16,656
Proceeds from disposal of investment property	484	-
Dividends received	596,463	263,502
Interest income received	123,622	170,886
Long-term investments made	(1,211,976)	(152,981)
Short-term investments - net	365,451	(2,248,645)
Net cash generated from investing activities	<u>(2,287,556)</u>	<u>(2,292,640)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(46,270)	(36,663)
Export Refinance Facility obtained	194,000	216,000
SBP's Refinance Facility for Salaries and Wages repaid	(49,784)	-
SBP's Temporary Economic Refinance Facility obtained	1,359,733	-
SBP's Financing Scheme for Renewable Energy obtained - net	239,447	-
Long term borrowing for energy projects	918,908	-
Dividends paid	(681,153)	(448,848)
Net cash used in financing activities	<u>1,934,881</u>	<u>(269,511)</u>
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(580,211)</u>	<u>(1,269,239)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	<u>2,513,610</u>	<u>3,313,460</u>
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>1,933,399</u>	<u>2,044,221</u>
Cash and bank balances	3,165,218	2,227,553
Short-term running finance	(1,231,819)	(183,332)
	<u>1,933,399</u>	<u>2,044,221</u>

The annexed notes from 1 to 25 form an integral part of these consolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

THAL LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2021
(UN-AUDITED)

1. THE GROUP AND ITS OPERATIONS

1.1 Thal Limited (the Holding Company) was incorporated on January 31, 1966 as a public company limited by shares

The Holding Company is engaged in the manufacture of jute goods, engineering goods, papersacks and laminate sheets. The registered office of the holding company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

The Group comprises of the Holding Company and its subsidiaries, Noble Computer Services (Private) Limited, Pakistan Industrial Aids (Private) Limited, Makro-Habib Pakistan Limited, Habib METRO Pakistan (Private) Limited, Thal Boshoku Pakistan (Private) Limited, Thal Power (Private) Limited and Thal Electrical (Private) Limited.

- Noble Computer Services (Private) Limited is engaged in providing Internal Audit Services, I.T. related Services, Advisory Services, H.R Services and Management Services.
- Pakistan Industrial Aids (Private) Limited is engaged in trading of various products.
- Makro-Habib Pakistan Limited is engaged in a chain of wholesale / retail cash and carry stores.
- Habib METRO Pakistan (Private) Limited's main business is to own and manage properties.
- Thal Boshoku Pakistan (Private) Limited is engaged in the manufacturing of Air cleaner set assembly, Seat track sub assembly and Seat side frame sub assembly for automobiles.
- Thal Power (Private) Limited has entered into a joint venture agreement with M/s Novatex for collaboration to develop a 330 MW Coal-fired Power Generation Plant at Thar, Sindh.
- Thal Electrical (Private) Limited was incorporated in Pakistan on January 12, 2018 as a private limited company.

These subsidiaries have been consolidated in these consolidated condensed interim financial statements.

1.2 Geographical location and address of business units

Holding Company:

The registered office of the Holding Company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Plants

Holding Company:

- The Jute operations are located at Muzaffargarh, Punjab.
- Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh
- Papersack operations are located at Hub, Balochistan and Gadoon, Khyber
- Pakhtunkhwa. Laminate operations are located at Hub , Balochistan

Subsidiaries:

- Noble Computer Services (Private) Limited operations are located at 2nd Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi,
- Pakistan Industrial Aids (Private) Limited operations are located at - Plot number 192, Korangi Industrial area, Sector 22, Karachi.
- Makro-Habib Pakistan Limited is located at 2nd, House of Habib - 3- Jinnah Co-Operative Housing Society, Sharah-e-Faisal Karachi.
- Habib METRO Pakistan (Private) Limited operations are located at Mezzanine Floor, House of Habib, 3-Jinnah Co- perative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi.
- Thal Boshoku Pakistan (Private) Limited operations are located at - Plot number SP-C, North Western Industrial Road, Port Qasim, Karachi.
- Thal Power (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharah-e-Faisal, Karachi.
- Thal Electrical (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharah-e-Faisal Karachi.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These consolidated condensed interim financial statements 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 Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; and
- Provisions of and directives issued under the Act.

Where the provisions of and directives issued under the Act and IFAS differ with the requirements of IAS 34, the provisions of and directives issued under the Act and IFAS have been followed.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended June 30, 2021.

2.3 These consolidated condensed interim financial statements are being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

2.2 Adoption of amendments and framework effective during the period

The Company has adopted the following amendments of IFRSs and the framework for financial reporting which became effective for the current period:

Amendments and framework:

- IFRS 3 - Definition of a Business (amendments);
- IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (amendments);
- IAS 1 / IAS 8 - Definition of Material (amendments);
- IFRS 16 - COVID 19 Related Rent Concessions (amendments); and
- The Conceptual Framework for Financial Reporting issued on March 29, 2018

The IASB has issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The adoption of the above amendments and framework did not have any effect on the consolidated condensed interim financial statements.

3 ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2021.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these consolidated condensed interim financial statements are in conformity with the approved accounting standards which requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates and assumptions.

During the preparation of these consolidated condensed interim financial statements, except for the change in estimate explained in note 5.2 to these condensed interim consolidated financial statements, the significant judgements made by management in applying Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2021.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	December 31, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
Operating fixed assets			
- owned	5.1 & 5.2	4,182,002	4,017,436
- right-of-use assets		109,905	126,117
		4,291,907	4,143,553
Capital work-in-progress	5.3	2,182,637	631,767
		6,474,544	4,775,320

5.1 Details of additions and disposals are as follows:

	Additions at cost		Deletions at book value	
	Half Year Ended December 31, 2021 (Un-audited)		Half Year Ended December 31, 2021 (Un-audited)	
	2021	2020	2021	2020
	----- (Rupees in thousands) -----			
Factory building	23,962	11,138	-	-
Non-factory building	-	11,934	-	-
Plant and machinery	391,549	16,695	40	156
Furniture and fittings	3,854	570	-	3
Vehicles	86,826	3,675	9,332	1,967
Office and mills equipment	17,775	8,911	18	146
Computer equipment	17,511	11,022	302	323
Jigs and Fixtures	16,354	27,101	-	-
Major stores and spares	470	-	-	-
	558,301	91,046	9,692	2,595

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 266.747 million (December 31, 2020: Rs. 15.927 million).

