

# Thal Limited

Condensed Interim Financial Statements  
For the Period Ended September 30, 2020  
(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 along with unaudited interim condensed financial statements for the period ended September 30, 2020.

### **Financial Highlights**

|                          | <i>Standalone</i>     |                     | <i>Consolidated</i>   |                     |
|--------------------------|-----------------------|---------------------|-----------------------|---------------------|
|                          | <b>3 months ended</b> |                     | <b>3 months ended</b> |                     |
|                          | <b>Sep 30, 2020</b>   | <b>Sep 30, 2019</b> | <b>Sep 30, 2020</b>   | <b>Sep 30, 2019</b> |
| (PKR in million)         |                       |                     |                       |                     |
| Sales                    | 5,057                 | 3,998               | 5,514                 | 4,187               |
| Profit Before Taxes      | 928                   | 285                 | 1,819                 | 864                 |
| Profit After Taxes       | 717                   | 194                 | 1,486                 | 650                 |
| Earnings Per Share (Rs.) | 8.85                  | 2.40                | 17.18                 | 7.04                |

### **Performance Overview**

For the quarter ended September 30, 2020, the Company posted sales revenue of Rs. 5.06 billion, up Rs. 1.06 billion (26%) compared to Rs. 4 billion in the corresponding quarter last year. The basic & diluted earnings per share (EPS) for the current quarter was Rs. 8.85 compared to Rs. 2.40 in the corresponding prior period last year.

### **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 auto industry.

For the quarter ended September 30, 2020, the turnover of the engineering segment was Rs. 3.1 billion, up Rs. 0.8 billion (35%) compared to Rs. 2.3 billion during the same period last year. The increase is mainly attributable to the improvement in automotive demand post-COVID-19 lockdown and stabilization of economic indicators. In the same period last year, automotive demand was significantly lower due to the imposition of additional taxes and duties by the government. We anticipate a favorable demand for automotive in the coming months.

Amidst the pandemic, the economic challenges and political instability is making it difficult to assess consumer demand in the longer term. However, the management is confident on government initiatives towards economic recovery.

In order to protect the interest of the stakeholders in these uncertain times, the management has taken several steps to reduce operational costs, ensure sustainability and maintain profitable operations. On the steady trajectory of business growth, the Company relishes its reputation in the automotive industry where localization opportunities, in collaboration with existing and new OEMs, shows a positive sign of success.

Going forward, management will continue its focus on improving quality, health, safety and environment initiatives through continuous process improvement.

### **Business Brief – Building Material & Allied Product Segment**

Sales revenue of the Building Material & Allied Product Segment for the quarter ended September 30, 2020, was Rs. 2 billion, up Rs. 0.3 billion (18%) compared to Rs. 1.7 billion during the same period last year.

### **Jute Operations**

The quarter under review remained challenging for the business. The cost of major inputs like raw jute and power increased significantly, coupled with depreciation of the Pakistani Rupee (PKR), became an ongoing challenge to set off the increase in operating costs. This resulted in an increase of cost to the end user.

Despite the effects of an overall slowdown in the economy due to COVID-19 and tough competition, we were able to maintain the sales momentum due to enhanced focus on cost efficiencies, better sales and supply chain management, the business was able to deliver improved results during the year.

Sales during next quarter is expected to remain strong, however, the devaluation of PKR and the trend of rising raw jute prices may pose new challenges for the management. The management will continue to focus on improving quality, health, safety and environment initiatives while enhancing cost efficiencies through continuous process improvement.

### **Papersack Business**

The government is giving special attention to uplift the construction sector causing a double-digit increase in demand for cement in the quarter. The Company was poised in terms of new additional capacity and capability with greater efficiency to benefit from this increased demand. During the quarter, revenue and volume grew significantly higher than the corresponding period of last year. The safety and well-being of our people will remain our primary focus. The Company is taking all precautionary measures during this pandemic to ensure a safe working environment for its employees.

Volumes of other segments, mainly the food grade bags segment, also increased owing to higher take-away and home deliveries by restaurants during the COVID-19 pandemic.

Profitability of the business improved, which is mainly attributed to higher volumes and softening of paper price in the international market. Furthermore, with continuous follow up with the government authorities, the Company was able to get a relief in custom duty on sack Kraft paper through the Finance Act 2020. The entire paper sack industry is thankful to the government, especially Ministry of Commerce & National Tariff commission, as this custom duty rationalization has provided a level playing field to paper bags against WPP bags.

The outlook for the remainder of the year remains positive as we are expecting the demand for cement sacks and food grade bags to continue to increase. The management is continuously focusing on keeping costs under control and work environment safe. However, exchange rate volatility and second wave of COVID-19 in the country may have a negative impact on demand due to possible lockdowns.

### **Laminates Operations**

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

Post lockdown, the market has picked up. Not only was the Laminates Business able to maintain local sales momentum during the quarter but it also managed to retain existing clients in the Middle Eastern and African markets with regards to exports. Moreover, it was also able to add new customers in both the local and export market.

Due to enhanced focus on cost efficiencies, better sales and supply chain management, the Laminates Business was able to deliver far better results than budgeted during the quarter. Global markets still remain somewhat inconsistent in terms of pricing and shipping timelines. Therefore, we are maintaining safety stocks of raw material to avoid any major shortages.

Key drivers to focus on, in the next quarter, would be to continue work on enhancing brand visibility, increasing product quality and expanding the product line by exploring avenues in door skins, floor lamination, etc.

The on-going boom in the construction industry and allied building materials industry gives us confidence that the Laminates division will be enjoying healthy profitable business for the foreseeable future.

## **Subsidiaries**

### **Thal Boshoku Pakistan (Private) Limited (TBPK)**

The seat plant that started operations in February 2020, contributed significantly to the increased sales revenue this quarter.

With the increase in volume, price, product diversification, and recognition of the high quality by consumers, the Company was able to increase its presence in the market and generate positive cash flows, improving its liquidity.

On the operations side, all customer supplies requirements were met in time with '*zero defects*', and was rated in the 'GREEN ZONE' throughout the year. Focus remains on improving production efficiency, Kaizen and towards providing a healthy and safe working environment for our team members.

Outlook for the future of the Company looks challenging due to continued pressure on the local economy. However, since the lifting of the lockdown, the automotive sector has seen resurgence of demand from the OEM's. In addition, the new OEM entrants have started local production which has created further opportunities to diversify the customer base. The Company is also taking steps towards increasing its product offering by working to increase its localization portfolio, along with development of new products within the auto-parts industry.

### **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 a final dividend of Rs. 127 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 and the Company shall continue to seek a favorable resolution.

## **Investment in Power Sector**

### **Sindh Engro Coal Mining Company Limited (SECMC)**

SECMC is a joint venture between the Government of Sindh, Thal Limited, Engro Powergen Limited, 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 2x330 megawatt (MW) power generation plant set up by Engro Powergen Thar Private Limited.

In the period ending 9MAY2020, SECMC operated smoothly and supplied 3 million tonnes of coal to record sales revenue of c. Rs. 28 billion and an after-tax profit of c. Rs. 6.7 billion. Whilst SECMC has generated positive cash flows over the period, 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 Q1 CY2021.

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 with ThalNova Power Thar Private Limited and Thar Energy Limited to supply an additional 1.9 MTPA of lignite to each of the 330 MW power plants.

The Project Company is now striving to achieve commercial operations date for Phase II in 2022. Thal Ltd. owns 11.9% of the ordinary shareholding in SECMC.

### **Thal Power (Private) Limited**

ThalNova Power Thar Private Limited ("ThalNova") is a joint venture between Thal Power Private Limited, Nova Powergen Limited (subsidiary of Novatex Ltd.) and Hub Power Company to set up a 330 MW mine mouth coal-fired power generation plant located in Thar, Sindh. This power plant will be run on indigenous coal extracted from the mine operated by SECMC.

China Machinery & Engineering Corporation ("CMEC") has been appointed as the EPC contractor. ThalNova has entered into Coal Supply Agreement (CSA) with SECMC to supply 1.9 MTPA of lignite. It has also entered into a Power Purchase Agreement (PPA) with the Central Power Purchase Agency (Guarantee) Ltd. (CPPA) and the Implementation Agreement ("IA") with Private Power Infrastructure Board (PPIB).


The Power Plant is listed under Priority Projects under the China Pakistan Economic Corridor (CPEC) and its financing is being led by China Development Bank and Habib Bank Ltd.

ThalNova achieved its Financial Close on September 30, 2020. The Project is expected to come online in 2022. Thal Ltd. owns 26% ordinary shareholding in ThalNova through its wholly owned subsidiary Thal Power (Private) Limited.

