

Thal Limited

Condensed Interim Financial Statements
For The Period Ended
March 31, 2023
(Un-audited)



Thal Limited

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Thal Limited

Directors' Review Report to the Shareholders

On behalf of the Board of Directors, we are pleased to share the Directors' Review Report along with unaudited condensed interim financial statements of Thal Limited (the "Company") for the period ended March 31, 2023.

Financial Highlights

<i>(PKR in millions) except earnings per share</i>	<i>Unconsolidated</i>		<i>Consolidated</i>	
	Nine months ended		Nine months ended	
	Mar 31, 2023	Mar 31, 2022	Mar 31, 2023	Mar 31, 2022
Sales	24,896	27,513	25,876	29,384
Profit Before Taxes	2,260	4,556	3,789	6,865
Profit After Taxes	1,648	3,425	2,499	5,166
Earnings Per Share (Rs.)	20.33	42.27	26.75	59.17

Performance Overview

For the nine months ended March 31, 2023, the Company posted sales revenue of Rs. 24.9 billion, down by Rs. 2.6 billion (9.5%), compared to Rs. 27.5 billion in the corresponding period last year. The basic & diluted earnings per share (EPS) for the current period was Rs. 20.33, compared to Rs. 42.27 in the corresponding period last year.

Business Brief – Engineering Segment

The Company's engineering segment is comprised of thermal & engine components business and electric systems business. These businesses are primarily focused on parts manufacturing for the auto industry.

During the period ended March 31, 2023, the business achieved sales of Rs. 11 billion compared to Rs. 17.1 billion during the same period last year, showing a decrease of 35%. The decline in sales is largely attributable to a significant drop in demand by original equipment manufacturers (OEMs).

Under pressure from depleting foreign exchange reserves, restrictions on import of raw materials and high inflation coupled with monetary tightening policies has caused a downturn in the automobile industry and resulted in 'non-production days' by OEMs.

The outlook of the business remains challenging as volatility in macroeconomic indicators is expected to dent the supply and demand of automobiles, and consequently, the engineering segment. Nevertheless, the revenue growth, multi-year on-going cost containment and process improvement program continues to positively impact the business.

Business Brief – Packaging, Building Material & Allied Products Segment

The Company has three businesses in this segment – Jute, Packaging and Laminates. Sales revenue of this segment for the nine months ended March 31, 2023, was recorded at Rs. 13.9 billion, up by Rs. 3.5 billion (34%), compared to Rs. 10.4 billion during the same period last year.

Revenue growth was driven by improved selling prices driven by higher costs, export sales and the commencement of operations of the new woven polypropylene ("WPP") bag manufacturing plant. However, all businesses were challenged by the slowdown in economic activity, currency devaluation, rising interest rates and import restrictions.

Jute Business

Export sales during the quarter remained low due to the global recession and economic challenges in some export markets while local supplies of wheat bags showed good growth. Restrictions on imports adversely affected raw



material procurement during the period. The business is making continuous efforts towards improving yield, product quality and efficiency. The business has also increased efforts to encourage trial cultivation of jute in the coming summer season and ensuring supply of jute *bardana* bags for wheat imports and harvest season.

While sales during the remainder of the financial year are expected to remain stable, challenges due to uncertainty around imports and raw material availability will remain. The business is focused on meeting these challenges by further developing exports and expanding its customer base to support the sustainability of the business in the long term.

Packaging Business

The packaging business caters to various sectors such as cement & industrial packaging (paper and WPP), carrier bags, and food packaging.

The cement sector was hit the hardest due a slowdown in the construction sector, resulting in an 18% decline in cement bag dispatches during the first nine months of FY23, and a decline of 29%, year over year. As a counter measure, the business is successfully progressing on developing its export opportunities to diversify its customer base and also mitigate against exchange rate fluctuations.

Despite these efforts, the outlook for the next quarter remains challenging due to the volatile foreign exchange situation in the country and import restriction impacting the availability of raw materials. However, the management is actively working to address these challenges by increasing efficiency in operations, rationalizing costs, and enhancing the export footprint to ensure its long-term sustainability.

Laminates Business

The laminates business operates under the brand name "*Formite*" in three major product types; high pressure laminates, compact laminates and laminated boards. The brand is known for its quality, innovative products and latest designs.

The laminates industry was impacted by the slowdown in economy. However, the business was able to counter the slowdown and maintain its profitability by raising prices to reflect cost increases, launching a new product for the export market, and generating savings from cost-effective projects combined with smart product mix strategies.

We anticipate the environment to remain challenging in the upcoming months and the business is taking the necessary steps to pursue sustainable growth.

Subsidiaries

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

For the nine months ended 31 March 2023, TBPK achieved sales amounting to Rs. 737.4 million compared to Rs. 1,607.9 million in the same period last year. The decrease in sales was directly linked to a reduction in OEM volumes. At the same time, profitability has been difficult to maintain due to further increases in financial costs and foreign exchange losses resulting from the rupee devaluation.

However, despite the challenges, TBPK has been able to improve its presence in the market, and the high-quality seats manufactured have been recognized by the customers. At the same time, despite the challenges, development work is in full swing on the new model and investment timelines are being successfully met for the launch. TBPK has also implemented multiple austerity measures across the organization to curtail the impact of increase in costs to some extent.

Subsequent to the equity injection, as the shareholders loan is paid off, the susceptibility to rupee devaluation and interest rate fluctuations is eliminated helping to improve the financial metrics of the business.



Outlook for the future of TBPK looks challenging due to continued pressure on the local economy. However, TBPK is actively involved in business development and is hopeful of securing new businesses in the coming years so that it can increase its product offering and customer base.

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

During the quarter, HMPL approved interim dividend of Rs. 216.8 million for the quarter ended December 31, 2022 for payment to the Company.

The main business of HMPL is to own and manage properties. The business is exploring various opportunities to complement the cash & carry retail rental business and to enhance enterprise value from its store locations.

Makro-Habib Pakistan Limited ("MHPL")

Makro Habib Pakistan Limited ("MHPL") is a wholly owned subsidiary of Thal Limited which owned the store premises on Mubarak Shaheed Road, Lines Area, Karachi. In line with the Supreme Court's judgement the store was closed down in September 2015.

Further, in compliance with the Supreme Court's judgment, MHPL has dismantled the store built on the premises and MHPL is currently considering its future course of action.

Investment in Power Sector

Sindh Engro Coal Mining Company Limited ("SECMC")

The Company owns 11.9% of the ordinary shareholding in SECMC. SECMC is operating Pakistan's first open pit mining project at Thar Coal Block II.

SECMC commenced commercial operations for expanded mining operations of 7.6 MTPA ("Phase II") in September 2022.

In the first quarter of the calendar year 2023, SECMC operated smoothly and recorded sales revenue of c. Rs. 21.7 billion. Whilst SECMC generated positive cash flows over the period, it is restricted from declaring any dividends under its financing agreements until the achievement of Project Completion Date ("PCD").

Thal Power (Private) Limited ("ThalNova")

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

ThalNova achieved commercial operations on February 17, 2023. The power plant is supplying power to the grid through the Thar-Matiari transmission line.