5.2 Useful life of property, plant and equipment

During the period, as a result of annual reassessment of the review of the useful lives and depreciation method of operating fixed assets, the management has identified that there has been a change in the expected pattern of consumption of the future economic benefits embodied in the assets. Accordingly, useful lives and depreciation method for certain classes of operating fixed assets have been revised to reflect the changed pattern. These revisions were accounted for prospectively as changes in accounting estimates.

As stated above, had there been no changes in accounting estimates, the profit before tax for the period and carrying value of such operating fixed assets as at the period end would have been higher by Rs. 35.391 million, due to change of depreciation method and useful lives. Consequently, the profit before tax in future periods is expected to be decreased by the same amount.

5.3 Details of additions at cost are as follows:

	December 31, 2021 (Un-audited)	December 31, 2020 (Audited)
	(Rupees in thousands)	
Factory building	555,918	-
Plant and machinery	1,061,010	184,668
Furniture and fittings	188,560	-
Vehicles	169	-
Office and mills equipment	1,990	12,233
Jigs and fixtures	25,315	5,480
	<u>1,832,962</u>	<u>202,381</u>

	December 31, 2021 (Un-audited)	June 30, 2021 (Audited)
	(Rupees in thousands)	

5.3.1 The movement of capital work-in-progress is as follows:

Opening balance	616,422	61,214
Additions during the year	1,832,962	676,958
Transfers to operating fixed assets	(266,747)	(106,405)
Closing balance	<u>2,182,637</u>	<u>631,767</u>

6 LONG-TERM INVESTMENTS

Investment in related parties

Investment in associates - equity accounting	6.1 & 6.2	12,272,700	10,217,766
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Other investments - at fair value through other comprehensive income

Listed shares		306,537	300,058
		<u>12,579,237</u>	<u>10,517,824</u>

6.1 The Group undertook to invest USD 34.3 million in PKR equivalent in ThalNova Power Thar (Private) Limited (TNTPL), which is a company developing a coal based power plant. Upto the statement of financial position date it has invested Rs. 1,747.792 million in TNTPL acquiring 174,779,039 ordinary shares having face value of Rs. 10 each. In addition, during the year the Group invested Rs 918.908 million in TNTPL as advance against issue of share capital. The balance commitment of the investment is USD 16.1 million in PKR equivalent. TNTPL achieved its financial close on September 30, 2020 and expects to achieve Commercial Operations Date (COD) in 2022.

6.2 This includes investment in Sindh Engro Coal Mining Company Limited (SECMC), an associate established for the construction of coal mine. Although the Group has less than 20% equity interest in the associate, the management believes that it has significant influence due to the contractual agreement with the shareholders. The Group undertook to invest a total of USD 25.6 million to expand the mine to 7.6 mtpa. Phase I of the Project achieved commercial operations in July 2019 and Phase II achieved financial close in December 2019. During the period the Group invested Rs. 293 million in SECMC. As on the statement of financial position date the Group has invested Rs. 2,840.15 million acquiring 191,643,025 ordinary shares having face value of Rs. 10 each, at a price of Rs. 14.82 per share. The balance commitment of the investment is USD 2.5 million in PKR equivalent.

	December 31, 2021	June 30, 2021
Note	(Un-audited)	(Audited)
7 STOCK-IN-TRADE		
Raw material		
- In hand	5,844,368	4,977,029
- In transit	3,691,348	2,164,918
	<u>9,535,716</u>	<u>7,141,947</u>
Work-in-process	585,923	560,647
Finished goods		
Finished goods	901,294	636,931
Less: Provision for obsolescence	(283,147)	(220,910)
	<u>10,739,786</u>	<u>8,118,615</u>
8 TRADE DEBTS		
Considered good	4,275,008	3,546,670
Allowance for expected credit losses	(82,558)	(83,633)
	<u>4,192,450</u>	<u>3,463,037</u>
9 SHORT-TERM INVESTMENTS		
At amortised cost		
Term deposit receipts	-	927,603
Treasury bills	802,441	664,211
	<u>802,441</u>	<u>1,591,814</u>
At fair value through profit or loss		
Mutual Funds	5,702,707	5,273,873
Term finance certificate	242,000	242,000
	<u>5,944,707</u>	<u>5,515,873</u>
	<u>6,747,148</u>	<u>7,107,687</u>
10 LONG-TERM DEPOSITS AND LIABILITY		
Long-term deposits	330,408	329,163
Long-term liability	14,545	15,919
Current portion of long-term liability	(5,495)	(5,495)
	<u>339,458</u>	<u>339,587</u>
	December 31, 2021	June 30, 2021
Note	(Un-audited)	(Audited)
	(Rupees in thousands)	
11 LONG-TERM BORROWINGS		
Secured		
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages	11.1	124,465
Less: Current maturity		(99,571)
		<u>24,894</u>
SBP's Temporary Economic Refinance Facility	11.2	1,459,014
Less: Deferred income	13.	(335,475)
		<u>1,123,539</u>
SBP's Financing Scheme for Renewable Energy	11.3	287,026
Less: Current maturity		(7,220)
		<u>279,806</u>
Long-term loan	11.4	918,908
		<u>2,347,147</u>
Unsecured		
Toyota Boshoku Asia Corporation Limited - NCI	11.5	225,000
Exchange loss thereon		30,088
		<u>255,088</u>
		<u>2,602,235</u>
		<u>415,191</u>