### **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**



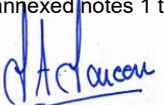
**Salman Burney**  
**Director**

Karachi: October 27, 2020

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2020

|   | Note | September 30,<br>2020<br>(Un-audited)<br>(Rupees in thousands) | June 30,<br>2020<br>(Audited) |
|---|------|--|-------------------------------|
| <b>ASSETS</b>   |      |  |                               |
| <b>NON-CURRENT ASSETS</b>   |      |  |                               |
| Property, plant and equipment   | 5    | 3,049,237  | 3,118,492                     |
| Intangible assets   |      | 157,509  | 172,696                       |
| Investment property   |      | 989  | 990                           |
| Long-term investments   |      | 5,873,455  | 5,795,615                     |
| Long-term loans   | 7    | 1,938,786  | 1,927,286                     |
| Long-term deposits  |      | 16,259   | 16,259                        |
| Deferred tax asset  |      | 219,518  | 204,927                       |
|   |      | <b>11,255,753</b>  | <b>11,236,265</b>             |
| <b>CURRENT ASSETS</b>   |      |  |                               |
| Stores, spares and loose tools  |      | 128,676  | 127,155                       |
| Stock-in-trade  | 8    | 5,446,711  | 5,553,816                     |
| Trade debts   |      | 2,628,105  | 2,507,538                     |
| Loans and advances  |      | 62,866   | 42,056                        |
| Trade deposits and short-term prepayments   | 9    | 347,029  | 186,006                       |
| Interest accrued  |      | 20,403   | 15,679                        |
| Other receivables   |      | 406,585  | 185,009                       |
| Short-term investments  | 10   | 4,684,543  | 3,413,334                     |
| Cash and bank balances  |      | 853,236  | 849,429                       |
|   |      | <b>14,578,154</b>  | <b>12,880,022</b>             |
| <b>TOTAL ASSETS</b>   |      | <b>25,833,907</b>  | <b>24,116,287</b>             |
| <b>EQUITY AND LIABILITIES</b>   |      |  |                               |
| <b>SHARE CAPITAL AND RESERVES</b>   |      |  |                               |
| Authorised capital<br>200,000,000 (June 30, 2019: 200,000,000) ordinary shares of Rs.5/- each                   |      | 1,000,000  | 1,000,000                     |
| Issued, subscribed and paid-up capital<br>81,029,909 (June 30, 2019: 81,029,909) ordinary shares of Rs.5/- each |      | 405,150  | 405,150                       |
| Reserves  |      | 21,290,585   | 20,496,003                    |
|   |      | <b>21,695,735</b>  | <b>20,901,153</b>             |
| <b>NON-CURRENT LIABILITIES</b>  |      |  |                               |
| Long-term deposits  |      | 1,463  | 1,463                         |
| Long-term borrowing   |      | 149,355  | 149,355                       |
|   |      | <b>150,818</b>   | <b>150,818</b>                |
| <b>CURRENT LIABILITIES</b>  |      |  |                               |
| Trade and other payables  |      | 3,236,728  | 2,684,480                     |
| Accrued mark-up   |      | 1,234  | 263                           |
| Unclaimed dividend  |      | 66,195   | 66,197                        |
| Unpaid dividend   |      | 45,122   | 45,252                        |
| Current portion of long-term borrowing  |      | 49,786   | 49,786                        |
| Lease liabilities   |      | 6,332  | 8,443                         |
| Short-term financing  | 12   | 361,000  | 145,000                       |
| Income tax - net  | 11   | 141,770  | 23,022                        |
| Sales tax payable   |      | 79,187   | 41,873                        |
|   |      | <b>3,987,354</b>   | <b>3,064,316</b>              |
| <b>CONTINGENCIES AND COMMITMENTS</b>  | 13   |  |                               |
| <b>TOTAL EQUITY AND LIABILITIES</b>   |      | <b>25,833,907</b>  | <b>24,116,287</b>             |

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

  
\_\_\_\_\_  
Chief Executive

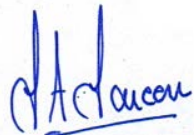
  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2020  
(UN-AUDITED)

|                                      | Note | Quarter ended         |                       |
|--------------------------------------|------|-----------------------|-----------------------|
|                                      |      | September 30,<br>2020 | September 30,<br>2019 |
| (Rupees in thousands)                |      |                       |                       |
| Revenue – net                        |      | 5,057,364             | 3,998,158             |
| Cost of sales                        |      | <u>(4,271,619)</u>    | <u>(3,649,984)</u>    |
| <b>Gross profit</b>                  |      | <b>785,745</b>        | <b>348,174</b>        |
| Distribution costs                   |      | <u>(57,226)</u>       | <u>(50,215)</u>       |
| Administrative expenses              |      | <u>(193,783)</u>      | <u>(178,775)</u>      |
| Other charges                        | 14   | <u>(18,520)</u>       | <u>(60,671)</u>       |
|                                      |      | <b>(269,529)</b>      | <b>(289,661)</b>      |
| Other income                         | 15   | 418,114               | 229,348               |
| <b>Operating profit</b>              |      | <b>934,330</b>        | <b>287,861</b>        |
| Finance cost                         |      | <u>(6,353)</u>        | <u>(2,574)</u>        |
| <b>Profit before taxation</b>        |      | <b>927,977</b>        | <b>285,287</b>        |
| Taxation                             |      | <u>(211,235)</u>      | <u>(90,898)</u>       |
| <b>Profit after taxation</b>         |      | <b>716,742</b>        | <b>194,389</b>        |
|                                      |      | <b>Rupees</b>         | <b>Rupees</b>         |
| Basic and diluted earnings per share |      | <u><u>8.85</u></u>    | <u><u>2.40</u></u>    |

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Chief Executive



Director



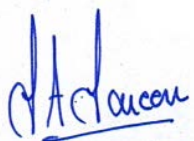
Chief Financial Officer



THAL LIMITED  
 UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE PERIOD ENDED SEPTEMBER 30, 2020  
 (UN-AUDITED)

|  | <b>Quarter ended</b>          |                               |
|--|-------------------------------|-------------------------------|
|  | <b>September 30,<br/>2020</b> | <b>September 30,<br/>2019</b> |
|  | <b>(Rupees in thousands)</b>  |                               |
| Profit after taxation  | 716,742                       | 194,389                       |
| <b>Other comprehensive income</b>  |                               |                               |
| <i>Items not to be reclassified to<br/>unconsolidated condensed interim<br/>statement of profit or loss in<br/>subsequent periods:</i> |                               |                               |
| Gain / (loss) on revaluation of<br>investments at fair value through other<br>comprehensive income (OCI)                               | 77,840                        | (4,098)                       |
| <b>Total comprehensive income</b>  | <b>794,582</b>                | <b>190,291</b>                |

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Chief Executive



Director

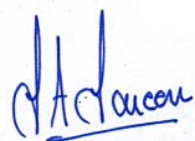


Chief Financial Officer

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED SEPTEMBER 30, 2020

|  | RESERVES                                      |                    |                    |                          |  | Total Equity      |
|--|---|--------------------|--------------------|--------------------------|--|-------------------|
|  | Issued,<br>subscribed &<br>paid-up<br>capital | Capital<br>Reserve | General<br>Reserve | Unappropriated<br>profit | Gain on<br>revaluation of<br>investments at<br>fair value through<br>OCI |                   |
|  | ----- (Rupees in '000) -----                  |                    |                    |                          |  |                   |
| <b>Balance as at June 30, 2019 (Audited)</b>         | <b>405,150</b>                                | <b>55,704</b>      | <b>15,123,499</b>  | <b>2,952,475</b>         | <b>94,631</b>  | <b>18,631,459</b> |
| First time adoption of IFRS 16                       | -   | -                  | -                  | (3,145)                  | -  | (3,145)           |
| Deferred tax impact                                  | -   | -                  | -                  | 912                      | -  | 912               |
|  | 405,150                                       | 55,704             | 15,123,499         | 2,950,242                | 94,631   | 18,629,226        |
| Transfer to general reserve                          | -   | -                  | 2,506,500          | (2,506,500)              | -  | -                 |
| Profit after taxation                                | -   | -                  | -                  | 194,389                  | -  | 194,389           |
| Other comprehensive income                           | -   | -                  | -                  | -                        | (4,098)  | (4,098)           |
| Total comprehensive income                           | -   | -                  | -                  | 194,389                  | (4,098)  | 190,291           |
| <b>Balance as at September 30, 2019 (Un-audited)</b> | <b>405,150</b>                                | <b>55,704</b>      | <b>17,629,999</b>  | <b>638,131</b>           | <b>90,533</b>  | <b>18,821,750</b> |
| <b>Balance as at June 30, 2020 (Audited)</b>         | <b>405,150</b>                                | <b>1,006,915</b>   | <b>17,629,999</b>  | <b>1,743,690</b>         | <b>115,399</b>   | <b>20,901,153</b> |
| Transfer to general reserve                          | -   | -                  | 1,460,000          | (1,460,000)              | -  | -                 |
| Other comprehensive income                           | -   | -                  | -                  | 716,742                  | -  | 716,742           |
| Total comprehensive income                           | -   | -                  | -                  | 716,742                  | 77,840   | 77,840            |
|  | -   | -                  | -                  | 716,742                  | 77,840   | 794,582           |
| <b>Balance as at September 30, 2020 (Un-audited)</b> | <b>405,150</b>                                | <b>1,006,915</b>   | <b>19,089,999</b>  | <b>1,000,432</b>         | <b>193,239</b>   | <b>21,695,735</b> |