Acknowledgement

We would like to thank and convey our appreciation in these challenging times to our customers, dealers, suppliers, shareholders, bankers and the joint venture and 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

Karachi: April 18, 2023

Salman Burney
Director

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,097,450	5,678,486
Intangible assets		44,643	74,765
Investment property		977	980
Long-term investments	6	12,875,373	10,908,740
Long-term deposits		33,650	30,730
Deferred tax asset		293,684	192,734
		19,345,777	16,886,435
CURRENT ASSETS			
Stores, spares and loose tools		201,316	199,880
Stock-in-trade	7	8,622,560	10,379,101
Trade debts	8	5,350,021	3,829,852
Loans and advances		241,590	546,592
Trade deposits and short-term prepayments		595,340	1,042,163
Interest accrued		11,315	33,669
Other receivables		908,373	867,030
Short-term investments		3,103,153	1,263,318
Cash and bank balances		1,634,386	2,557,628
		20,668,054	20,719,233
TOTAL ASSETS		40,013,831	37,605,668
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2022: 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, 2022: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Reserves		28,090,999	26,824,677
		28,496,149	27,229,827
NON-CURRENT LIABILITIES			
Long-term deposits and payables	9	10,514	10,513
Long-term borrowing	10	3,662,513	2,272,565
Lease liabilities	11	61,456	80,088
Deferred income	12	283,137	332,745
		4,017,620	2,695,911
CURRENT LIABILITIES			
Trade and other payables		5,723,321	5,843,706
Accrued mark-up		53,673	24,281
Unclaimed dividend		101,942	97,740
Unpaid dividend		26,152	28,150
Current portion of long-term borrowing	10	111,655	81,898
Current portion of lease liabilities	11	23,806	20,496
Current portion of deferred income	12	73,276	70,910
Short-term borrowing	13	555,000	597,080
Income tax - net	14	539,250	876,738
Sales tax payable		291,987	38,931
		7,500,062	7,679,930
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		40,013,831	37,605,668

The annexed notes 1 to 21 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 MARCH 31, 2023
(UN-AUDITED)

	Note	Nine months ended		Quarter ended	
		March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)	March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)
Revenue – net		24,896,058	27,513,111	10,219,422	10,348,763
Cost of sales		(21,534,758)	(22,624,914)	(8,598,816)	(8,475,624)
Gross profit		3,361,300	4,888,197	1,620,606	1,873,139
Distribution and selling expenses		(613,941)	(534,330)	(208,391)	(190,017)
Administrative expenses		(823,408)	(709,121)	(286,292)	(236,850)
Other charges		(542,988)	(363,315)	(196,100)	(110,361)
		(1,980,337)	(1,606,766)	(690,783)	(537,228)
Other income	16	1,113,931	1,367,723	419,503	491,330
Operating profit		2,494,894	4,649,154	1,349,326	1,827,241
Finance cost		(234,677)	(92,724)	(102,124)	(50,181)
Profit before taxation		2,260,217	4,556,430	1,247,202	1,777,060
Taxation		(612,536)	(1,131,236)	(343,569)	(439,171)
Profit after taxation		1,647,681	3,425,194	903,633	1,337,889
		Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share		20.33	42.27	11.15	16.51

The annexed notes 1 to 21 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 MARCH 31, 2023
(UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)	March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)
Profit after taxation	1,647,681	3,425,194	903,633	1,337,889
Other comprehensive income				
Item that will not be reclassified to unconsolidated statement of profit or loss in subsequent periods - net of tax				
(Loss)/gain on revaluation of long-term investments classified at fair value through other comprehensive income (FVOCI)	(57,237)	(32,464)	(63,407)	(38,943)
Total comprehensive income	1,590,444	3,392,730	840,226	1,298,946

The annexed notes 1 to 21 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 CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2023

	RESERVES					Total Equity
	Issued, subscribed & paid-up capital	Capital	Revenue			
			General Reserve	Unappropriated profit	Gain / (Loss) on revaluation of investments classified at FVOCI	
----- (Rupees in thousands) -----						
Balance as at July 01, 2021	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)
1st Interim dividend @ Rs. 5.00/- per share for the year ended June 30, 2022	-	-	-	(405,150)	-	(405,150)
Profit after taxation	-	-	-	3,425,194	-	3,425,194
Other comprehensive income	-	-	-	-	(32,464)	(32,464)
Total comprehensive income	-	-	-	3,425,194	(32,464)	3,392,730
Balance as at March 31, 2022 (Un-audited)	405,150	1,006,915	21,739,000	3,043,023	212,946	26,407,034
Balance as at July 01, 2022	405,150	1,006,915	21,739,000	3,875,077	203,685	27,229,827
Transfer to general reserve	-	-	3,649,500	(3,649,500)	-	-
Final dividend @ Rs. 2.50 per share for the year ended June 30, 2022	-	-	-	(202,576)	-	(202,576)
1st Interim dividend @ Rs. 1.50/- per share for the year ending June 30, 2023	-	-	-	(121,546)	-	(121,546)
Profit after taxation	-	-	-	1,647,681	-	1,647,681
Other comprehensive loss	-	-	-	-	(57,237)	(57,237)
Total comprehensive income	-	-	-	1,647,681	(57,237)	1,590,444
Balance as at March 31, 2023 (Un-audited)	405,150	1,006,915	25,388,500	1,549,136	146,448	28,496,149

The annexed notes 1 to 21 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 CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2023
(UN-AUDITED)

	Nine months ended	
	March 31, 2023	March 31, 2022
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,260,217	4,556,430
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	18,142	16,733
- Others	554,998	473,041
Gain on disposal of operating fixed assets	(1,130)	(10,045)
Amortization	35,880	43,869
Finance cost of:		
- Lease liabilities	6,180	7,210
- Others	228,497	85,514
Dividend income	(786,027)	(1,102,895)
Interest income	(126,455)	(87,213)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(52,885)	(63,548)
Reversal of allowance for expected credit losses	(10,319)	(3,987)
Provision for obsolescence of inventories	439,011	32,873
Provision for impairment of property, plant and equipment	-	13,621
Provision for impairment of assets classified as held for sale	-	1,021
Reversal of impairment on loan to subsidiary company	(39,432)	(37,634)
Provision for retirement benefits	7,395	5,970
	273,855	(625,470)
Increase in current assets		
Stores, spares and loose tools	(25,012)	(67,026)
Stock-in-trade	1,343,884	(1,568,435)
Trade debts	(1,509,850)	(2,290,335)
Loans and advances	30,002	(126,003)
Trade deposits and short-term prepayments	446,823	(131,815)
Other receivables	(40,802)	(127,700)
	245,045	(4,311,314)
(Decrease) / Increase in current liabilities		
Trade and other payables	(118,280)	1,179,662
Sales tax payable	253,056	172,587
	134,776	1,352,249
Cash used in operations	2,913,893	971,895
Finance costs paid	(205,285)	(76,313)
Retirement benefits paid	(9,500)	(7,151)
Income tax paid	(1,050,974)	(647,306)
Long-term deposits - net	(2,919)	(5,783)
Net cash used in operating activities	1,645,215	235,342
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(995,774)	(2,353,934)
Additions to intangible assets	(5,758)	(9,461)
Proceeds from disposal of operating fixed assets	4,803	21,082
Short-term loans repaid by/ (provided to) subsidiaries	275,000	(212,366)
Repayment of loan by subsidiary company	39,432	-
Dividend income received	785,486	1,102,372
Interest income received	140,810	89,191
Long term investment made in subsidiaries	(2,023,870)	(2,293,068)
Short-term investments during the period - net	(1,778,951)	1,274,833
Net cash generated from/(used in) investing activities	(3,558,822)	(2,381,351)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(15,322)	(12,598)
Export Refinance Facility (repaid)/obtained	(42,080)	194,000
SBP's Refinance Facility for Salaries and Wages repaid	(74,678)	(74,678)
SBP's Temporary Economic Refinance Facility obtained	-	1,368,393
SBP's Financing Scheme for Renewable Energy (repaid)/obtained	(4,629)	249,114
Long-term loan obtained	1,451,770	918,908
Dividends paid	(321,918)	(889,240)
Net cash (used in)/generated from financing activities	993,143	1,753,899
NET DECREASE IN CASH AND CASH EQUIVALENTS	(920,464)	(392,110)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,557,628	2,096,373
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,637,164	1,704,263
Cash and bank balances	1,634,386	1,704,263
Short-term running finance	-	-
	1,634,386	1,704,263

The annexed notes 1 to 21 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 MARCH 31, 2023
(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, packaging goods and laminate sheets. The jute operations are located at Muzaffargarh, Punjab, engineering operations at Karachi, Sindh, packaging 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, 2022.

2.2 Adoption of amendments and framework effective during the period

Standards, amendments and interpretations adopted during the period

The Company has adopted the certain amendments and improvements to the International Financial Reporting Standards (IFRSs) which became effective for the current period as disclosed below. The said amendments did not have any material impact on these condensed interim unconsolidated financial statements.