- 11.1** In 2020, SBP introduced a temporary Refinance Scheme for payment of wages and salaries to the workers and employees of business concerns to support companies in making the payment of salaries and wages due to economic challenges imposed by COVID-19. This carries interest at the rate of 1.25% per annum and is repayable in eight equal quarterly installments. The borrowing is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Group.
- 11.2** In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from various commercial banks is Rs 1,510 million, out of which the Group has utilised Rs 1,459 million as at December 31, 2021. The facilities carry interest at rates ranging from 1.95% to 3.00% and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets.
- 11.3** In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from various commercial banks is Rs 358 million, out of which the Group has utilised Rs 290 million as at December 31, 2021 for installation of solar power system at various location. The facilities carries interest at rates ranging from 2.45% to 3.45% and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.
- 11.4** During the period the Group obtained long-term loan from a commercial bank for investment in ThalNova Power Thar (Private) Limited through its subsidiary, Thal Power (Private) Limited. The facility carries interest at 3-month KIBOR + 0.25% and is repayable in 20 equal quarterly installments starting from January 2024. The facility is secured against charge against fixed assets of the Group.
- 11.5** This represents a foreign currency loan of USD 1.459 million, in equivalent Pakistani Rupees, which on the date of transfer amounted to Rs. 225 million. This carries mark up at LIBOR + 0.1% per annum and is repayable by January, 2023.

		December 31, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
12 LEASE LIABILITY			
Opening balance		1,026,117	882,702
Additions during the year		8,268	136,901
Accretion of interest		61,818	115,430
Lease rentals paid		<u>(108,088)</u>	<u>(108,916)</u>
Closing balance		988,115	1,026,117
Less: Current maturity		<u>(120,713)</u>	<u>(120,223)</u>
		<u>867,402</u>	<u>905,894</u>
13. DEFERRED INCOME			
Deferred income		335,475	26,703
Less: Current portion of deferred income		<u>(60,511)</u>	<u>(4,394)</u>
		<u>274,964</u>	<u>22,309</u>
14. SHORT TERM FINANCING - secured			
Export Refinance Scheme	14.1	555,000	361,000
Running Finance	14.2	<u>1,231,819</u>	<u>167,164</u>
		<u>1,786,819</u>	<u>528,164</u>

- 14.1** This represents Export Refinance Facility availed by the Group from various commercial banks. The total amount of facility is Rs. 555 million, carries markup at rates ranging from 2.35% to 3% per annum and is payable within 180 days. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Group.
- 14.2** This represents running finance facility availed by the Group from various commercial banks. The facility carries mark-up at 3-month KIBOR + 0.4% to 0.75%. The total amount of the facility is Rs. 4,864 million out of which the Group has utilised Rs. 1,232 million as at December 31, 2021. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Group.

		December 31, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
15. INCOME TAX - Net			
Group Tax Relief adjustments	15.1	(684,120)	(684,120)
Group Taxation adjustments	15.2	44,550	46,904
Income Tax provision less tax payments - net	15.3	1,307,528	1,050,054
		<u>667,958</u>	<u>412,838</u>

15.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its Holding Company for set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Holding Company has adjusted its tax liabilities for the tax years 2008-2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired has been paid to the subsidiary company.

The original assessments of the Holding Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Holding Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Holding Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Holding Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Holding Company for the above tax years; the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

In addition to the above, the Holding Company had also acquired the tax losses of Thal Boshoku Pakistan (Private) Limited (TBPK) in tax year 2019 and 2020 amounting to Rs. 135.224 million and Rs. 175.331 million, respectively, for set off against its tax liability.

15.2 In terms of provision of Section 59AA of Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries namely Makro-Habib Pakistan Limited (MHPL) and Thal Power (Private) Limited (TPL) have irrevocably opted to be taxed as a single fiscal unit. Accordingly, the tax loss and tax transferred by the subsidiaries amount to Rs. 2.354 million (December 31, 2020: Rs. 1.949 million) and Nil (December 31, 2020: Rs. 2.482 million), respectively.

15.3 Includes adjustment of tax challans acquired from MHPL and TPL amounting to Rs 0.038 million (December 31, 2020: Rs 0.022 million) and Rs 0.881 million (December 31, 2020: Rs 2.243 million), respectively.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the year ended June 30, 2021.

		December 31, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
16.2 Commitments			
16.2.1 Post dated cheques have been issued to Collector of Custom		<u>128,468</u>	<u>18,866</u>
16.2.2 Outstanding letters of credit for import of raw material and plant and machinery		<u>3,260,094</u>	<u>4,452,809</u>
16.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial commitments of the Company	162.7	<u>7,141,528</u>	<u>7,425,033</u>
16.2.4 Commitments in respect of raw material		<u>1,256,493</u>	<u>959,051</u>
16.2.5 Commitments in respect of capital expenditure		<u>85,744</u>	<u>324,043</u>
16.2.6 Commitments for rentals under Ijarah (lease) agreements			
Within one year		18,794	26,472
After one year but not later than five years		11,595	18,744
	16.2.8	<u>30,389</u>	<u>45,216</u>

16.2.7 These guarantees are secured against certain items of property, plant and equipment of the group.

16.2.8 These are secured by on-demand promissory notes of Rs. 56.89 million (June 30, 2021: Rs 65.15 million).

17 OTHER INCOME

This includes dividend income, rental and licence and signage income amounting to Rs. 232.667 million (December 31, 2020: Rs. 168.476 million), Rs. 932.989 million (December 31, 2020: Rs. 844.926 million) and Rs. 123.357 million (December 31, 2020: Rs. 123.883 million), respectively.

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Group comprise associates, retirement funds, directors and key management personnel. Detail of transactions and balances with related parties during the period, other than those disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

Relationship	Nature of transactions	Half-year ended	
		December 31, 2021	December 31, 2020
		(Un-audited)	
		Rupees in thousand	
Associates	Sales of goods	9,028,593	6,205,303
	Dividend income received	557,093	95,026
	Dividend paid	-	169,772
	Professional services rendered	97,829	103,525
	Rent / licence fee received	950,975	858,128
	Insurance premium paid	28,028	21,733
	Insurance claim received	51	4,312
	Supplies purchased	751,299	459,733
	Purchase of assets	6,850	-
	Investment in associates	1,211,976	-
Employee benefit plans	Contribution to provident fund	33,658	29,299
	Contribution to retirement benefit fund	5,140	4,157
Key management personnel	Remuneration paid	90,381	75,556
Directors	Directors' meeting fee paid	1,220	1,100

19 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks. These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 June 2021. There have been no changes in any risk management policies since the year end.