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive



Director

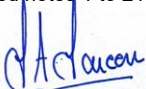


Chief Financial Officer

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2020  
(UN-AUDITED)

|  | Quarter ended         |                       |
|--|-----------------------|-----------------------|
|  | September 30,<br>2020 | September 30,<br>2019 |
|  | (Rupees in thousands) |                       |
| <b>CASH FLOW FROM OPERATING ACTIVITIES</b>   |                       |                       |
| Profit before taxation   | 927,977               | 285,287               |
| Adjustments for non-cash charges and other items:                                  |                       |                       |
| Depreciation on:   |                       |                       |
| - Operating fixed assets   | 122,432               | 96,346                |
| - Right-of-use assets  | 1,476                 | 1,476                 |
| - Investment property  | 1                     | 1                     |
| Gain on disposal of operating fixed assets   | (2,147)               | (2,862)               |
| Amortization   | 15,187                | 6,416                 |
| Finance cost of:   |                       |                       |
| - Lease liabilities  | 293                   | 519                   |
| - Others   | 6,060                 | 2,055                 |
| Dividend income  | (191,478)             | (121,448)             |
| Interest earned on deposits accounts and short term investments                    | (31,637)              | (37,660)              |
| Gain on redemption of investments at fair value through profit or loss             | (19,031)              | (31,138)              |
| (Reversal) / Provision for expected credit losses                                  | (46,964)              | 40,538                |
| Provision for staff retirement benefits  | 1,749                 | 3,773                 |
|  | <b>(144,059)</b>      | <b>(41,984)</b>       |
| <b>Increase in current assets</b>  |                       |                       |
| Stores, spares and loose tools   | (1,521)               | (5,353)               |
| Stock-in-trade   | 107,105               | 38,923                |
| Trade debts  | (73,603)              | 650,461               |
| Loans and advances   | (20,810)              | (62,153)              |
| Trade deposits and short-term prepayments  | (161,023)             | 72,656                |
| Other receivables  | (60,289)              | (36,140)              |
| Sales tax refundable   | 37,314                | 113,896               |
|  | <b>(172,827)</b>      | <b>772,290</b>        |
| <b>(Decrease) / Increase in current liabilities</b>                                |                       |                       |
| Trade and other payables   | 550,198               | (130,380)             |
| <b>Cash generated from / (used in) operations</b>                                  | <b>1,161,289</b>      | <b>885,213</b>        |
| Finance cost paid  | (5,382)               | (2,574)               |
| Staff retirement benefits paid   | 301                   | (3,773)               |
| Income tax paid  | (107,078)             | (47,363)              |
| Long-term loans - net  | -                     | 999                   |
| Long-term deposits - net   | -                     | (200)                 |
| <b>Net cash from / (used in) operating activities</b>                              | <b>1,049,130</b>      | <b>832,302</b>        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>  |                       |                       |
| Additions to property, plant & equipment   | (56,189)              | (74,769)              |
| Additions to intangible assets   | -                     | (22,269)              |
| Sale proceeds from disposal of operating fixed assets Long-term loan to subsidiary | 3,683                 | 4,188                 |
| Dividend income received   | (11,500)              | -                     |
| Interest received on call deposits and short-term investments                      | 30,191                | 52,172                |
| Long-term investments made during the period                                       | 22,752                | 57,073                |
| Short-term investments made during the period                                      | -                     | (33,144)              |
| Short-term investments encashed during the period                                  | (2,208,017)           | (44,612)              |
| <b>Net cash (used in) / generated from investing activities</b>                    | <b>(2,219,080)</b>    | <b>(61,361)</b>       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>  |                       |                       |
| Dividends paid   | (132)                 | (530)                 |
| Short-term financing   | 216,000               | -                     |
| Payment against lease liabilities  | (2,111)               | (1,627)               |
| <b>Net cash used in financing activities</b>                                       | <b>213,757</b>        | <b>(2,157)</b>        |
| <b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>                      | <b>(956,193)</b>      | <b>768,784</b>        |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>                    | <b>3,055,379</b>      | <b>1,657,208</b>      |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>                          | <b>2,099,186</b>      | <b>2,425,992</b>      |
| Cash and bank balances   | 853,236               | 584,815               |
| Short-term investments - Term Deposit Receipts                                     | 1,245,950             | 1,841,177             |
|  | <b>2,099,186</b>      | <b>2,425,992</b>      |

The annexed notes 1 to 21 form an integral part of these unconsolidated condensed interim financial statements.

  
Chief Executive

  
Director

  
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED SEPTEMBER 30, 2020  
(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 office of the Company is situated at 4<sup>th</sup> 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 on the basis of direct equity interest and are not consolidated or accounted for using equity method.

**2 BASIS OF PREPARATION**

- 2.1** 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.

- 2.2** 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, 2020.

- 2.3** These unconsolidated condensed interim financial statements are unaudited and are being submitted to the shareholders in accordance with section 237 of the Act.

**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, 2020.

#### 4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2020, except as disclosed otherwise.

|  | Note      | September 30,<br>2020<br>(Un-audited)<br>(Rupees in thousands) | June 30,<br>2020<br>(Audited) |
|--|-----------|--|-------------------------------|
| <b>5 PROPERTY, PLANT AND EQUIPMENT</b> |           |  |                               |
| Operating fixed assets                 | 5.1 & 5.2 | 2,984,725  | 3,057,278                     |
| Capital work-in-progress               | 5.3       | 64,512   | 61,214                        |
|  |           | <u>3,049,237</u>   | <u>3,118,492</u>              |

5.1 Details of additions and disposals are as follows:

|                            | Additions<br>at cost                                   |  | Disposals<br>at net book value                         |  |
|----------------------------|--|--|--|--|
|                            | Quarter ended<br>September 30,<br>2020<br>(Un-audited) | Quarter ended<br>September 30,<br>2019<br>(Un-audited) | Quarter ended<br>September 30,<br>2020<br>(Un-audited) | Quarter ended<br>September 30,<br>2019<br>(Un-audited) |
|                            | ----- (Rupees in thousands) -----                      |  |  |  |
| Building on freehold land  | 19,186   | 13,023   | -  | -  |
| Plant and machinery        | 3,144  | 2,638  | 156  | -  |
| Furniture and fittings     | 570  | -  | 3  | 13   |
| Vehicles                   | 97   | 206  | 1,237  | 1,195  |
| Office and mills equipment | 2,674  | 8,553  | 140  | 27   |
| Computer equipment         | 4,568  | 2,360  | -  | 91   |
| Jigs and fixtures          | 22,652   | 581  | -  | -  |
|                            | <u>52,891</u>  | <u>27,361</u>  | <u>1,536</u>   | <u>1,326</u>   |

5.2 This includes right-of-use assets amounting to Rs. 4.429 million.

5.3 Details of additions at cost are as follows:

|                            | September 30,<br>2020<br>(Un-audited)<br>(Rupees in thousands) | September 30,<br>2019<br>(Audited) |
|----------------------------|--|------------------------------------|
| Plant and machinery        | 4,314  | -                                  |
| Office and mills equipment | 7,960  | -                                  |
| Computer equipment         | -  | 42,004                             |
| Jigs and fixtures          | -  | 7,426                              |
| Civil works                | -  | 28,463                             |
|                            | <u>12,274</u>  | <u>77,893</u>                      |

## 6 LONG-TERM INVESTMENTS

This represents investment in 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 Dec 2019. As on the statement of financial position date the Company has invested Rs. 2,365.311 million acquiring 159,602,637 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 5.5 million.

## 7 LONG-TERM LOANS

This includes interest free loan amounting to Rs 1,663.786 million (June 30, 2020: Rs 1,652.286 million) provided to Thal Power (Private) Limited for investment in ThalNova Power Thar (Private) Limited (TNTPL) which is a company developing a coal based power plant. During the period the Company granted further loan of Rs 11.5 million to Thal Power (Private) Limited. The loan is likely to be converted into equity based on the progress achieved by TNTPL for its underlying project.