Amendments to approved accounting standards

IFRS 3	Reference to the Conceptual Framework (Amendments)
IAS 16	Property, Plant and Equipment: Proceeds before Intended Use (Amendments)
IAS 37	Onerous Contracts – Costs of Fulfilling a Contract (Amendments)

Improvements to Accounting Standards Issued by the IASB (2018-2020 cycle)

IFRS 9	Financial Instruments – Fees in the '10 percent' test for derecognition of financial liabilities
IAS 41	Agriculture – Taxation in fair value measurements
IFRS 16	Leases: Lease incentives

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, 2022.

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, 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, 2022.

	Note	March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- owned	5.1	4,930,910	4,662,800
- right-of-use assets		83,264	101,406
		5,014,174	4,764,206
Capital work-in-progress	5.2	1,083,276	914,280
		6,097,450	5,678,486

5.1 Details of additions and disposals are as follows:

	Additions at cost		Disposals at net book value	
	Nine months ended March 31,		Nine months ended March 31,	
	2023 (Un-audited)	2022	2023 (Un-audited)	2022
Note	----- (Rupees in thousands) -----			
Factory building	370,987	21,960	-	-
Plant and machinery	170,579	443,451	-	40
Furniture and fittings	98	3,959	-	-
Vehicles	58,802	74,718	3,505	10,669
Office and mills equipment	117,549	22,496	-	24
Computer equipment	18,298	19,360	168	304
Jigs and fixtures	90,465	70,160	-	-
Capital stores and spares	-	470	-	-
5.1.1	826,778	656,574	3,673	11,037

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 739.575 million (March 31, 2022: Rs. 616.422 million).

THAL LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS

			March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
5.2	The movement of capital work-in-progress is as follows:	Note		
	Opening balance		914,280	616,422
	Additions during the period	5.2.1	908,571	2,331,083
	Transfers to operating fixed assets		(739,575)	(2,033,225)
	Closing balance		<u>1,083,276</u>	<u>914,280</u>

			March 31, 2023 (Un-audited) (Rupees in thousands)	March 31, 2022 (Un-audited)
5.2.1	Details of additions at cost are as follows:			
	Factory building		127,268	791,746
	Plant and machinery		133,359	1,132,247
	Furniture and fittings		2,341	169
	Vehicles		43,648	1,990
	Office and mills equipment		121,271	305,936
	Computer equipment		16,916	-
	Jigs and fixtures		463,768	81,694
			<u>908,571</u>	<u>2,313,782</u>

			March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
6.	LONG-TERM INVESTMENTS	Note		
	Investments in related parties - at cost			
	Subsidiaries	6.1	9,753,879	7,730,009
	Associates	6.2	2,920,398	2,920,398
			<u>12,674,277</u>	<u>10,650,407</u>
	Other investments - at fair value through other comprehensive income			
	Listed shares		201,096	258,333
			<u>12,875,373</u>	<u>10,908,740</u>

6.1 This includes investment by the Company, through its subsidiary, Thal Power (Private) Limited (TPL). The Company 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. Up to the statement of financial position date, through TPL, the Company has invested Rs. 6,031.742 million in TNTPL acquiring 603,174,000 ordinary shares having face value of Rs. 10 each. The balance commitment of the investment is USD 0.6 million in PKR equivalent. TNTPL achieved its financial close and Commercial Operations on September 30, 2020 and February 17, 2023, respectively.

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 invested a total of USD 23.1 million in PKR equivalents to develop a cumulative mine capacity of 7.6 mtpa. Phase I of the Project achieved commercial operations in July 2019 and Phase II achieved commercial operations in Sep 2022. As of 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.

THAL LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS

		March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
7. STOCK-IN-TRADE	Note		
Raw material:			
- In hand		5,925,766	5,459,808
- In transit		<u>1,453,269</u>	<u>3,131,505</u>
		<u>7,379,035</u>	<u>8,591,313</u>
Work-in-process		530,723	809,655
Finished goods		1,356,231	1,207,479
Less: Provision for obsolescence		<u>(643,429)</u>	<u>(229,346)</u>
		<u><u>8,622,560</u></u>	<u><u>10,379,101</u></u>
8. TRADE DEBTS			
Considered good		5,418,537	3,908,687
Allowance for expected credit losses		<u>(68,516)</u>	<u>(78,835)</u>
		<u><u>5,350,021</u></u>	<u><u>3,829,852</u></u>
9. LONG-TERM DEPOSITS AND PAYABLES			
Long-term deposits		1,464	1,463
Long-term liability		14,545	14,545
Current portion of long-term liability		<u>(5,495)</u>	<u>(5,495)</u>
		<u><u>10,514</u></u>	<u><u>10,513</u></u>
10. LONG-TERM BORROWING - secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages		-	74,678
Less: Current portion		<u>-</u>	<u>(74,678)</u>
		-	-
SBP's Temporary Economic Refinance Facility	10.1	<u>1,467,674</u>	1,467,674
Less: Deferred income	12	<u>(302,313)</u>	(345,189)
Less: Current portion		<u>(90,916)</u>	-
		<u><u>1,074,445</u></u>	<u>1,122,485</u>
SBP's Financing Scheme for Renewable Energy	10.2	<u>292,229</u>	296,858
Less: Deferred income	12	<u>(54,100)</u>	(58,466)
Less: Current portion		<u>(20,739)</u>	(7,220)
		<u><u>217,390</u></u>	<u>231,172</u>
Long-term loan	10.3	<u>2,370,678</u>	918,908
		<u><u>3,662,513</u></u>	<u><u>2,272,565</u></u>

10.1 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 1,468 million as at March 31, 2023 from various commercial banks. 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.

- 10.2** 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. 293 million as at March 31, 2023 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.
- 10.3** In 2021, 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.

	Note	March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
11. LEASE LIABILITIES			
Opening balance		100,584	117,690
Accretion of interest		6,180	9,498
Lease rentals paid		<u>(21,502)</u>	<u>(26,604)</u>
Closing balance		85,262	100,584
Less: Current portion		<u>(23,806)</u>	<u>(20,496)</u>
		<u><u>61,456</u></u>	<u><u>80,088</u></u>

12. DEFERRED INCOME			
Deferred income		356,413	403,655
Less: Current portion of deferred income		<u>(73,276)</u>	<u>(70,910)</u>
		<u><u>283,137</u></u>	<u><u>332,745</u></u>

13. SHORT TERM BORROWING - secured			
Export Refinance Facility	13.1	555,000	555,000
Export Finance Scheme		-	42,080
		<u><u>555,000</u></u>	<u><u>597,080</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 16.7% to 17% per annum and is payable within 180 days on rollover basis. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Company.

	Note	March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
14. INCOME TAX – net			
Group Tax Relief adjustments	14.1	(684,120)	(684,120)
Group Taxation adjustments		58,266	58,266
Income tax provision less tax payments – net		<u>1,165,104</u>	1,502,592
		<u><u>539,250</u></u>	<u><u>876,738</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.

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 June 30, 2022.

	Note	March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
15.2 Commitments			
15.2.1 Post dated cheques have been issued to Collector of Custom		<u>230,681</u>	<u>180,686</u>
15.2.2 Outstanding letters of credit for import of raw material and plant and machinery		<u>2,612,533</u>	<u>5,515,484</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>5,821,322</u>	<u>4,621,237</u>
15.2.4 Commitments in respect of raw material		<u>-</u>	<u>1,541,047</u>
15.2.5 Commitments in respect of capital expenditure		<u>-</u>	<u>108,492</u>
15.2.6 Commitments for rentals under Ijarah (lease) agreements			
Within one year		-	8,540
After one year but not later than five years		<u>-</u>	<u>556</u>
		<u>-</u>	<u>9,096</u>
15.2.7 These guarantees are secured against certain items of property, plant and equipment of the Company.			