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

21 SEGMENT ANALYSIS

	Half-year ended									
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Engineering		Building material and allied products		Real estate management & others		Elimination		Total	
	Rupees in thousand									
Sales Revenue - External	12,076,679	7,929,056	6,156,031	4,424,179	188,753	117,293	-	-	18,421,463	12,470,528
- Internal	-	-	-	-	71,180	84,118	(71,180)	(84,118)	-	-
Rental income	-	-	-	-	1,056,346	968,809	-	-	1,056,346	968,809
Total Segment Revenue	12,076,679	7,929,056	6,156,031	4,424,179	1,316,279	1,170,220	(71,180)	(84,118)	19,477,809	13,439,337
Segment Result	1,775,523	1,352,278	1,153,422	903,623	737,431	683,154	-	-	3,666,376	2,939,055
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(710,947)	(575,827)
Other charges									(268,153)	(132,111)
Other income									431,849	424,643
Operating profit									3,119,125	2,655,760
Finance cost									(113,171)	(86,321)
Share in profit of associates									1,210,583	803,092
Taxation									(1,048,679)	(765,346)
Profit after taxation									3,167,858	2,607,185

	Quarter ended									
	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020	December 31, 2021	December 31, 2020
	Engineering		Building material and allied products		Real estate management		Elimination		Total	
	Rupees in thousand									
Sales Revenue - External	6,492,405	4,453,238	3,541,933	2,397,019	105,028	59,254	-	-	10,139,366	6,909,511
- Internal	-	-	-	-	27,670	42,253	(27,670)	(42,253)	-	-
Rental income	-	-	-	-	533,534	483,553	-	-	533,534	483,553
Total Segment Revenue	6,492,405	4,453,238	3,541,933	2,397,019	666,232	585,060	(27,670)	(42,253)	10,672,900	7,393,064
Segment Result	999,805	824,692	713,929	575,523	361,964	345,840	-	-	2,075,698	1,746,055
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(442,686)	(357,848)
Other charges									(186,175)	(67,722)
Other income									275,321	154,804
Operating profit									1,722,158	1,475,289
Finance cost									(64,916)	(43,131)
Share in profit of associates									890,482	121,738
Taxation									(623,811)	(432,649)
Profit after taxation									1,923,913	1,121,247

22 GENERAL

22.1 Figures have been rounded off to the nearest thousands.

22.2 Corresponding figures have been re-classified for the purpose of better presentation and comparisons, wherever necessary. However, there are no material reclassifications to report.

23 CORRESPONDING FIGURES

For better presentation, corresponding figures have been rearranged as follows:

Transfer from	Transfer to	Rupees in '000
Revenue - net	Distribution and selling expenses	<u>123,829</u>
Other income	Cost of sales	<u>173,465</u>

24 SUBSEQUENT EVENT

The Board of Directors of the Holding Company in their meeting held on February 21, 2022 declared interim cash dividend amounting to Rs. 5.00 per share.

25 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on February 21, 2022 by the Board of Directors of the Holding Company.



Chief Executive



Director



Chief Financial Officer

تھل لیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے ہم ڈائریکٹرز کی جائزہ رپورٹ بشمول 31 دسمبر 2021 کو ختم ہونے والی مدت کے لئے غیر آڈٹ شدہ عبوری مجموعی مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

فنانس کی خاص خاص باتیں

کنسالید ایڈٹ		اسٹینڈ الون		(روپے بلین میں) مع سوائے فی شیئر آمدنی
برائے ششماہی مدت ختمہ		برائے ششماہی مدت ختمہ		
31 دسمبر 2020	31 دسمبر 2021	31 دسمبر 2020	31 دسمبر 2021	
12,471	18,421	11,455	17,164	سیلز
3,373	4,217	2,113	2,779	قبل از ٹیکس منافع
2,607	3,168	1,592	2,087	بعد از ٹیکس منافع
29.55	36.10	19.65	25.76	فی شیئر آمدنی (روپے میں)

کارکردگی کا جائزہ

31 دسمبر 2021 کو ختم ہونے والی ششماہی کے لئے کمپنی نے 17.2 بلین روپے کی سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی مدت کے 11.5 بلین روپے کے مقابلے میں 5.7 بلین روپے (50 فیصد) زائد ہے۔ بنیادی اور خالص آمدنی فی شیئر (ای پی ایس) برائے رواں مدت 25.76 روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس مدت میں 19.65 روپے تھی۔

ہم اپنے ملازمین کے تحفظ و دیکھ بھال کو اپنی بنیادی ذمہ داری تصور کرتے ہیں۔ کمپنی نے اس وبائی صورتحال کے دوران اپنے ملازمین کو کام کرنے کے محفوظ ماحول کی فراہمی یقینی بنانے کے لئے اس سلسلے میں زیرو۔ ٹالرنس کی پالیسی اختیار کرتے ہوئے تمام تر حفاظتی اقدامات کیے۔ ہم نے اس حوالے سے اپنے تمام ملازمین کے ساتھ انتہائی قریبی روابط رکھتے ہوئے اس امر کو یقینی بنایا کہ انہوں نے کام کرنے کے محفوظ اور صحت مند ماحول کو برقرار رکھنے کے لئے COVID-19 (کورونا وائرس) ویکسین کے بوسٹر شاٹ بھی لگوا لیے ہیں۔

کاروبار کی مختصر صورتحال - انجینئرنگ کا شعبہ

کمپنی کا شعبہ انجینئرنگ تھرمل، انجن کیمپونینٹس بزنس اور الیکٹریک سسٹمز بزنس پر مشتمل ہے۔ ان کاروباروں میں بنیادی طور پر آٹومیٹو انڈسٹری کے لئے پارٹس کی تیاری پر توجہ دی جاتی ہے۔