The Company undertook to invest USD 34.3 million in PKR equivalent and upto the statement of financial position date it has invested Rs. 1,534.534 million acquiring 153,453,275 ordinary shares having face value of Rs. 10 each. The balance commitment of the investment is USD 22.6 million in PKR equivalent. TNTPL achieved financial close on September 30, 2020.

|                                  | September 30,<br>2020<br>(Un-audited) | June 30,<br>2020<br>(Audited) |
|----------------------------------|---------------------------------------|-------------------------------|
| Note                             | (Rupees in thousands)                 |                               |
| <b>8 STOCK-IN-TRADE</b>          |                                       |                               |
| Raw material:                    |                                       |                               |
| - In hand                        | 2,979,033                             | 4,038,282                     |
| - In transit                     | <u>1,411,919</u>                      | <u>668,214</u>                |
|                                  | <u>4,390,952</u>                      | <u>4,706,496</u>              |
| Work-in-process                  | 427,471                               | 377,192                       |
| Finished goods                   | 838,701                               | 652,073                       |
| Less: Provision for obsolescence | <u>(210,413)</u>                      | <u>(181,945)</u>              |
|                                  | <u><u>5,446,711</u></u>               | <u><u>5,553,816</u></u>       |

## 9 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Includes margin paid against letters of credit amounting to Rs. 242.203 million (June 30, 2020: Rs. 71.963 million).

## 10 SHORT-TERM INVESTMENTS

This represents investment in Term Deposit Receipts, Treasury Bills and units of mutual funds amounting to Rs. 1,245.95 million, Rs 1,299.831 million and Rs. 2,128.382 million (June 30, 2020: Rs 2,205.95 million, nil and Rs. 1,201.165 million), respectively.

|  | Note | September 30,<br>2020<br>(Un-audited) | June 30,<br>2020<br>(Audited) |
|--|------|---------------------------------------|-------------------------------|
|  |      | (Rupees in thousands)                 |                               |
| <b>11 INCOME TAX – net</b>                   |      |                                       |                               |
| Group Tax Relief adjustments                 | 10.1 | 684,121                               | 683,879                       |
| Group Taxation adjustments                   | 10.2 | (48,710)                              | (46,197)                      |
| Income tax provision less tax payments – net |      | <u>(777,181)</u>                      | <u>(660,704)</u>              |
|  |      | <u><u>(141,770)</u></u>               | <u><u>(23,022)</u></u>        |

11.1 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 has 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.593.47 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 subsidiary, Thal Boshoku Pakistan (Private) Limited in tax year 2020 and 2019.

- 11.2** In terms of provision of Section 59AA of Income Tax Ordinance, 2001 (the Ordinance), Thal Limited and certain subsidiaries have irrevocably opted to be taxed as one fiscal unit. Accordingly, the tax loss and tax transferred by these subsidiaries under group taxation opted by the Company amounted to Rs. 0.672 million and Rs 3.185 million (September 30, 2019: Rs. 0.944 million and Rs 1.338 million), respectively.

## **12 SHORT TERM FINANCING**

This represents Export Refinance Facility availed by the Company from a commercial bank. This carries markup at 3% per annum and is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Company. The portion of the facility utilized during the period amounted to Rs. 361 million and is repayable within a maximum validity of 180 days.

## **13 CONTINGENCIES AND COMMITMENTS**

### **13.1 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, 2019.

### **13.2 Commitments**

- 13.2.1** Letter of guarantees issued by banks on behalf of the company amount to Rs. 3,922.576 million (June 30, 2020: Rs. 3,960.8 million)
- 13.2.2** Post dated cheques issued to Collector of Customs amount to Rs. 107.63 million (June 30, 2020: Rs. 108.275 million).
- 13.2.3** Letter of credits outstanding for raw material and spares amount to Rs. 3,247.164 million (June 30, 2020: Rs. 719.972 million).
- 13.2.4** Commitments in respect of raw material are nil (June 30, 2020: Rs. 576.655 million).
- 13.2.5** Commitments in respect of capital expenditure are Rs. 14.023 million (June 30, 2020: Rs. 28.655 million).
- 13.2.6** Commitments for rentals under Ijarah agreements to a related party in respect of vehicles amount to Rs. 68.326 million (June 30, 2020: Rs. 65.705 million).
- 13.2.7** Commitments in respect of investment is disclosed in note 6 to these unconsolidated condensed interim financial statements.

## **14 OTHER CHARGES**

This includes reversal of allowance for expected credit losses amounting to Rs 46.964 million (September 30, 2019: charge of Rs 40.538 million).

## **15 OTHER INCOME**

This includes dividend income, interest earned on call deposits and short term investments, interest income on loan to TBPk and gain on disposal / revaluation of investments at fair value through profit or loss amounting to Rs. 191.478 million, Rs. 26.213 million, Rs 5.424 million and Rs. 19.031 million (September 30, 2019: Rs. 121.448 million, Rs. 37.66 million, nil and Rs. 31.138 million), respectively.

## 16 TRANSACTIONS WITH RELATED PARTIES

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

| Relationship                          | Nature of transactions                  | Quarter ended         |                      |
|---------------------------------------|---|-----------------------|----------------------|
|                                       |   | September 30,<br>2020 | September 30<br>2019 |
|                                       |   | (Un-audited)          |                      |
|                                       |   | (Rupees in thousands) |                      |
| <b>Subsidiaries</b>                   | Professional services acquired          | 41,668                | 38,603               |
|                                       | Dividend income                         | 127,057               | 69,276               |
|                                       | Purchase of goods                       | 197                   | 1,072                |
|                                       | Loan to subsidiary                      | 11,500                | -                    |
|                                       | Interest income on loan to subsidiary   | 5,424                 | -                    |
|                                       | Service fee                             | 8,100                 | 8,100                |
|                                       | Tax loss and challans acquired          | 1,639                 | 394                  |
|                                       | Sale of assets                          | -                     | 4,413                |
| <b>Associates</b>                     | Sales of goods                          | 2,319,192             | 1,683,283            |
|                                       | Dividend income                         | 34,230                | -                    |
|                                       | Insurance premium                       | 9,385                 | 10,397               |
|                                       | Insurance claim received                | 1,719                 | 3,601                |
|                                       | Rent received                           | 708                   | 708                  |
| <b>Staff retirement benefit funds</b> | Contribution to provident fund          | 11,362                | 12,662               |
|                                       | Contribution to retirement benefit fund | 1,749                 | 2,135                |
| <b>Key management personnel</b>       | Remuneration paid                       | 25,758                | 16,703               |
| <b>Directors</b>                      | Directors' meeting fee                  | 220                   | 515                  |

## 17 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 unconsolidated financial statements of the Company for the year ended 30 June 2020. There have been no changes in any risk management policies since the year end.

## 18 FAIR VALUE OF ASSETS AND LIABILITIES

There were no transfers amongst levels during the period.

## 19 SUBSEQUENT EVENT

The Board of Directors had recommended final cash dividend of Rs. 3.50 per share for the year ended June 30, 2020. These unconsolidated condensed interim financial statements do not reflect the payment of cash dividend which was approved by the shareholders in the Annual General Meeting held on October 22, 2020.