16. OTHER INCOME

This includes dividend income amounting to Rs. 786.027 million (March 31, 2022: Rs.1,102.895 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	Nine months ended	
		March 31, 2023	March 31, 2022
		(Un-audited)	
		(Rupees in thousands)	
Subsidiaries	Professional services acquired	116,725	131,045
	Dividend income	577,368	465,590
	Purchase of supplies	-	497
	Purchase of goods	342	-
	Repayment of loan by subsidiaries	314,432	37,634
	Loan to subsidiary company	-	250,000
	Investment in subsidiaries	2,023,870	2,000,000
	Interest income on loan to subsidiary	25,471	20,403
	Tax loss/profit challah acquired	-	15,882
	Service fee	24,300	24,300
Associates	Sales of goods	7,793,788	12,449,810
	Dividend income	108,210	510,486
	Investment in associate	-	293,068
	Insurance premium	36,840	29,665
	Insurance claim received	24,639	12,143
	Purchase of assets	20,570	6,850
	Supplies purchased	71,022	70,081
	Rent received	2,491	2,125
Employee benefit funds	Contribution to provident fund	53,082	41,549
	Contribution to retirement benefit fund	8,669	6,219
Key management personnel	Remuneration paid	83,582	79,276
Directors	Directors' meeting fee paid	1,631	1,535

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, 2022. 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 thousands.

20.2 Corresponding figures have been re-arranged and reclassified, wherever necessary. However, there were no material rearrangements to report.

21. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on April 18, 2023 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 MARCH 31, 2023

	Note	March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	7,536,665	6,659,119
Intangible assets		45,914	77,191
Investment property		5,995,469	6,227,839
Long-term investments	6	17,472,574	14,931,971
Long-term deposits		40,852	35,455
Long-term prepayments		22,501	22,501
		31,113,975	27,954,076
CURRENT ASSETS			
Stores, spares and loose tools		264,708	244,143
Stock-in-trade	7	9,006,816	10,808,718
Trade debts	8	5,445,873	3,962,577
Loans and advances		278,872	709,261
Trade deposits and short-term prepayments		614,167	1,055,606
Interest accrued		19,654	23,106
Other receivables		1,032,954	1,054,247
Short-term investments	9	8,610,378	6,142,676
Cash and bank balances		1,985,378	3,057,253
		27,258,800	27,057,587
TOTAL ASSETS		58,372,775	55,011,663
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2022: 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, 2022: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		36,323,772	34,532,216
Equity attributable to equity holders' of the parent		36,728,934	34,937,378
Non-controlling interest		7,052,979	6,656,553
		43,781,913	41,593,931
NON-CURRENT LIABILITIES			
Long-term deposits and liability	10	341,136	339,688
Long-term borrowings	11	3,629,336	2,571,547
Lease liabilities	12	871,017	899,198
Deferred income	13	316,235	332,745
Deferred tax liability		482,444	477,952
		5,640,168	4,621,130
CURRENT LIABILITIES			
Trade and other payables		6,449,503	6,476,553
Accrued markup		53,673	28,046
Unclaimed dividend		101,942	97,740
Unpaid dividend		26,152	28,150
Current portion of long-term borrowings	11	111,655	81,898
Current portion of lease liabilities	12	124,565	124,954
Current portion of deferred income	13	73,355	70,910
Short-term borrowings	14	1,005,855	701,816
Income Tax - net	15	821,712	1,152,423
Sales tax payable		182,282	34,112
		8,950,694	8,796,602
CONTINGENCIES AND COMMITMENTS	16		
TOTAL EQUITIES AND LIABILITIES		58,372,775	55,011,663

The annexed notes from 1 to 23 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 OR LOSS
FOR THE PERIOD ENDED MARCH 31, 2023
(UN-AUDITED)

	Notes	Nine months ended		Quarter ended	
		March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)	March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)
Revenue - net		25,875,520	29,384,278	10,515,889	10,962,815
Cost of sales		(22,745,675)	(24,499,787)	(8,953,530)	(9,110,431)
Gross Profit		3,129,845	4,884,491	1,562,359	1,852,384
Distribution costs		(621,814)	(549,670)	(210,339)	(194,699)
Administrative expenses		(1,275,508)	(1,106,515)	(461,517)	(359,689)
Other charges		(643,855)	(400,780)	(265,476)	(117,985)
		(2,541,177)	(2,056,965)	(937,332)	(672,373)
Other income	17	2,755,243	2,354,671	963,009	883,061
Operating Profit		3,343,911	5,182,197	1,588,036	2,063,072
Finance costs		(372,601)	(196,265)	(141,993)	(83,094)
		2,971,310	4,985,932	1,446,043	1,979,978
Share of net profit/(loss) of associates - after tax		817,759	1,879,377	(202,914)	668,794
Profit before taxation		3,789,069	6,865,309	1,243,129	2,648,772
Taxation		(1,290,135)	(1,698,959)	(502,444)	(650,280)
Profit after taxation		2,498,934	5,166,350	740,685	1,998,492
Attributable to:					
- Equity holders of the Holding Company		2,167,596	4,794,198	676,587	1,868,771
- Non-controlling interest		331,338	372,152	64,098	129,721
		2,498,934	5,166,350	740,685	1,998,492
		Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share attributable to the equity holders of the Holding		26.75	59.17	8.35	23.06

The annexed notes from 1 to 23 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 MARCH 31, 2023
(UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2023 (Rupees in thousands)	March 31, 2022	March 31, 2023 (Rupees in thousands)	March 31, 2022 (Rupees in thousands)
Profit after taxation	2,498,934	5,166,350	740,685	1,998,492
Other comprehensive income				
(Loss) / gain on revaluation of investments at fair value through other comprehensive income	(57,237)	-	(63,407)	(25,187)
Share of actuarial loss on remeasurement of defined benefit plans of associates	5,319	(5,779)	(1,874)	(4,179)
Total comprehensive income for the period, net of tax	2,447,016	5,160,571	675,404	1,969,126
Attributable to:				
- Equity holders of the Holding Company	2,115,678	4,788,419	611,306	1,839,405
- Non-controlling interest	331,338	372,152	64,098	129,721
	2,447,016	5,160,571	675,404	1,969,126

The annexed notes from 1 to 23 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 MARCH 31, 2023

	RESERVES							
	Issued, subscribed & paid-up capital	Share deposit money	Capital	Revenue			Non-controlling interest	Total equity
				General Reserve	Unappropriated profit	Gain / (loss) on revaluation of investments classified at FVOCI		
Rupees in thousands								
Balance as at July 1, 2021	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)
1st Interim dividend @ Rs. 4.00/- per share for the year ended June 30, 2022	-	-	-	-	(405,150)	-	-	(405,150)
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 ended June 30, 2022	-	-	-	-	-	-	(94,000)	(94,000)
Profit for the period	-	-	-	-	4,794,198	-	372,152	5,166,350
Other comprehensive income	-	-	-	-	(5,779)	(32,464)	-	(38,243)
Total comprehensive income	-	-	-	-	4,788,419	(32,464)	372,152	5,128,107
Balance as at March 31, 2022 (Un-audited)	405,150	12	67,929	21,780,875	11,462,702	212,949	6,626,765	40,556,382
Balance as at July 1, 2022	405,150	12	67,929	21,780,875	12,484,696	198,716	6,656,553	41,593,931
Transfer to general reserve	-	-	-	3,649,500	(3,649,500)	-	-	-
Final dividend @ Rs. 6.00/- per share for the year ended June 30, 2022	-	-	-	-	(202,576)	-	-	(202,576)
1st Interim dividend @ Rs. 1.50/- per share for the year ending June 30, 2023	-	-	-	-	(121,546)	-	-	(121,546)
Subsidiary Company								
Final dividend @ Rs. 0.723/- per share for the year ended June 30, 2022	-	-	-	-	-	-	(98,408)	(98,408)
1st Interim dividend @ Rs. 1.044/- per share for the year ending June 30, 2023	-	-	-	-	-	-	(141,969)	(141,969)
2nd Interim dividend @ Rs. 0.861/- per share for the year ending June 30, 2023	-	-	-	-	-	-	(144,535)	(144,535)
Profit for the period	-	-	-	-	2,167,596	-	331,338	2,498,934
Other comprehensive loss	-	-	-	-	5,319	(57,237)	-	(51,918)
Total comprehensive income	-	-	-	-	2,172,915	(57,237)	331,338	2,447,016
Issue of share capital	-	-	-	-	-	-	450,000	450,000
Balance as at March 31, 2023 (Unaudited)	405,150	12	67,929	25,430,375	10,683,989	141,479	7,052,979	43,781,913