31 دسمبر 2021 کو ختم ہونے والی ششماہی کے دوران انجینئرنگ کے شعبے نے 11 بلین روپے کی بلند ترین سیلز حاصل کی جبکہ اس کے مقابلے میں گزشتہ سال کی اسی مدت کے دوران 7 بلین روپے کی سیلز حاصل ہوئی تھی جس سے 57 فیصد سال بہ سال کی قابل قدر شرح نمو ظاہر ہوتی ہے۔ سیلز میں یہ گروتھ بنیادی طور پر بلند تر حجم اور بڑھتی ہوئی قیمت فروخت کی بدولت ممکن ہوئی۔ حجم میں اضافہ ہوا ہے جو گزشتہ سال عالمی سطح پر COVID-19 (کورونا وائرس) کی وبائی صورتحال کی وجہ سے نمایاں طور پر متاثر ہوا تھا، جبکہ فروخت کے نرخ بڑھنے کی وجہ پاکستانی روپے کے مقابلے میں غیر ملکی کرنسی کی قدر میں نمایاں اضافہ ہونا ہے۔

بین الاقوامی سپلائی کی صورتحال میں ممکنہ طور پر رواں مالی سال کے اختتام پر رکاوٹیں برقرار رہنے کی توقع ہے۔ COVID-19 (کورونا وائرس) کے نئے ویرینٹس کے موجودہ خطرے کے پیش نظر مختلف بندرگاہوں سے شپمنٹ میں مزید رکاوٹ پڑ سکتی ہے۔ انتظامیہ او ای ایمز (OEMs) کے ساتھ قریبی روابط رکھتے ہوئے انتہائی باریک بینی سے اسٹاک کے حجم اور سپلائی کی صلاحیت کی نگرانی کر رہی ہے۔

کاروبار کا پس منظر مقامی معیشت پر مستقل دباؤ کے سبب خاصا چیلنجنگ دکھائی دیتا ہے، تاہم آٹومیٹو سیکٹر او ای ایمز (OEMs) سے طلب میں مزید بہتری کی امید نظر آ رہی ہے۔ اس کے علاوہ نئے او ای ایمز (OEMs) کی آمد، جیسا کہ مقامی پروڈکشن کا آغاز ہو چکا ہے، کے ساتھ ہمارے صارف کا دائرہ کار بڑھانے کے لئے نئے مواقع پیدا ہوں گے۔ کاروبار موثر انداز میں نئے کاروباروں کے فروغ میں سرگرم عمل ہے اور امید کی جاتی ہے کہ آنے والے سالوں میں مزید کاروبار محفوظ کر لیے جائیں گے۔

انتظامیہ 5S کے ستونوں اور صحت، تحفظ اور ماحولیات کی پالیسیوں و اقدامات کو مستحکم بنانے کا سلسلہ جاری رکھنے کے لئے پُر عزم ہے۔

کاروباری جائزہ - تعمیراتی سامان اور اس سے متعلق مصنوعات کا شعبہ

31 دسمبر 2021 کو ختم ہونے والی ششماہی مدت کے لئے تعمیراتی سامان اور منسلک مصنوعات کے شعبے نے 6.1 بلین روپے کا سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی سہ ماہی کے 4.4 بلین روپے کے مقابلے میں 1.7 بلین روپے (39 فیصد) زائد ہے۔

جوٹ آپریشنز

بزئس کامیابی کے ساتھ اپنا سفر جاری اور مارکیٹ میں اپنی پوزیشن برقرار رکھے ہوئے ہے، کاروبار کے ٹرن اور اور منافع جات میں بہتری آئی جس کی بڑی وجہ چینین کی بلند تر برآمدی طلب اور مقامی مارکیٹ میں سیکنگ کی طلب بڑھنا ہے۔

مقامی معیشت COVID-19 (کورونا وائرس) کی وبائی صورتحال کے سبب درپیش غیر معمولی چیلنجوں کے بعد اپنی بحالی کا سفر جاری رکھے ہوئے ہے۔ ویکسینز تک وسیع تر رسائی اور بڑھتی ہوئی آگاہی کے ساتھ تیزی سے بحالی کی امید دکھائی دیتی ہے، تاہم، خام مال کے نرخوں اور کرایوں پر افراط زر کا دباؤ مستقبل کے لئے مزید چیلنج پیدا کر رہا ہے۔

بنگلہ دیش میں خام جوٹ کے نرخ ریکارڈ سطح تک بڑھ چکے ہیں جس کے اثرات خام مال اور ورکنگ کیپٹل دونوں پر مرتب ہوئے ہیں۔ بزئس نے ان دباؤ کے جزوی طور پر تدارک کے انتظام برآمد کیلئے فائزر یا رنز اور فیہرک کو لانے کے ذریعے کیا اور مارجن کی شرح کو کنٹرول کرنے میں اس کے اضافی اخراجات کو کنٹرول کرنے کا بندوبست بھی کیا تاہم طویل مدتی مارکیٹ کی طلب نے اسے بری طرح متاثر کیا ہے۔

آئندہ سہ ماہی کے دوران مقامی سیلز مستحکم رہنے کا امکان ہے۔ برآمدی امکانات بھی مثبت ہیں اور ہم امید کرتے ہیں کہ بین الاقوامی مارکیٹ میں ہمارے قدم مزید مضبوط ہوں گے، انتظامیہ معیار، صحت، تحفظ اور ماحولیات کو بہتر بنانے کے اقدامات پر اپنی توجہ برقرار رکھنے کے ساتھ مستقل بہتری کے عمل کے ذریعے پیداواری عمل با کفایت بنانے پر توجہ دیتی رہے گی۔