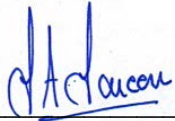
## 20 GENERAL

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

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

## 21 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 27, 2020 by the Board of Directors of the Company.

  
\_\_\_\_\_  
Chief Executive

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer



THAL LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2020

|  | Note | September 30,<br>2020<br>(Un-audited)<br>(Rupees in thousands) | June 30,<br>2020<br>(Audited) |
|--|------|--|-------------------------------|
| <b>ASSETS</b>  |      |  |                               |
| <b>NON-CURRENT ASSETS</b>  |      |  |                               |
| Property, plant and equipment  | 5    | 4,128,648  | 4,223,380                     |
| Intangible assets  |      | 162,804  | 178,827                       |
| Investment property  |      | 6,645,041  | 6,725,717                     |
| Long-term investments  | 6    | 8,542,986  | 7,822,309                     |
| Long-term deposits   |      | 20,693   | 20,431                        |
| Long-term prepayments  |      | 22,501   | 22,501                        |
| Deferred tax asset - net   |      | 90,551   | 73,434                        |
|  |      | <b>19,613,224</b>  | <b>19,066,599</b>             |
| <b>CURRENT ASSETS</b>  |      |  |                               |
| Stores, spares and loose tools   |      | 157,049  | 142,151                       |
| Stock-in-trade   | 7    | 5,819,342  | 5,945,770                     |
| Trade debts  |      | 2,862,398  | 2,639,796                     |
| Loans and advances   |      | 90,323   | 50,181                        |
| Trade deposits and short-term prepayments  | 8    | 366,554  | 191,928                       |
| Interest accrued   |      | 6,203  | 7,375                         |
| Other receivables  |      | 289,510  | 203,527                       |
| Short-term investments   | 9    | 9,164,330  | 7,525,548                     |
| Sales tax refundable   |      | 26,472   | 60,688                        |
| Cash and bank balances   |      | 1,292,159  | 1,384,288                     |
|  |      | <b>20,074,340</b>  | <b>18,151,252</b>             |
| <b>TOTAL ASSETS</b>  |      | <b>39,687,564</b>  | <b>37,217,851</b>             |
| <b>EQUITY AND LIABILITIES</b>  |      |  |                               |
| <b>SHARE CAPITAL AND RESERVES</b>  |      |  |                               |
| Authorised capital<br>200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each                      |      | <b>1,000,000</b>   | 1,000,000                     |
| Issued, subscribed and paid-up capital<br>81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each |      | 405,150  | 405,150                       |
| Share deposit money  |      | 12   | 12                            |
| Reserves   |      | <b>26,162,304</b>  | 24,696,764                    |
| Equity attributable to equity holders' of the parent   |      | <b>26,567,466</b>  | 25,101,926                    |
| Non-controlling interest   |      | <b>6,460,819</b>   | 6,451,573                     |
|  |      | <b>33,028,285</b>  | 31,553,499                    |
| <b>NON-CURRENT LIABILITIES</b>   |      |  |                               |
| Long-term deposits   |      | 329,369  | 328,860                       |
| Long-term borrowings   |      | 393,543  | 394,638                       |
| Lease liabilities  |      | <b>814,561</b>   | 779,054                       |
|  |      | <b>1,537,473</b>   | 1,502,552                     |
| <b>CURRENT LIABILITIES</b>   |      |  |                               |
| Trade and other payables   |      | <b>3,813,318</b>   | 3,172,046                     |
| Unclaimed dividend   |      | 66,195   | 66,197                        |
| Unpaid dividend  |      | 129,827  | 45,252                        |
| Accrued markup   |      | 1,234  | 6,803                         |
| Income Tax - net   | 10   | 395,797  | 260,554                       |
| Current portion of long-term borrowings  |      | 49,786   | 49,786                        |
| Current portion of lease liabilities   |      | 8,298  | 103,648                       |
| Short-term borrowings  | 11   | 637,936  | 438,000                       |
| Deferred income  |      | 19,415   | 19,514                        |
|  |      | <b>5,121,806</b>   | 4,161,800                     |
| <b>CONTINGENCIES AND COMMITMENTS</b>   | 12   |  |                               |
| <b>TOTAL EQUITIES AND LIABILITIES</b>  |      | <b>39,687,564</b>  | <b>37,217,851</b>             |

The annexed notes from 1 to 21 form an integral part of these consolidated condensed interim financial statements.

  
Chief Executive

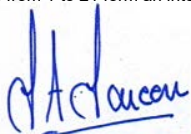
  
Director

  
Chief Financial Officer

THAL LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020  
(UN-AUDITED)

|  | Note | Quarter ended                                  |                       |
|--|------|--|-----------------------|
|  |      | September 30,<br>2020<br>(Rupees in thousands) | September 30,<br>2019 |
| Revenue - net  |      | 5,513,930                                      | 4,186,504             |
| Cost of sales  |      | <u>(4,752,790)</u>                             | <u>(3,834,221)</u>    |
| <b>Gross Profit</b>  |      | <b>761,140</b>                                 | <b>352,283</b>        |
| Distribution costs   |      | (60,067)                                       | (51,440)              |
| Administrative expenses  |      | (309,918)                                      | (380,834)             |
| Other charges  | 13   | <u>(31,536)</u>                                | <u>(60,631)</u>       |
|  |      | <b>(401,521)</b>                               | <b>(492,905)</b>      |
| Other income   | 14   | <b>820,852</b>                                 | <b>771,422</b>        |
| <b>Operating Profit</b>  |      | <b>1,180,471</b>                               | <b>630,800</b>        |
| Finance costs  |      | <u>(43,190)</u>                                | <u>(39,873)</u>       |
|  |      | <b>1,137,281</b>                               | <b>590,927</b>        |
| Share of net profit of associates - after tax  |      | <b>681,354</b>                                 | <b>272,590</b>        |
| <b>Profit before taxation</b>  |      | <b>1,818,635</b>                               | <b>863,517</b>        |
| Taxation   |      | <u>(332,697)</u>                               | <u>(213,157)</u>      |
| <b>Profit after taxation</b>   |      | <b>1,485,938</b>                               | <b>650,360</b>        |
| <b>Attributable to:</b>  |      |  |                       |
| - Equity holders of the Holding Company  |      | <b>1,391,987</b>                               | 570,399               |
| - Non-controlling interest   |      | <b>93,951</b>                                  | 79,961                |
|  |      | <b>1,485,938</b>                               | <b>650,360</b>        |
|  |      | <b>Rupees</b>                                  |                       |
| Basic and diluted earnings per share attributable to the equity holders of the Holding Company |      | <b>17.18</b>                                   | <b>7.04</b>           |

The annexed notes from 1 to 21 form an integral part of these consolidated condensed interim financial statements.

  
\_\_\_\_\_  
Chief Executive

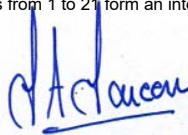
  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

THAL LIMITED  
 CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME  
 FOR THE QUARTER ENDED SEPTEMBER 30, 2020  
 (UN-AUDITED)

|  | <b>Quarter ended</b>          |                               |
|--|-------------------------------|-------------------------------|
|  | <b>September 30,<br/>2020</b> | <b>September 30,<br/>2019</b> |
|  | <b>(Rupees in thousands)</b>  |                               |
| <b>Profit after taxation</b>   | <b>1,485,938</b>              | 650,360                       |
| <b>Other comprehensive income</b>  |                               |                               |
| (Loss) / gain on revaluation of investments at fair value through other comprehensive income | 77,840                        | (4,098)                       |
| Share of actuarial loss on remeasurement of defined benefit plans of associates              | (4,287)                       | (5,009)                       |
| <b>Total comprehensive income for the period, net of tax</b>                                 | <b>1,559,491</b>              | 641,253                       |
| <b>Attributable to:</b>  |                               |                               |
| - Equity holders of the Holding Company  | 1,465,540                     | 561,292                       |
| - Non-controlling interest   | 93,951                        | 79,961                        |
|  | <b>1,559,491</b>              | 641,253                       |

The annexed notes from 1 to 21 form an integral part of these consolidated condensed interim financial statements.



\_\_\_\_\_  
 Chief Executive



\_\_\_\_\_  
 Director

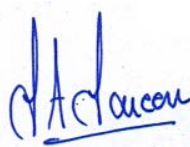


\_\_\_\_\_  
 Chief Financial Officer

THAL LIMITED  
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020

|   | Issued, subscribed & paid-up capital | Share deposit money | RESERVES        |                   |                       |  | Non-controlling interest | Total equity      |
|---|--------------------------------------|---------------------|-----------------|-------------------|-----------------------|--|--------------------------|-------------------|
|   |                                      |                     | Capital reserve | General reserve   | Unappropriated profit | Gain / (Loss) on changes in fair value of available for sale investments |                          |                   |
| ----- Rupees in '000 -----  |                                      |                     |                 |                   |                       |  |                          |                   |
| <b>Balance as at June 30, 2019 (Audited)</b>                            | <b>405,150</b>                       | <b>12</b>           | <b>67,929</b>   | <b>15,165,374</b> | <b>7,240,431</b>      | <b>94,634</b>  | <b>6,596,482</b>         | <b>29,570,012</b> |
| First time adoption of IFRS 16  |                                      |                     |                 |                   | (209,881)             |  | (137,216)                | (347,097)         |
| Deferred tax impact   |                                      |                     |                 |                   | 912                   |  |                          | 912               |
|   | 405,150                              | 12                  | 67,929          | 15,165,374        | 7,031,462             | 94,634   | 6,459,266                | 29,223,827        |
| Transfer to general reserve   | -                                    | -                   | -               | 2,506,500         | (2,506,500)           | -  | -                        | -                 |
| <b>Subsidiary Companies</b>   |                                      |                     |                 |                   |                       |  |                          |                   |
| Final dividend @ Rs. 0.399/- per share for the year ended June 30, 2019 | -                                    | -                   | -               | -                 | -                     | -  | (46,184)                 | (46,184)          |
| Profit for the period   | -                                    | -                   | -               | -                 | 570,399               | -  | 79,961                   | 650,360           |
| Other comprehensive income  | -                                    | -                   | -               | -                 | (5,009)               | (4,098)  | -                        | (9,107)           |
| Total comprehensive income  | -                                    | -                   | -               | -                 | 565,390               | (4,098)  | 79,961                   | 641,253           |
| <b>Balance as at September 30, 2019 (unaudited)</b>                     | <b>405,150</b>                       | <b>12</b>           | <b>67,929</b>   | <b>17,671,874</b> | <b>5,090,352</b>      | <b>90,536</b>  | <b>6,493,043</b>         | <b>29,818,896</b> |
| <b>Balance as at June 30, 2020 (Audited)</b>                            | <b>405,150</b>                       | <b>12</b>           | <b>67,929</b>   | <b>17,671,874</b> | <b>6,841,559</b>      | <b>115,402</b>   | <b>6,451,573</b>         | <b>31,553,499</b> |
| Transfer to general reserve   | -                                    | -                   | -               | 1,460,000         | (1,460,000)           | -  | -                        | -                 |
| <b>Subsidiary Companies</b>   |                                      |                     |                 |                   |                       |  |                          |                   |
| Final dividend @ Rs. 0.623/- per share for the year ended June 30, 2020 | -                                    | -                   | -               | -                 | -                     | -  | (84,705)                 | (84,705)          |
| Profit for the period   | -                                    | -                   | -               | -                 | 1,391,987             | -  | 93,951                   | 1,485,938         |
| Other comprehensive income  | -                                    | -                   | -               | -                 | (4,287)               | 77,840   | -                        | 73,553            |
| Total comprehensive income  | -                                    | -                   | -               | -                 | 1,387,700             | 77,840   | 93,951                   | 1,559,491         |
| <b>Balance as at September 30, 2020 (Unaudited)</b>                     | <b>405,150</b>                       | <b>12</b>           | <b>67,929</b>   | <b>19,131,874</b> | <b>6,769,259</b>      | <b>193,242</b>   | <b>6,460,819</b>         | <b>33,028,285</b> |