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



Chief Executive



Director

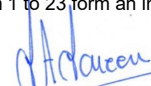


Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2023
(UN-AUDITED)

	Nine months ended	
	March 31, 2023	March 31, 2022
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,789,069	6,865,309
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	51,712	30,726
- Others	897,144	834,346
Gain on disposal of property, plant and equipment	(3,853)	(13,690)
Gain on disposal of investment property	-	(763)
Amortisation	37,035	45,629
Share in profit of associates - after taxation	(817,759)	(1,879,377)
Finance cost of:		
- Lease liabilities	92,904	92,496
- Others	279,697	103,769
Dividend income	(518,629)	(130,746)
Interest income	(350,625)	(158,915)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(53,050)	(307,987)
Reversal of allowance for expected credit loss	(10,319)	(3,987)
Provision for obsolescence of inventories	484,510	34,759
Provision for impairment of property, plant and equipment	-	13,621
Provision for impairment of assets classified as held for sale	-	1,021
Provision for retirement benefits	7,395	5,970
Exchange gain on long-term borrowing	100,667	37,850
	<u>196,829</u>	<u>(1,295,278)</u>
	3,985,898	5,570,031
(Increase) / decrease in current assets		
Stores, spares and loose tools	(53,412)	(77,523)
Stock-in-trade	1,350,239	(1,521,375)
Trade debts	(1,472,977)	(2,282,584)
Loans and advances	430,389	(541,150)
Trade deposits and short-term prepayments	441,439	(135,500)
Other receivables	21,834	(144,412)
Sales tax refundable	148,170	196,201
Increase / (decrease) in current liabilities		
Deferred income	5,698	(1,353)
Trade and other payables	(28,305)	1,154,769
	<u>843,075</u>	<u>(3,352,927)</u>
Cash generated from operations	4,828,973	2,217,104
Finance costs paid	(333,167)	(183,625)
Retirement benefits paid	(11,838)	(8,707)
Income tax paid	(1,616,354)	(1,048,015)
Long-term deposits - net	(3,949)	(6,847)
Net cash used in operating activities	2,863,665	969,910
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,555,645)	(2,378,149)
Additions to investment property	(47,012)	(94,440)
Additions to intangible assets	(5,758)	(9,460)
Proceeds from disposal of property, plant and equipment	10,845	30,374
Proceeds from disposal of investment property	3,601	763
Dividends received	626,298	640,709
Interest income received	320,104	155,391
Long-term investments made	(1,882,972)	(2,299,626)
Short-term investments - net	(2,380,679)	1,153,970
Net cash generated from / (used in) investing activities	(4,911,218)	(2,800,468)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(44,345)	(27,213)
Issue of ordinary shares	450,000	-
Export Refinance Facility (repaid) / obtained	(42,080)	194,000
SBP's Refinance Facility for Salaries and Wages repaid	(74,678)	(74,678)
SBP's Temporary Economic Refinance Facility obtained	-	1,368,393
SBP's Financing Scheme for Renewable Energy (repaid) / obtained	(4,629)	249,114
Long term borrowing for energy projects	1,052,121	918,908
Dividends paid	(706,830)	(1,199,633)
Net cash (used in) / generated from financing activities	629,559	1,428,891
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,417,994)	(401,667)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,952,517	2,513,610
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,534,523	2,111,943
Cash and bank balances	1,985,378	2,171,418
Short-term running finance	(450,855)	(59,475)
	<u>1,534,523</u>	<u>2,111,943</u>

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


 Chief Executive


 Director


 Chief Financial Officer

THAL LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2023
(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 and is listed on the Pakistan Stock Exchange.

The Holding Company is engaged in the manufacture of jute goods, engineering goods, packaging goods 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

Jute operations are located at Muzaffargarh, Punjab.

Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh

Packaging 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, Sharae 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, Sharae 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, Sharae 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, Sharae Faisal, Karachi.

Thal Electrical (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharae 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, 2022.

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

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, 2022.

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, 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, 2022.

5	PROPERTY, PLANT AND EQUIPMENT	Note	March 31,	June 30,
			2023 (Un-audited) (Rupees in thousands)	2022 (Audited)
	Operating fixed assets			
	- owned	5.1 & 5.2	5,664,838	5,463,029
	- right-of-use assets		240,727	270,660
			5,905,565	5,733,689
	Capital work-in-progress	5.2	1,631,100	925,430
			<u>7,536,665</u>	<u>6,659,119</u>

5.1 Details of additions and disposals are as follows:

	Additions at cost		Deletions at book value	
	Nine Months Ended March 31,		Nine Months Ended March 31,	
	2023	2022	2023	2022
	(Un-audited)		(Un-audited)	
	------(Rupees in thousands)-----			
Factory building	370,987	29,566	-	-
Plant and machinery	170,579	443,451	-	40
Furniture and fittings	658	4,948	-	-
Vehicles	75,020	101,429	5,868	16,151
Office and mills equipment	118,036	26,106	-	37
Computer equipment	24,230	26,205	1,124	323
Jigs and Fixtures	90,465	70,948	-	-
Major stores and spares	-	470	-	-
	<u>849,975</u>	<u>703,123</u>	<u>6,992</u>	<u>16,551</u>

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 750.725 million (March 31, 2022: Rs. 631.689 million).

5.2 Details of additions at cost are as follows:

	March 31,	March 31,
	2023	2022
	(Un-audited)	(Un-Audited)
	(Rupees in thousands)	
Factory building	217,455	791,746
Plant and machinery	590,996	1,132,247
Furniture and fittings	2,341	169
Vehicles	43,648	1,990
Office and mills equipment	121,271	305,936
Computer equipment	16,916	-
Jigs and fixtures	463,768	81,694
	<u>1,456,395</u>	<u>2,313,782</u>

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

	March 31,	June 30,
	2023	2022
	(Un-audited)	(Audited)
	(Rupees in thousands)	
Opening balance	925,430	631,767
Additions during the year	1,456,395	2,383,907
Transfers to operating fixed assets	(750,725)	(2,090,244)
Closing balance	<u>1,631,100</u>	<u>925,430</u>

		March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
6	LONG-TERM INVESTMENTS		
	Investment in related parties		
	Investment in associates - equity accounting	6.1 & 6.2 17,271,478	14,673,638
	Other investments - at fair value through other comprehensive income		
	Listed shares	<u>201,096</u>	<u>258,333</u>
		<u>17,472,574</u>	<u>14,931,971</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, the Group has invested Rs. 6,031.742 million in TNTPL acquiring 603,174,000 ordinary shares having face value of Rs. 10 each. The balance commitment of the investment is USD 0.6 million in PKR equivalent. TNTPL achieved its financial close on September 30, 2020 and Commercial Operations on February 17, 2023.		
6.2	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 commercial operations in Sep 2022. As of 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.		
		March 31, 2023	June 30, 2022
		Note (Un-audited)	(Audited)
7	STOCK-IN-TRADE		
	Raw material		
	- In hand	6,314,613	5,819,908
	- In transit	1,465,959	3,163,083
		<u>7,780,572</u>	<u>8,982,991</u>
	Work-in-process	530,723	809,655
	Finished goods	1,386,651	1,255,539
	Less: Provision for obsolescence	(691,130)	(239,467)
		<u>9,006,816</u>	<u>10,808,718</u>
8	TRADE DEBTS		
	Considered good	5,514,454	4,042,882
	Allowance for expected credit losses	(68,581)	(80,305)
		<u>5,445,873</u>	<u>3,962,577</u>
9	SHORT-TERM INVESTMENTS		
	At fair value through profit or loss		
	Treasury bills	2,948,802	741,340
	Mutual Funds	5,661,576	5,401,336
		<u>8,610,378</u>	<u>6,142,676</u>