پیپرسیک بزئس

کاروبار کا جائزہ

اس مدت کے دوران ریونیو گزشتہ سال کی اسی مدت کے مقابلے میں تیزی سے بڑھا جس کی بڑی وجہ خام مال کے اخراجات میں اضافہ تھا۔ یہ متوقع طور پر محرک اخراجات بالخصوص پیپرز کے اعتبار سے ایک چیلنجنگ سال رہے گا جیسا کہ بڑے پیمانے پر تبادلے کی شرح میں مستقل اضافہ، عالمی سطح پر سپلائی کی قلت اور سپلائی چین میں رکاوٹوں کا سامنا کرنا پڑ رہا ہے۔

کونلے اور کروڈ آئل کے بڑھتے ہوئے نرخوں نے بھی سیمنٹ کے لئے مقامی طلب کو متاثر کیا جس کے نتیجے میں سیمنٹ پیکیجنگ کے لئے طلب کم رہی۔ تاہم پیکیجنگ کے دیگر کنزیومر شعبوں کا حجم بڑھا کیونکہ وبائی صورتحال کے سبب عائد کی گئی پابندیوں میں کمی آگئی تھی۔ وسائل کے بہتر اور مناسب استعمال اور آپریشنل کنٹرول کے باعث کاروبار کا منافع بہتر ہوا۔ اس بزئس میں بھی مستحکم مواقعوں کیلئے برآمدی مارکیٹوں میں توسیع دی جا رہی ہے۔

بزئس میں حالیہ طور پر سیمنٹ اور نان۔ سیمنٹ سیکٹرز میں پولی پرائیملین (WPP) بیگز کے لئے طلب کو مد نظر رکھتے ہوئے ایک نئی وون پولی پرائیملین بیگ مینوفیکچرنگ فیسلٹی میں 1.7 بلین روپے کی سرمایہ کاری کی گئی۔ یہ پروجیکٹ تکمیل کے آخری مراحل میں ہے اور ہم اس کی بروقت تجارتی تیاری کے لئے پُر اعتماد ہیں۔ بزئس نے شمال میں اپنے سیمنٹ پیپر بیگ مینوفیکچرنگ پلانٹ کو بھی اپ گریڈ کیا ہے تاکہ سینٹرل اور نار تھر تھجز میں اپنے صارفین کو بہتر خدمات فراہم کر سکیں۔ اپنے مستحکم اور پائیدار اقدامات کے طور پر بزئس نے اپنے حب اور گدون میں واقع پلانٹس میں مجموعی طور پر 1.75 MW سولر پاور انسٹالیشن پر بھی سرمایہ کاری کی۔

آنے والی سہ ماہی کے لئے پس منظر مثبت ہے جیسا کہ ہم امید کر رہے ہیں کہ موسم سرما کے اختتام کے بعد تمام شعبوں کے لئے طلب میں اضافہ ہوگا۔ انتظامیہ با کفایت پیداواری عمل، بڑھتی ہوئی مارکیٹ کی طلب بشمول برآمدی مارکیٹ کو پورا کرنے اور ملازمین کے لئے کام کرنے کے محفوظ ماحول کو یقینی بنانے کے لئے بھرپور توجہ دے رہی ہے۔ تاہم زرمبادلہ کے نرخوں میں اتار چڑھاؤ، پاور ٹیرس میں اضافہ، بین الاقوامی مارکیٹوں میں پیپر کے بڑھتے ہوئے نرخ اور سپلائی چین میں رکاوٹوں سے بزئس کے لئے چیلنج برقرار ہے۔

لیمینٹس بزئس

لیمینٹس بزئس تین شعبوں: ہائی پریشر لیمینٹس (ایچ پی ایل)، کمپیکٹ لیمینٹس اور لیمینٹیشن بورڈز میں برانڈ نام ”فارماٹیٹ“ کے نام سے مصروف عمل ہے۔ یہ برانڈ اپنے معیار اور کارپوریٹ اقدار کی شناخت کے طور پر جانا پہچانا جاتا ہے۔

مالی سال 2021-22 کی دوسری سہ ماہی کے دوران مارکیٹ سال کے آخر کی طرف مستحکم رہی، اس کے علاوہ ڈی ویلیویشن سے اخراجات میں نمایاں اضافہ، قدرتی گیس کی لوڈ شیڈنگ اور بڑھتے ہوئے فریٹ اخراجات بھی جزوی طور پر صارفین کی جانب منتقل کیے گئے۔ سپلائی چین کی جانب بڑھتے ہوئے محرک اخراجات سے فریٹ اخراجات میں اضافہ ہوا اور روپے کی قدر میں کمی بھی مستقل طور پر چیلنج بنی رہی۔

سہ ماہی کے اختتام کے بعد مارکیٹ متوقع طور پر اوپر جانے اور طلب میں اضافہ ظاہر ہونے کی امید ہے، تاہم بندرگاہوں میں گنجائش کی کمی کے باعث خام مال کے لئے شپنگ میں بڑھتی ہوئی تاخیر مستقل طور پر ایک چیلنج بنی ہوئی ہے، اس کے ساتھ COVID-19 (کورونا وائرس) کی نئی لہر تاخیر میں اضافے کا موجب بن رہی ہے۔

بزئس ہمارے پروڈکٹس کے معیار کو مزید بہتر بنانے، قیمتوں کے استحکام، گنجائش بڑھانے اور ڈیلیوری کی ٹائم لائن کو بہتر بنانے کے ضمن میں کلیدی پروڈیکٹس پر موثر انداز میں کارفرما ہے۔

ذیلی ادارے تھل بوشوکو پاکستان (پرائیویٹ) لمیٹڈ (ٹی بی پی کے)

31 دسمبر 2021 کو ختم ہونے والی ششماہی مدت کے دوران بزنس نے 1,068.4 ملین روپے کا سیلز حجم حاصل کیا جبکہ گزشتہ سال 898.7 ملین روپے کا سیلز حجم حاصل کیا گیا تھا۔ سیلز میں اضافہ بلند تر حجم اور فروخت کے نرخوں میں اضافے کے امتزاج کے باعث ممکن ہوا۔ حجم گزشتہ سال کی اسی مدت کے مقابلے میں بڑھا جبکہ قیمت فروخت میں اضافہ روپے کے مقابلے میں ڈالر کی قدر مزید مستحکم ہونے کے سبب ہوا۔