The annexed notes from 1 to 21 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director

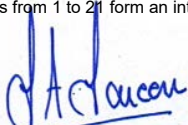


Chief Financial Officer

THAL LIMITED  
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE QUARTER ENDED SEPTEMBER 30, 2020  
(UN-AUDITED)

|   | Quarter ended         |                       |
|---|-----------------------|-----------------------|
|   | September 30,<br>2020 | September 30,<br>2019 |
|   | (Rupees in thousands) |                       |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>   |                       |                       |
| Profit before taxation  | 1,818,635             | 863,517               |
| Adjustments for non-cash charges and other items:                                     |                       |                       |
| Depreciation on:  |                       |                       |
| - Operating fixed assets  | 154,180               | 131,352               |
| - Right-of-use assets   | 9,051                 | 33,446                |
| - Investment property   | 76,113                | 46,993                |
| Provision for impairment of property, plant and equipment                             | 4,730                 | -                     |
| Gain / (loss) on disposal of property, plant and equipment                            | (2,849)               | (2,920)               |
| Gain / (loss) on disposal of investment property                                      | (3,200)               | (41)                  |
| Amortisation  | 16,023                | 6,924                 |
| Share in profit of associates - after taxation  | (681,354)             | (272,590)             |
| Finance cost of:  |                       |                       |
| - Lease liabilities   | 27,449                | 26,231                |
| - Others  | 15,741                | 13,642                |
| Interest earned on call deposits and short-term investments                           | (65,765)              | (114,717)             |
| Gain on revaluation / redemption of investments at fair value through profit and loss | (64,553)              | (102,720)             |
| Dividend income   | (31,443)              | (68,623)              |
| (Reversal) / Provision for expected credit loss                                       | (38,678)              | 40,539                |
| Provision for retirement benefits   | 1,749                 | 3,773                 |
| Exchange gain on long-term borrowing  | (1,095)               | -                     |
|   | <u>(583,901)</u>      | <u>(258,711)</u>      |
|   | 1,234,734             | 604,806               |
| <b>(Increase) / decrease in current assets</b>  |                       |                       |
| Stores, spares and loose tools  | (14,898)              | (6,601)               |
| Stock-in-trade  | 126,428               | 4,746                 |
| Trade debts   | (183,924)             | 673,841               |
| Loans and advances  | (40,142)              | (74,249)              |
| Trade deposits and short-term prepayments   | (174,626)             | 55,082                |
| Other receivables   | (51,753)              | (13,228)              |
| Sales tax refundable  | (119,143)             | 113,896               |
| <b>Increase / (decrease) in current liabilities</b>                                   |                       |                       |
| Deferred income   | (99)                  | 6,889                 |
| Sales tax Payable   | 153,359               | (13,000)              |
| Trade and other payables  | 640,416               | (126,510)             |
|   | <u>335,618</u>        | <u>620,866</u>        |
| <b>Cash generated from operations</b>   | 1,570,352             | 1,225,672             |
| Finance costs paid  | (48,759)              | (39,873)              |
| Retirement benefits paid  | (893)                 | (3,773)               |
| Income tax paid   | (214,571)             | (162,881)             |
| Long-term loans   | -                     | 999                   |
| Long-term deposits - net  | 247                   | 1,872                 |
| Net cash used in operating activities   | <u>1,306,376</u>      | <u>1,022,016</u>      |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>   |                       |                       |
| Additions to property, plant and equipment  | (62,798)              | (107,151)             |
| Additions to investment property  | (7,424)               | (1,888)               |
| Additions to intangible assets  | -                     | (22,269)              |
| Dividends received  | 31,443                | 68,623                |
| Interest received   | 61,238                | 102,189               |
| Long-term investments made during the period  | -                     | (33,144)              |
| Proceeds from disposal of property, plant and equipment                               | 7,605                 | 6,447                 |
| Short-term investments encashed / (made) during the period                            | (2,528,533)           | (686,274)             |
| Net cash generated from investing activities  | <u>(2,498,469)</u>    | <u>(673,467)</u>      |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>   |                       |                       |
| Dividends paid  | (132)                 | 68,746                |
| Short-term financing  | 199,936               | 103,014               |
| Payment against lease liabilities   | (59,843)              | (27,533)              |
| Net cash used in financing activities   | <u>139,961</u>        | <u>144,227</u>        |
| <b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>                         | <u>(1,052,132)</u>    | <u>492,776</u>        |
| <b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>                       | 3,600,241             | 3,898,320             |
| <b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>                             | <u>2,548,109</u>      | <u>4,391,096</u>      |
| Cash and bank balances  | 1,292,159             | 1,021,336             |
| Short-term investments  | 1,255,950             | 3,300,484             |
|   | <u>2,548,109</u>      | <u>4,321,820</u>      |

The annexed notes from 1 to 21 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 QUARTER ENDED SEPTEMBER 30, 2020  
(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, 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**

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, 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-operative 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** 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, 2020.

**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 condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2020.

## **4 ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are same as those applied in the Group's annual consolidated financial statements for the year ended June 30, 2020.

**5 PROPERTY, PLANT AND EQUIPMENT**

|                          | Note      | September 30,<br>2020<br>(Un-audited) | June 30,<br>2020<br>(Audited) |
|--------------------------|-----------|---------------------------------------|-------------------------------|
| (Rupees in thousands)    |           |                                       |                               |
| Operating fixed assets   | 5.1 & 5.2 | 4,064,136                             | 4,162,166                     |
| Capital work-in-progress | 5.3       | 64,512                                | 61,214                        |
|                          |           | <u>4,128,648</u>                      | <u>4,223,380</u>              |

5.1 The following additions and deletions were made in operating fixed assets during the period

|                                   | Additions<br>at cost           |                      | Deletions<br>at book value     |                      |
|-----------------------------------|--------------------------------|----------------------|--------------------------------|----------------------|
|                                   | Quarter ended<br>September 30, |                      | Quarter ended<br>September 30, |                      |
|                                   | 2020<br>(Un-audited)           | 2019<br>(Un-audited) | 2020<br>(Un-audited)           | 2019<br>(Un-audited) |
| ----- (Rupees in thousands) ----- |                                |                      |                                |                      |
| <b>Operating fixed assets</b>     |                                |                      |                                |                      |
| Building on freehold land         | 19,186                         | 13,023               | -                              | -                    |
| Plant and machinery               | 5,997                          | 6,238                | 156                            | -                    |
| Furniture and fittings            | 570                            | 1,432                | 3                              | 13                   |
| Vehicles                          | 97                             | 258                  | 1,250                          | 2,396                |
| Office and mills equipment        | 3,875                          | 13,665               | 147                            | 27                   |
| Computer equipment                | 6,726                          | 4,904                | -                              | 91                   |
| Jigs and Fixtures                 | 23,049                         | 8,146                | -                              | -                    |
|                                   | <u>59,500</u>                  | <u>47,666</u>        | <u>1,556</u>                   | <u>2,527</u>         |