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
10 LONG-TERM DEPOSITS AND LIABILITY			
Long-term deposits		332,086	330,638
Long-term liability		14,545	14,545
Current portion of long-term liability		(5,495)	(5,495)
		<u>341,136</u>	<u>339,688</u>
11 LONG-TERM BORROWINGS			
Secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages		-	74,678
Less: Current maturity		-	(74,678)
		-	-
SBP's Temporary Economic Refinance Facility	11.1	1,467,674	1,467,674
Less: Deferred income	13.	(332,773)	(345,189)
Less: Current portion		(90,916)	-
		<u>1,043,985</u>	1,122,485
SBP's Financing Scheme for Renewable Energy	11.2	292,229	296,858
Less: Deferred income		(56,817)	(58,466)
Less: Current portion		(20,739)	(7,220)
		<u>214,673</u>	231,172
Long-term loan	11.3	<u>2,370,678</u>	918,908
		<u>3,629,336</u>	2,272,565
Unsecured			
Toyota Boshoku Asia Corporation Limited - NCI		-	298,982
		<u>3,629,336</u>	<u>2,571,547</u>

11.1 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 1,468 million as at March 31, 2023 from various commercial banks. 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.

11.2 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. 293 million as at March 31, 2023 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.

- 11.3** In 2021, 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.

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
12 LEASE LIABILITY			
Opening balance		1,026,117	882,702
Additions during the year		3,990	136,901
Accretion of interest		92,904	115,430
Lease rentals paid		<u>(127,429)</u>	<u>(108,916)</u>
Closing balance		995,582	1,026,117
Less: Current maturity		<u>(124,565)</u>	<u>(120,223)</u>
		<u>871,017</u>	<u>905,894</u>

13. DEFERRED INCOME

Deferred income		389,590	403,655
Less: Current portion of deferred income		<u>(73,355)</u>	<u>(70,910)</u>
		<u>316,235</u>	<u>332,745</u>

14. SHORT TERM FINANCING - secured

Export Refinance Scheme	14.1	555,000	597,080
Running Finance	14.2	450,855	104,736
		<u>1,005,855</u>	<u>701,816</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 16.7% to 17% 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 + 0.25% to 0.4%. The total amount of the facility is Rs. 4,864 million out of which the Group has utilised Rs. 450.855 million as at March 31, 2023. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Group.

		March 31, 2023 (Un-audited)	June 30, 2022 (Audited)
	Note	(Rupees in thousands)	
15. INCOME TAX - Net			
Group Tax Relief adjustments	15.1	684,120	684,120
Group Taxation adjustments		(58,266)	(58,266)
Income Tax provision less tax payments - net		<u>(1,447,566)</u>	<u>(1,778,277)</u>
		<u>(821,712)</u>	<u>(1,152,423)</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.

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, 2022.

	March 31, 2023 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
16.2 Commitments		
16.2.1 Post dated cheques have been issued to Collector of Custom	<u>230,681</u>	<u>180,686</u>
16.2.2 Outstanding letters of credit for import of raw material and plant and machinery	<u>2,612,533</u>	<u>5,731,152</u>
16.2.3 Letter of guarantees issued by banks on behalf of the Group in respect of financial commitments of the Group	16.2.7 <u>6,703,695</u>	<u>6,568,639</u>
16.2.4 Commitments in respect of raw material	<u>-</u>	<u>1,541,047</u>
16.2.5 Commitments in respect of capital expenditure	<u>-</u>	<u>139,742</u>
16.2.6 Commitments for rentals under Ijarah (lease) agreements		
Within one year	-	11,904
After one year but not later than five years	-	3,305
	<u>-</u>	<u>15,209</u>
16.2.7 These guarantees are secured against certain items of property, plant and equipment of the Group.		

17 OTHER INCOME

This includes dividend income, licence and signage income and rental income amounting to Rs. 518.629 million (March 31, 2022: Rs.130.746 million), Rs. 223.286 million (March 31, 2022: Rs. 194.819 million) and Rs. 1,524.214 million (March 31, 2022: Rs. 1,339.483 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 with related parties during the period are as follows:

Relationship	Nature of transactions	Nine months ended	
		March 31, 2023	March 31, 2022
(Un-audited)			
Rupees in thousand			
Associates	Sales of goods	7,978,767	13,673,044
	Dividend income received	108,210	510,486
	Dividend paid	144,535	310,394
	Professional services rendered	155,789	172,487
	Rent / licence fee received	516,382	1,420,136
	Insurance premium paid	39,258	33,300
	Insurance claim received	24,720	5,953
	Supplies purchased	243,145	1,197,363
	Purchase of assets	24,841	6,850
	Investment in associates	1,882,972	2,299,626
Employee benefit plans	Contribution to provident fund	59,243	50,882
	Contribution to retirement benefit fund	8,669	7,347
Key management personn	Remuneration paid	119,600	127,178
Directors	Directors' meeting fee paid	1,631	1,535

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 2022. 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

Nine months ended										
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Engineering		Building material and allied products		Real estate management & others		Elimination		Total		
-----Rupees in thousand-----										
Sales Revenue - External	11,783,157	18,693,516	13,850,305	10,427,467	242,058	263,295	-	-	25,875,520	29,384,278
- Internal	-	-	-	-	138,937	131,045	(138,937)	(131,045)	-	-
Rental income	-	-	-	-	1,747,500	1,594,302	-	-	1,747,500	1,594,302
Total Segment Revenue	11,783,157	18,693,516	13,850,305	10,427,467	2,128,495	1,988,642	(138,937)	(131,045)	27,623,020	30,978,580
Segment Result	782,597	2,885,797	1,942,587	1,867,889	1,192,003	1,108,257	-	-	3,917,187	5,861,943
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(953,636)	(1,076,372)
Other charges									(643,855)	(386,138)
Other income									1,024,215	782,764
Operating profit									3,343,911	5,182,197
Finance cost									(372,601)	(196,265)
Share in profit of associates									817,759	1,879,377
Taxation									(1,290,135)	(1,698,959)
Profit after taxation									2,498,934	5,166,350

Quarter ended										
March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022	
Engineering		Building material and allied products		Real estate management & others		Elimination		Total		
-----Rupees in thousand-----										
Sales Revenue - External	3,606,758	6,616,837	6,797,973	4,271,436	234,028	74,542	-	-	10,638,759	10,962,815
- Internal	-	-	-	-	16,067	59,865	(16,067)	(59,865)	-	-
Rental income	-	-	-	-	584,300	537,956	-	-	584,300	537,956
Total Segment Revenue	3,606,758	6,616,837	6,797,973	4,271,436	834,395	672,363	(16,067)	(59,865)	11,223,059	11,500,771
Segment Result	208,796	1,110,274	1,187,034	714,467	403,675	370,826	-	-	1,799,505	2,195,567
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(331,514)	(365,425)
Other charges									(265,476)	(117,985)
Other income									385,521	350,915
Operating profit									1,588,036	2,063,072
Finance cost									(141,993)	(83,094)
Share in profit of associates									(202,914)	668,794
Taxation									(502,444)	(650,280)
Profit after taxation									740,685	1,998,492

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 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on April 18, 2023 by the Board of Directors of the Holding Company.