حجم، نرخوں میں اضافے اور پروڈکٹ کے پھیلاؤ کے ساتھ کاروبار مارکیٹ میں اپنی موجودگی بہتر بنانے میں کامیاب رہا ہے اور صارفین کی جانب سے بہترین معیار کی سیٹس کی تیاری کا اعتراف کیا گیا۔

آپریٹنگ سائیڈ پر تمام صارفین کی سپلائی کی ضروریات کو زیر نقائص کے ساتھ بروقت مکمل کیا اور صارفین نے پورے سال کے دوران بزنس کو ”گرین زون“ کے درجے میں رکھا۔ پروڈکشن کی کارکردگی بہتری بنانے، کارزن اور ٹیم ممبران کے لئے ایک صحت مند اور کام کرنے کے محفوظ ماحول کی فراہمی کے ضمن میں تمام تر توجہ دی گئی۔

کمپنی کے مستقبل کا منظر نامہ مقامی معیشت پر مستقل دباؤ کے باعث چیلنجنگ نظر آتا ہے۔ تاہم او ای ایمز سے طلب میں اضافے کی وجہ سے آٹوموٹیو سیکٹر میں کچھ بہتری کے آثار ہیں۔ علاوہ ازیں نئے او ای ایم کی آمد سے مقامی پروڈکشن کا آغاز ہو گیا ہے جس سے صارفین کے دائرہ کار میں توسیع کے ساتھ نئے مواقع بھی ہورہے ہیں۔

حبیب۔ میٹروپاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل)

حبیب میٹروپاکستان (پرائیویٹ) لمیٹڈ ”ایچ ایم پی ایل“ کا مرکزی کاروبار جائیداد کی ملکیت اور اس کا انتظام سنبھالنا ہے۔ تھل لمیٹڈ ایچ ایم پی ایل کمپنی میں 60 فیصد شیئر ہولڈنگ کی حامل ہے جبکہ باقیماندہ 40 فیصد میٹرو کیش اینڈ کیری انٹرنیشنل ہولڈنگ بی۔وی۔ کے پاس ہیں۔ کمپنی مختلف مواقعوں کی تلاش میں مصروف عمل ہے تاکہ کیش اینڈ کیری ریٹیل ریٹیل بزنس کو فروغ دیا جاسکے اور اپنے اسٹور لوکیشنز سے ادارے میں مزید توسیع دی جائے۔

سہ ماہی کے دوران ایچ ایم پی ایل نے تھل لمیٹڈ کو ادائیگی کیلئے 175 ملین روپے کے عبوری منافع منقسمہ کی منظوری دی۔

میکرو۔ حبیب پاکستان لمیٹڈ (ایچ ایم پی ایل)

میکرو حبیب پاکستان لمیٹڈ (ایچ ایم پی ایل) تھل لمیٹڈ کا مکمل ملکیتی ذیلی ادارہ ہے جو میکرو صدر اسٹور کی ملکیت بھی رکھتا ہے۔ معزز سپریم کورٹ آف پاکستان نے 11 ستمبر 2015 کو ایچ ایم پی ایل کی نظر ثانی پٹیشن مسترد کردی اور اس کے نتیجے میں صدر اسٹور بند کر دیا گیا۔

بعد میں 9 دسمبر 2015 کو ہونے والی ایک پیش رفت کے طور پر فاضل سپریم کورٹ آف پاکستان نے نظر ثانی پیشین کی بحالی کے لئے آر می ویلفیئر ٹرسٹ (اے ڈبلیو ٹی) کی درخواست کو منظور کر لیا۔ اپنی 2 فروری 2016 کی سماعت میں معزز چیف جسٹس نے اے ڈبلیو ٹی کی نظر ثانی درخواست کا جائزہ لیتے ہوئے تبصرہ کیا کہ ایم ایچ پی ایل اور وزارت دفاع دونوں کو میرٹ پر اپنے نکات پر بحث میں حصہ لینے کا موقع دیا جائے گا جیسا کہ یہ دونوں اے ڈبلیو ٹی کی نظر ثانی پیشین میں جو ابداران ہیں۔

اے ڈبلیو ٹی کی نظر ثانی پیشین کی سماعت پہلے ایک نئے بیج کے روبرو 17 اکتوبر 2017 کو مقرر کی گئی تھی تاہم شہری اور کے ڈبلیو ایس بی کی نمائندگی کرنے والی کونسل کی جانب سے داخل کردہ التواء کی درخواست کے باعث سماعت کے دوران مزید کوئی کارروائی نہ ہو سکی۔

یہ معاملہ ابھی اگلی سماعت کیلئے زیر التواء ہے۔

پاور سیکٹر میں سرمایہ کاری سندھ اینگری و کول میننگ کمپنی لمیٹڈ

کمپنی نے ایس ای سی ایم سی میں 11.9 فیصد کے عمومی شیئر ہولڈنگ کی ملکیت حاصل کی۔ ایس ای سی ایم سی حکومت سندھ، تھل لمیٹڈ، اینگری و پاور جین لمیٹڈ، حب پاور کمپنی لمیٹڈ، حبیب بینک لمیٹڈ، سی ایم ای سی تھر میننگ انویسٹمنٹس لمیٹڈ اور ایس پی آئی مینگ ڈونگ کے درمیان ایک جوائنٹ وینچر ہے۔ یہ تھر کول بلاک II میں پاکستان کے پہلے اوپن پٹ میننگ پروجیکٹ کی تیاری میں مصروف عمل ہے۔

ایس ای سی ایم سی نے 10 جولائی 2019 کو 3.8 ملین ٹن سالانہ (ایم ٹی پی اے) کپیسٹی مائن (فیرون) کے لئے ایک کمرشل آپریشنز کی تاریخ حاصل کی۔ تھر میننگ کا فیرون اینگری و پاور جین تھر پرائیویٹ لمیٹڈ کی جانب سے تشکیل دیئے گئے 2x330 میگا واٹ پاور جنریشن پلانٹ کے لئے کوئلہ فراہم کرے گا۔ جو کہ نیشنل گرڈ کو پہلے ہی پاور سپلائی کر رہا ہے۔