5.2 This includes right-of-use assets amounting to Rs. 10.654 million.

5.3 Details of additions at cost are as follows:

|                            | September 30,<br>2020<br>(Un-audited) | September 30,<br>2019<br>(Audited) |
|----------------------------|---------------------------------------|------------------------------------|
| (Rupees in thousands)      |                                       |                                    |
| Plant and machinery        | 4,314                                 | -                                  |
| Office and mills equipment | 7,960                                 | -                                  |
| Computer equipment         | -                                     | 42,004                             |
| Jigs and fixtures          | -                                     | 7,426                              |
| Civil works                | -                                     | 28,463                             |
|                            | <u>12,274</u>                         | <u>77,893</u>                      |



## 6 LONG-TERM INVESTMENTS

- 6.1 This includes investment in Sindh Engro Coal Mining Company Limited (SECMC) and ThalNova Power Thar (Private) Limited (TNTPL) amounting to Rs 3,816.953 million and Rs 1,504.296 million (June 30, 2020: Rs 3,408.659 million and Rs 1,506.429 million), respectively.
- 6.2 The Group undertook to invest a total of USD 25.6 million in SECMC 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 Dec 2019. As on the statement of financial position date the Company has invested Rs. 2,365.311 million acquiring 159,602,637 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 5.5 million.
- 6.3 The Group undertook to invest USD 34.3 million in PKR equivalent in TNTPL and upto the statement of financial position date it has invested Rs. 1,534.534 million acquiring 153,453,275 ordinary shares having face value of Rs. 10 each. The balance commitment of the investment is USD 22.6 million in PKR equivalent. TNTPL achieved financial close on September 30, 2020.

|  | September 30,<br>2020<br>(Un-audited) | June 30,<br>2020<br>(Audited) |
|--|---------------------------------------|-------------------------------|
| Note   | (Rupees in thousands)                 |                               |
| <b>7 STOCK-IN-TRADE</b>                          |                                       |                               |
| Raw material                                     |                                       |                               |
| In hand  | 3,206,424                             | 4,390,214                     |
| In transit                                       | 1,539,282                             | 699,877                       |
|  | <b>4,745,706</b>                      | 5,090,091                     |
| Work-in-process                                  | 427,471                               | 377,192                       |
| Finished goods                                   |                                       |                               |
| In hand  | 856,578                               | 673,704                       |
| In transit                                       | -                                     | -                             |
|  | <b>856,578</b>                        | 673,704                       |
| Less: Provision for slow moving & obsolete stock | <b>(210,413)</b>                      | (195,217)                     |
|  | <b>5,819,342</b>                      | 5,945,770                     |

## 8 TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS

Includes margin paid against letters of credit amounting to Rs. 245.62 million (June 30, 2020: Rs. 72.399 million).

## 9 SHORT TERM INVESTMENTS

- 9.1 This represents investment in Term Deposit Receipts, Treasury Bills and units of mutual funds amounting to Rs. 1,406.847 million, Rs 1,963.455 million and Rs. 5,719.606 million (June 30, 2020: Rs 2,358.1 million, Rs. 1,077.626 million and Rs 4,021.099 million), respectively.

|  | September 30,<br>2020<br>(Un-audited) | June 30,<br>2020<br>(Audited) |
|--|---------------------------------------|-------------------------------|
| Note   | (Rupees in thousands)                 |                               |
| <b>10 INCOME TAX - Net</b>                   |                                       |                               |
| Group Tax Relief adjustments                 | 10.1 (684,121)                        | (683,879)                     |
| Group Taxation adjustments                   | 10.2 48,710                           | 46,197                        |
| Income Tax provision less tax payments - net | <b>1,031,208</b>                      | 898,236                       |
|  | <b>395,797</b>                        | 260,554                       |

- 10.1 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 Company had also acquired the tax losses of subsidiary, Thal Boshoku Pakistan (Private) Limited in tax year 2020 and 2019.

- 10.2** In terms of provision of Section 59AA of Income Tax Ordinance, 2001 (the Ordinance), Thal Limited and certain subsidiaries have irrevocably opted to be taxed as one fiscal unit. Accordingly, the tax loss and tax transferred by these subsidiaries under group taxation opted by the Company amounted to Rs. 0.672 million and Rs 3.185 million (September 30, 2019: Rs. 0.944 million and Rs 1.338 million), respectively.

## **11 SHORT TERM FINANCING**

This includes Export Refinance Facility availed by the Company from a commercial bank. This carries markup at 3% per annum and is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Company. The portion of the facility utilized during the period amounted to Rs. 361 million and is repayable within a maximum validity of 180 days.

## **12 CONTINGENCIES AND COMMITMENTS**

### **12.1 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, 2020.

### **12.2 Commitments**

- 12.2.1** Letter of guarantees issued by banks on behalf of the Group amounts to Rs. 7,683.112 million (June 30, 2020: Rs. 3,987.251 million).
- 12.2.2** Post dated cheques issued to collector of Customs amounts to Rs. 121.411 million (June 30, 2020: Rs. 120.792 million)
- 12.2.3** Letter of credits outstanding for raw material and spares amounts to Rs. 3,298.002 million (June 30, 2020: Rs. 770.899 million).
- 12.2.4** Commitments in respect of raw material are nil (June 30, 2020: Rs. 576.655 million).
- 12.2.5** Commitments in respect of capital expenditure amounts to Rs. 14.023 million (June 30, 2020: Rs. 28.655 million).
- 12.2.6** Commitments for rentals under Ijarah agreements in respect of vehicles and computers to a related party amount to Rs. 90.321 million (June 30, 2020: 89.981 million).

## **13 OTHER CHARGES**

This includes reversal of allowance for expected credit losses amounting to Rs 38.678 million (September 30, 2019: charge of Rs 40.539 million).

## **14 OTHER INCOME**

This includes dividend income, interest earned on call deposits and short term investments, income on Term Finance Certificates and gain on disposal / revaluation of investments at fair value through profit or loss amounting to Rs. 31.443 million, Rs. 59.777 million, Rs 5.988 million and Rs. 64.553 million (September 30, 2019: Rs. 68.623 million, Rs. 105.518 million, Rs 9.199 and Rs 102.72 million), respectively,

## 15 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                  | Quarter ended         |                       |
|---------------------------------|---|-----------------------|-----------------------|
|                                 |   | September 30,<br>2020 | September 30,<br>2019 |
|                                 |   | (Un-audited)          |                       |
|                                 |   | Rupees in thousand    |                       |
| <b>Associates</b>               | Sales                                   | <b>2,678,307</b>      | 1,716,870             |
|                                 | Professional services rendered          | <b>52,315</b>         | 64,130                |
|                                 | Rental income on properties             | <b>422,463</b>        | 398,856               |
|                                 | Licence fee, signage and others         | <b>11,184</b>         | 1,659                 |
|                                 | Insurance premium paid                  | <b>11,132</b>         | 12,045                |
|                                 | Insurance claim received                | <b>1,719</b>          | 3,619                 |
|                                 | Supplies purchased                      | <b>158,719</b>        | 9,674                 |
|                                 | Purchase of assets                      | -                     | 176                   |
|                                 | Purchase of goods                       | <b>55</b>             | 125,827               |
| <b>Employee benefit plans</b>   | Contribution to provident fund          | <b>14,054</b>         | 14,853                |
|                                 | Contribution to retirement benefit fund | <b>1,749</b>          | 2,135                 |
| <b>Key management personnel</b> | Key management personnel compensation   | <b>45,282</b>         | 33,542                |
| <b>Directors</b>                | Directors' meeting fee                  | <b>220</b>            | 515                   |

## 16 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 2020. There have been no changes in any risk management policies since the year end.