Chief Executive



Director



Chief Financial Officer

تھل لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے، ہم نہایت مسرت کے ساتھ تھل لمیٹڈ (کمپنی) کے غیر آڈٹ شدہ مجموعی مالیاتی گوشوارے برائے اختتامی مدت 31 مارچ 2023ء پیش کر رہے ہیں۔

مالیاتی نتائج:

(روپے بلین میں) سوائے آمدنی فی شیئر	ان کنسولیدیشن اختتامی نو ماہی 31 مارچ 2023	اختتامی نو ماہی 31 مارچ 2022	کنسولیدیشن اختتامی نو ماہی 31 مارچ 2023	اختتامی نو ماہی 31 مارچ 2022
فروخت	24,896	27,513	25,876	29,384
قبل از ٹیکس منافع	2,260	4,556	3,789	6,865
بعد از ٹیکس منافع	1,648	3,425	2,499	5,166
فی شیئر آمدنی (روپے)	20.33	42.27	26.75	59.17

کارکردگی کا جائزہ:

31 مارچ 2023ء کو اختتامی نو ماہی مدت کیلئے کمپنی نے 24.9 بلین روپے کی فروخت کی آمدنی حاصل کی جو کہ گذشتہ سال کی اسی مدت کے 27.5 بلین روپے کے مقابلے میں 2.6 بلین روپے (یعنی 9.5 فیصد) کم ہے۔ موجودہ مدت کے لیے بنیادی اور ڈیلویٹ فی شیئر آمدنی 20.33 روپے رہی جو کہ گذشتہ سال کی اسی مدت میں 42.27 روپے تھی۔

31 دسمبر 2022 کو اختتامی ششماہی کے لیے بورڈ نے 1.50 فی شیئر یعنی 30% کے عبوری نقد ڈویڈنڈ کی منظوری دی ہے۔

کاروباری شعبوں کا جائزہ:

شعبہ انجینئرنگ:

کمپنی کا شعبہ انجینئرنگ تھرمل اور انجن کے اجزاء کے کاروبار اور الیکٹرک سسٹم پر مشتمل ہے۔ ان کاروباروں نے اپنی بنیادی توجہ آٹو انڈسٹری کے لئے پارٹس کی تیاری پر مرکوز کر رکھی ہے۔

دوران اختتامی مدت 31 مارچ 2023ء، اس شعبے نے گذشتہ سال کی 17.1 بلین روپے کے مقابلے میں 11 بلین روپے کی فروخت کی جو کہ 35% کی کمی کو ظاہر کرتی ہے۔ فروخت میں یہ کمی بڑی حد تک اور پینل ایکویپمنٹ مینوفیکچررز (OEM) کی طلب میں نمایاں کمی کے باعث ہوئی۔

زرمبادلہ کے ذخائر میں کمی کے دباؤ کے تحت، خام مال کی درآمد پر پابندیاں اور سخت ماہی پالیسیوں کے ساتھ ساتھ اونچی افراط زر نے آٹوموبائل انڈسٹری میں تنزلی کا باعث بنا اور اس کے نتیجے میں OEMs کی طرف سے ”غیر پیداواری دن“ نکلے ہیں۔

کاروباری آؤٹ لک بدستور چیلنجنگ ہے کیونکہ خام مال کی درآمد کو محدود کیا جا رہا ہے۔ مزید برآں، شرح مبادلہ، افراط زر اور شرح سود میں اتار چڑھاؤ سے آٹوموبائلز، بیٹریاں، شعبہ انجینئرنگ کی طلب میں مزید کمی متوقع ہے۔

پیکینگ، بلڈنگ میٹریل اور منسلکہ مصنوعات کا شعبہ:
کمپنی اس شعبے میں تین اہم کاروبار جوٹ، پیکینگ اور لمینیشن کی حامل ہے۔ 31 مارچ 2023ء کو اختتامی نو ماہی مدت کیلئے بلڈنگ میٹریل اور منسلکہ مصنوعات کے شعبہ کی فروخت کی آمدنی 13.9 بلین روپے رہی جو کہ گذشتہ سال کی اسی مدت کے 10.4 بلین روپے کے مقابلے میں 3.5 بلین روپے (یعنی 34% زیادہ تھی)۔

ریونیو میں یہ اضافہ زیادہ لاگت، برآمدی فروخت اور نئے دوین پولی پروپیلین (WPP) بیگ مینوفیکچرنگ پلانٹ کے آپریشنز کے آغاز کے باعث فروخت کی قیمتوں میں بہتری کی وجہ سے ہوا۔ تاہم، اقتصادی سرگرمیوں میں سست روی، کرنسی کی قدر میں کمی، بڑھتی ہوئی شرح سود، درآمدی پابندیاں اور خام مال کے لیے ایل سی کھولنے کی وجہ سے تمام کاروباری ادارے چیلنجز کا شکار ہے۔

جوٹ برنس:

عالمی کساد بازاری اور بعض برآمداتی مارکیٹس میں معاشی چیلنجوں کے باعث دوران سہ ماہی برآمدی فروخت میں کمی رہی جبکہ گندم کے تھیلوں کی مقامی سپلائی میں بہتر شرح نمونہ ہر ہوئی۔ دوران مدت درآمدات پر پابندیوں نے خام مال کی خریداری کو بری طرح متاثر کیا۔ کاروباری اقتصادی صورتحال کو بہتر بنانے میں مدد کے لیے پیداوار، مصنوعات کے معیار اور بہتر کارکردگی میں مسلسل بہتری کی کوششوں کو برقرار رکھا گیا۔ انتظامیہ نے آنے والے موسم گرما میں جوٹ کی آزمائشی کاشت کی حوصلہ افزائی کے لیے بھی اپنی کوششوں میں اضافہ کر دیا ہے۔

جبکہ مالی سال کے بقیہ حصے میں فروخت کے مستحکم رہنے کی توقع ہے، درآمدات اور خام مال کی دستیابی کے ارد گرد غیر یقینی صورتحال کی وجہ سے چیلنجز برقرار رہیں گے۔ کاروبار کی توجہ برآمدات کو مزید ترقی دینے اور طویل مدتی میں کاروباری استحکام کو بڑھانے کے لیے اپنے کسٹمرز کو بڑھانے کے ذریعے ان چیلنجوں سے نمٹنے پر مرکوز ہے۔

پیکینگ برنس:

پیکینگ برنس سینٹ کی پیکینگ، صنعتی پیکینگ (کاغذ اور WPP)، کیریز، بیگز، اور نوڈ پیکینگ پر مشتمل ہے۔

تعمیراتی شعبے میں سست روی کی وجہ سے سینٹ کا شعبہ سب سے زیادہ متاثر ہوا، جس کے نتیجے میں مالی سال 2023 کے پہلے نو مہینوں کے دوران سینٹ کے تھیلے کی ترسیل میں 18% کمی اور سال بہ سال 29% کمی ہوئی۔ جوابی اقدام کے طور پر، کاروبار اپنے کسٹمرز کو متنوع بنانے اور شرح مبادلہ کے اتار چڑھاؤ کو کم کرنے کے لیے اپنے برآمدی مواقع کو ترقی دینے میں کامیابی سے آگے بڑھ رہا ہے۔

ان کوششوں کے باوجود، ملک میں غیر ملکی زر مبادلہ کی غیر مستحکم صورت حال اور خام مال کی دستیابی کو متاثر کرنے والی درآمدی پابندیوں کے باعث اگلی سہ ماہی کا آؤٹ لک چیلنجنگ رہے گا۔ تاہم، انتظامیہ ان چیلنجز سے نمٹنے کے لیے فعال طور پر کام کر رہی ہے تاکہ آپریشن میں کارکردگی میں اضافہ ہو، لاگت کو معقول بنایا جاسکے اور برآمدات میں اضافہ کر کے اس کی طویل مدتی پائیداری کو یقینی بنایا جاسکے۔

لیمینٹس برنس:

لیمینٹس برنس تین اہم پروڈکٹس کی اقسام میں ’فورمانیٹ‘ کے نام سے آپریٹ کیا جاتا ہے، ہائی پریشر لیمینٹ، کمپیکٹ لیمینٹس اور لیمینٹڈ بورڈز اور اپنے معیار، جدید مصنوعات اور جدید ترین ڈیزائن کیلئے جانا جاتا ہے۔

معاشی سست روی کے باعث لیمینٹس کی صنعت متاثر ہوئی۔ تاہم، کاروبار سست روی کا مقابلہ کرنے اور لاگت میں اضافے کی عکاسی کرنے کے لیے قیمتوں میں اضافہ کر کے، برآمدی منڈی کے لیے ایک نئی پروڈکٹ لانچ کر کے، اور سمارٹ پروڈکٹس حکمت عملیوں کے ساتھ مل کر لاگت سے موثر منصوبوں سے بچت کرنے کے قابل تھا۔