تقویمی سال 2021 میں (بارہ ماہ کی مدت) ایس ای سی ایم سی سہل اور رواں انداز میں مصروف عمل ہے اور 3.8 ملین ٹن کوئلے کی ریکارڈ سپلائی کر چکا ہے۔ ایس ای سی ایم سی نے مدت سے قبل مثبت کیش فلوز حاصل کیا البتہ اس کے فنڈنگ معاہدوں کے تحت کسی قسم کے منافع منقسمہ کے اعلان سے اسے اس وقت تک روک دیا گیا جب تک پروجیکٹ کی تکمیل کی تاریخ (پی سی ڈی) حاصل نہ ہو جائے جو کہ تھر کول اینڈ انرجی بورڈ کی جانب سے دائر کردہ ایس ای سی ایم سی کے سی او ڈی اسٹیج ٹریف پیشین کی منظوری اور ”ٹرو اپ“ ہونے سے مشروط ہے۔ ایس ای سی ایم سی انتظامیہ نے پی سی ڈی کے حصول کا

ہدف تقویمی سال 2022 کی پہلی ششماہی میں طے کیا ہے۔

ایس ای سی ایم سی نے کامیابی کے ساتھ 31 دسمبر 2019 کو 7.6 ملین ٹن سالانہ کے لئے اپنے کان کنی کے آپریشنز کی توسیع کیلئے فنانشل کلوزر حاصل کر لیا۔ فیز- II کے لئے ایس ای سی ایم سی تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ اور تھرانز جی لمیٹڈ کے ساتھ کول سپلائی ایگریمنٹس (سی ایس اے) کر چکی ہے۔ تھرانز جی لمیٹڈ 330 میگا واٹ پاور پلانٹس کو بالترتیب 1.9 ملین ٹن سالانہ اضافی لگنائٹ فراہم کرے گا۔ ایس ای سی ایم سی اب تقویمی سال 2022 کی دوسری ششماہی میں فیز- II کیلئے تجارتی آپریشنز کی تاریخ حاصل کرنے کیلئے کوشاں ہے۔

تھل پاور (پرائیویٹ) لمیٹڈ

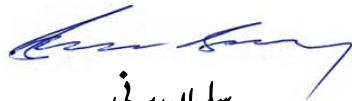
تھل لمیٹڈ تھل نووا پاور تھر پرائیویٹ لمیٹڈ (”تھل نووا“) میں اپنے مکمل ملکیتی ذیلی ادارے تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے 26 فیصد عمومی شیئر ہولڈنگ کی ملکیت رکھتا ہے۔

تھل نووا نے 30 ستمبر 2020 کو اپنا فنانشل کلوزر حاصل کیا تھا۔ پروجیکٹ ممکنہ طور پر ایس ای سی ایم سی کے فیز- II کی توسیع کے ساتھ تقویمی سال 2022 کی آخری سہ ماہی میں آن لائن ہو جائے گا۔

اظہار تشکر

ہم اس کٹھن اور چیلنجنگ صورتحال کا مقابلہ کرنے پر اپنے بورڈ آف ڈائریکٹرز، صارفین، ڈیلرز، بینکرز اور جوائنٹ ونچرز اینڈ ٹیکنیکل شراکت کاروں کے ان کی مستقل معاونت اور کمپنی پر ان کے بھرپور اعتماد پر انہیں خراج تحسین پیش کرنے کے ساتھ ان کا شکریہ بھی ادا کرنا چاہتے ہیں۔ ہم اپنے تمام ملازمین کی کاوشوں اور جدوجہد کو بھی تسلیم کرتے ہوئے ان کے مشکور ہیں جنہوں نے ان نتائج کے حصول میں اپنا بھرپور کردار ادا کیا۔

منجانب بورڈ



سلمان برنی

ڈائریکٹر



محمد طیب احمد ترین

چیف ایگزیکٹو

کراچی: 21 فروری 2022

CORPORATE INFORMATION

Board of Directors

Rafiq M. Habib	Chairman - Non-Executive
Muhammad Tayyab Ahmad Tareen	Chief Executive
Asif Qadir	Independent Director
Aliya Saeeda Khan	Independent Director
Mohamedali R. Habib	Non-Executive Director
Imran Ali Habib	Non-Executive Director
Salman Burney	Non-Executive Director

Chief Financial Officer

Shahid Saleem

Company Secretary

Salman Khalid

Audit Committee

Asif Qadir	Chairman - Independent
Mohamedali R. Habib	Member
Imran Ali Habib	Member
Salman Burney	Member

Human Resource & Remuneration Committee

Asif Qadir	Chairman - Independent
Mohamedali R. Habib	Member
Salman Burney	Member
Muhammad Tayyab Ahmad Tareen	Member

External Auditors

EY Ford Rhodes Chartered Accountants

Legal Advisors

A. K. Brohi & Co., Karachi
Fazle Ghani Advocates, Karachi
K. A. Wahab & Co., Karachi

Tax Advisors

EY Ford Rhodes Chartered Accountants

Bankers

Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
National Bank of Pakistan
Habib Metropolitan Bank Limited
Meezan Bank Limited
Al Baraka Bank (Pakistan) Limited
Bank Al-Habib Limited
Faysal Bank Limited
Bank Alfalah Limited
Telenor Microfinance Bank Limited

Registered Office

4th Floor, House of Habib
3-Jinnah Cooperative Housing Society, Block 7/8
Sharah-e-Faisal, Karachi - 75350
PABX: 92(21) 3431-2030, 3431-2185
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[E-mail: tl@hoh.net](mailto:tl@hoh.net)

[Web: www.thallimited.com](http://www.thallimited.com)

Share Registrar:

FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Nursery, Block-6, P.E.C.H.S.
Shahra-e-Faisal, Karachi
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