توقع کی جاتی ہے کہ آنے والے چند ماہ مجموعی طور پر صنعت کے لئے ایک چیلنج ہوں گے۔ تاہم، برنس کی جانب سے کئے گئے اقدامات نے بہتری دکھانی شروع کر دی ہے اور ہمارا مقصد پائیدار ترقی کرنا ہے۔

تحت ادارے:

تھل بوشکو پاکستان (پرائیویٹ) لمیٹڈ (TBPk):

31 مارچ 2023ء کو اختتام پذیر ہونے والی نو ماہی مدت کے دوران TBPk نے 737.4 ملین روپے کی فروخت کی جس کا موازنہ گذشتہ سال کی اسی مدت کے 1,607.9 ملین روپے سے کیا جاسکتا ہے۔ فروخت میں یہ کمی براہ راست OEM کے حجم میں کمی کے باعث ہوئی۔ اس کے ساتھ ہی مالیاتی لاگت میں مزید اضافے اور روپے کی قدر میں کمی کے نتیجے میں ہونے والے زرمبادلہ کے نقصانات کے باعث منافع کو برقرار رکھنا مشکل ہو گیا۔

تاہم چیلنجز کے باوجود TBPk مارکیٹ میں اپنی موجودگی کو بہتر بنانے میں کامیاب رہا ہے اور تیار کردہ اعلیٰ معیاری سیٹوں کو صارفین نے تسلیم کیا ہے۔ اس کے ساتھ ہی چیلنجز کے باوجود، نئے ماڈل پر ترقیاتی کام شروع پر ہے اور لانچ کیلئے سرمایہ کاری کی ٹائم لائن کامیابی سے پوری کی جا رہی ہے۔ TBPk نے لاگت میں اضافے کے اثرات کو کسی حد تک کم کرنے کیلئے پوری آرگنائزیشن میں کفایت شعاری کے اقدامات بھی نافذ کئے ہیں۔

ایکویٹی انجکشن کے بعد، جیسے ہی حصص داران کے قرض کی ادائیگی ہو جاتی ہے، روپے کی قدر میں کمی اور شرح سود میں اتار چڑھاؤ کا خطرہ ختم ہو جاتا ہے جس سے کاروبار کے مالیاتی میٹریکس کو بہتر بنانے میں مدد ملتی ہے۔

مالی اور سیاسی غیر یقینی صورتحال کے حوالے سے مقامی معیشت پر مسلسل دباؤ کی وجہ سے TBPk کے مستقبل کے لئے آؤٹ لک چیلنجنگ نظر آتا ہے۔ تاہم TBPk کاروبار کی ترقی کیلئے سرگرم عمل ہے اور آنے والے سالوں میں نئے کاروبار کو محفوظ بنانے کے لئے پرامید ہے تاکہ وہ اپنی مصنوعات کی پیشکش اور کسٹمر بیس کو بڑھا سکے۔

حبیب میٹرو پاکستان (پرائیویٹ) لمیٹڈ (HMPL):

دوران سہ ماہی، HMPL نے کمپنی کو ادائیگی کیلئے 31 دسمبر 2022 کی اختتامی سہ ماہی کیلئے 216.8 ملین روپے کا عبوری ڈویڈنڈ منظور کیا۔

HMPL کا بنیادی کاروبار جانسدا دیں خریدنا اور ان کا انتظام کرنا ہے۔ یہ برنس کیش اینڈ کیری ریٹیل ریٹیل برنس کو بڑھانے اور اپنے اسٹور کے مقامات سے انٹرنیٹ پر ان کی قیمت بڑھانے کیلئے مختلف مواقع تلاش کر رہا ہے۔

میکرو حبیب پاکستان لمیٹڈ (MHPL):
میکرو حبیب پاکستان لمیٹڈ (MHPL) تھل لمیٹڈ کا مکمل ملکیتی ذیلی ادارہ ہے جو مبارشہید روڈ، لائسنز ایریا کراچی پراسٹور کے احاطے کا مالک تھا۔ سپریم کورٹ کے فیصلے کے تحت ستمبر 2015 میں اسٹور کو بند کر دیا گیا تھا۔

مزید یہ کہ سپریم کورٹ کے فیصلے کی تعمیل میں MHPL نے احاطے میں بنائے گئے اسٹور کو ختم کر دیا ہے اور MHPL فی الحال اپنے مستقبل کے لائحہ عمل پر غور کر رہا ہے۔

پاوریکلف میں سرمایہ کاری:
سندھ اینگریگول مائننگ کمپنی لمیٹڈ (SECMC)
کمپنی SECMC میں 11.9 فیصد عام شیئر ہولڈنگ کی حامل ہے۔ SECMC تھرکول بلاک II میں پاکستان کے پہلے اوپن ہٹ مائننگ کے منصوبے کو تیار کرنے میں مصروف ہے۔

SECMC نے ستمبر 2022 میں 7.6 MTPA (فیز II) کے توسیعی مائننگ آپریشنز کے لئے کامیابی کے ساتھ تجارتی کاروائیوں کا آغاز کیا۔

کیلنڈر سال 2023 کی پہلی سہ ماہی میں، SECMC نے آسانی سے کام کیا اور 21.7 بلین کی فروختگی آمدنی ریکارڈ کی جبکہ SECMC نے اس مدت کے دوران مثبت کیش فلو جزیٹ کیا، اس پر پراجیکٹ کی تکمیل کی تاریخ (PCD) کے حصول تک اپنے مالیاتی معاہدوں کے تحت کسی بھی منافع کا اعلان کرنے پر پابندی ہے۔

تھل پاور (پرائیویٹ) لمیٹڈ (تھل نووا):
تھل لمیٹڈ اپنی مکمل ملکیتی ذیلی کمپنی تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے تھل نووا پاور تھر پرائیویٹ لمیٹڈ (ThalNova) میں 26 فیصد عام شیئر ہولڈنگ کا حامل ہے۔

تھل نووا نے 17 فروری 2023 کو کمرشل آپریشنز حاصل کیے۔ پاور پلانٹ تھرٹیاری ٹرانسمیشن لائن کے ذریعے گرڈ کو بجلی فراہم کر رہا ہے۔

اظہار تشکر:

ہم ان مشکل حالات میں اپنے صارفین، ڈیلرز، سپلائرز، شیئر ہولڈرز، بینکرز اور جوائنٹ ونچر اور ٹیکنیکی شراکت داروں کا کمپنی میں ان کی مسلسل حمایت اور اعتماد کیلئے ان کا شکریہ ادا کرنا چاہیں گے۔ ہم اپنے تمام ساتھی ملازمین کی کوششوں کو بھی تسلیم کرنا چاہتے ہیں جنہوں نے نتائج حاصل کرنے کے عزم کے ساتھ اپنے امور انجام دیئے۔

از طرف بورڈ



سلمان برنی
ڈائریکٹر



محمد طیب احمد زین
چیف ایگزیکٹو

کراچی؛ 18 اپریل 2023ء

CORPORATE INFORMATION

Board of Directors

Rafiq M. Habib	Chairman - Non-Executive
Muhammad Tayyab Ahmad Tareen	Chief Executive
Khayam Husain	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

Sameer Amlani

Audit Committee

Khayam Hussain	Chairman - Independent
Mohamedali R. Habib	Member
Imran Ali Habib	Member
Salman Burney	Member

Human Resource & Remuneration Committee

Aliya Saeeda Khan	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
MCB Bank Limited

Registered Office

4th Floor, House of Habib
3-Jinnah Cooperative Housing Society, Block 7/8
Sharae Faisal, Karachi - 75350
PABX: 92(21) 3431-2030, 3431-2185
Fax: 92(21) 3431-2318, 3439-0868

[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
PABX: 92(21) 3438-0101-5, 3438-4621-5
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