## 17 FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

18 SEGMENT ANALYSIS

|   | Quarter ended      |                                       |                                 |                    |                    |                    |
|---|--------------------|---------------------------------------|---------------------------------|--------------------|--------------------|--------------------|
|   | September 30, 2020 | September 30, 2019                    | September 30, 2020              | September 30, 2019 | September 30, 2020 | September 30, 2019 |
|   | Engineering        | Building material and allied products | Real estate management & others | Elimination        | Total              |                    |
| <b>SALES REVENUE</b>                              | 3,470,338          | 2,449,775                             | 1,985,553                       | 1,674,859          | 99,904             | 100,181            |
| <b>SEGMENT RESULT</b>                             | 454,116            | 46,574                                | 328,100                         | 171,282            | 333,758            | 311,534            |
| <b>Unallocated corporate (expenses) / income:</b> |                    |                                       |                                 |                    | (41,865)           | (38,311)           |
| Administrative & distribution costs               |                    |                                       |                                 |                    |                    |                    |
| Other income                                      |                    |                                       |                                 |                    |                    | 114                |
| Finance cost                                      |                    |                                       |                                 |                    | (43,190)           | (39,873)           |
| Other charges                                     |                    |                                       |                                 |                    | (70,214)           | (20,092)           |
| Share in profit of associates                     |                    |                                       |                                 |                    | 681,354            | 272,590            |
| Taxation  |                    |                                       |                                 |                    | (332,697)          | (213,157)          |
|   |                    |                                       |                                 |                    | <b>1,485,938</b>   | <b>650,360</b>     |
|   |                    |                                       |                                 |                    | <b>(209,693)</b>   | <b>(203,848)</b>   |
|   |                    |                                       |                                 |                    | <b>344,404</b>     | <b>325,236</b>     |
|   |                    |                                       |                                 |                    | <b>1,250,685</b>   | <b>650,892</b>     |
|   |                    |                                       |                                 |                    | <b>1,115,974</b>   | <b>529,504</b>     |
|   |                    |                                       |                                 |                    | <b>5,513,930</b>   | <b>4,186,504</b>   |

19 SUBSEQUENT EVENT

The Board of Directors had recommended final cash dividend of Rs. 3.50 per share for the year ended June 30, 2020. These consolidated condensed interim financial statements do not reflect the payment of cash dividend which was approved by the shareholders in the Annual General Meeting held on October 22, 2020.

20 GENERAL


20.1 Figures have been rounded off to the nearest thousands.

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

21 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 27, 2020 by the Board of Directors of the Holding Company.

  
Chief Executive

  
Director

  
Chief Financial Officer

چائے مشینری اینڈ انجینئرنگ کارپوریشن (”سی ایم ای سی“) کو ای پی سی کا کنٹریکٹر مقرر کیا گیا۔ تھل نووانے ایس ای سی ایم سی کے ساتھ سالانہ 1.9 ملین ٹن لگنائٹ کی فراہمی کیلئے کول سپلائی ایگریمنٹ (سی ایس اے) پر دستخط کئے ہیں۔ اس نے سینٹرل پاور پراجیکٹس ایجنسی (گارٹی) لمیٹڈ (سی پی پی اے) کے ساتھ پاور پراجیکٹس ایگریمنٹ (پی پی اے) اور پرائیویٹ پاور انفراسٹرکچر بورڈ (پی پی آئی بی) کے ساتھ امپلی میٹیشن ایگریمنٹ (”آئی اے“) بھی کیا ہے۔

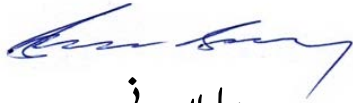
پاور پلانٹ چائنا پاکستان اکنامک کوریڈور (سی۔ پیک) کے تحت ترجیحی پروجیکٹس کے طور پر لسٹڈ ہے اور اس کی فنائنگ چائنا ڈیولپمنٹ بینک اور حبیب بینک لمیٹڈ کی ذمہ داری پر کی جا رہی ہے۔

تھل نووانے اپنا فنانشل کلوز 30 ستمبر 2020 کو حاصل کر لیا۔ پروجیکٹ ممکنہ طور پر 2022 میں آن لائن ہو جائے گا۔ تھل لمیٹڈ اپنے مکمل ملکیتی ذیلی ادارے تھل پاور پرائیویٹ لمیٹڈ کے ذریعے تھل نووا میں 26 فیصد عمومی شیئر ہولڈنگ کا حامل ہے۔

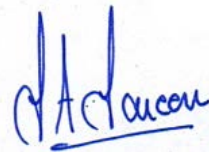
### اظہارِ تشکر

ہم اس کٹھن اور چیلنجنگ صورتحال کا مقابلہ کرنے پر اپنے بورڈ آف ڈائریکٹرز، صارفین، ڈیلرز، بینکرز اور جوائنٹ ونپرز و 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: مورخہ: 27 اکتوبر 2020

## پاورسیکٹر میں سرمایہ کاری سندھ اینگروکول مائننگ کمپنی لمیٹڈ

ایس ای سی ایم سی حکومت سندھ، تھل لمیٹڈ، اینگرو پاور جن لمیٹڈ، حب پاور کمپنی لمیٹڈ، حبیب بینک لمیٹڈ، سی ایم ای سی تھر مائننگ انویسٹمنٹس لمیٹڈ اور ایس پی آئی منگڈ ونگ کے مابین ایک جوائنٹ وینچر ہے۔ یہ تھر کول بلاک-II میں پاکستان کے پہلے اوپن پٹ مائننگ پروجیکٹ کو تیار کرنے میں سرگرم عمل ہے۔

ایس ای سی ایم سی 10 جولائی 2019 کو 3.8 ملین ٹن سالانہ کپیسٹی مائن (فیئر-1) کیلئے اپنے تجارتی آپریشنز کی تاریخ حاصل کر چکا ہے۔ تھر مائننگ کا فیئر-1 اینگرو پاور جن تھر (پرائیویٹ) لمیٹڈ کی جانب سے قائم کردہ 2x330 میگا واٹ پاور جنریشن پلانٹ کیلئے کوئلہ فراہم کر رہا ہے۔

سال 2020 کے 9 ماہ کی مدت کے اختتام پر ایس ای سی ایم سی سہل انداز میں سرگرم عمل ہے اور 3 ملین ٹن کوئلے کی ریکارڈ سیلز سے 28 بلین روپے کی سیلز آمدنی اور 6.7 بلین روپے کا بعد از ٹیکس منافع حاصل کر چکا ہے۔ چونکہ اس مدت میں ایس ای سی ایم سی نے مثبت کیش فلوز حاصل کیا لہذا یہ پروجیکٹ کی تکمیل کی تاریخ (پی سی ڈی) کے حصول تک اپنے مالیاتی معاہدوں کے تحت کسی منافع منقسمہ کا اعلان نہ کرنے کا پابند ہے جو کہ ”ٹرواپ“ سے مشروط اور تھر کول اینڈ انرجی بورڈ کی جانب سے ایس ای سی ایم سی کے سی او ڈی ایچ ٹیٹھیرف پمیشن کی منظوری سے مشروط ہے۔ ایس ای سی ایم سی کی انتظامیہ نے پی سی ڈی تقویمی سال 2021 کی پہلی سہ ماہی میں حاصل کرنے کا ہدف مقرر کیا ہے۔

ایس ای سی ایم سی نے کامیابی کے ساتھ 31 دسمبر 2019 کو 7.6 mtpa کے لئے اپنے کان کنی کے آپریشنز کی توسیع کیلئے فنانشل کلوژر حاصل کر لیا۔ فیئر-II کے لئے ایس ای سی ایم سی تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ اور تھر انرجی لمیٹڈ کے ساتھ کول سپلائی ایگریمنٹس کر چکی ہے۔ تھر انرجی لمیٹڈ ہر ایک 330 میگا واٹ پاور پلانٹس کو 1.9 ایم ٹی پی اے اضافی گنٹ فراہم کرے گا۔

پروجیکٹ کمپنی اب 2022 میں فیئر-II کیلئے تجارتی آپریشنز کی تاریخ کے حصول کیلئے کوشاں ہے۔ تھل لمیٹڈ ایس ای سی ایم سی میں 11.9 فیصد عمومی شیئر ہولڈنگ کا حامل ہے۔

## تھل پاور (پرائیویٹ) لمیٹڈ

تھل نووا پاور تھر پرائیویٹ لمیٹڈ (”تھل نووا“) تھل پاور پرائیویٹ لمیٹڈ، نووا پاور جن لمیٹڈ (نووا ٹیکس لمیٹڈ کے ذیلی ادارے) اور حب پاور کمپنی لمیٹڈ کا ایک مشترکہ منصوبہ ہے جو تھر سندھ میں واقع 330 میگا واٹ مائن ماؤتھ کول فائرڈ پاور جنریشن پلانٹ قائم کرنے کیلئے ہے۔ یہ پاور پلانٹ ایس ای سی ایم سی کی جانب سے چلائی جانے والی مائن سے نکالے جانے والے دیسی کوئلے سے چلایا جائے گا۔

کمپنی کے مستقبل کیلئے پیش نظر مقامی معیشت کے مستقل دباؤ کے باعث چیلنجنگ نظر آتا ہے۔ تاہم لاک ڈاؤن ختم کئے جانے کے باعث آٹوموٹیو سیکٹر اور ایمر کی طرف سے طلب میں اضافے سے کچھ بہتری کی جانب گامزن ہو رہا ہے۔ اس کے علاوہ نئے اور ای ایم کی آمد سے مقامی پروڈکشن کا آغاز ہو چکا ہے جس سے صارف کا دائرہ کار مختلف سمتوں میں پھیلنے کے مزید مواقع پیدا ہوں گے۔ کمپنی مقامی صنعت کے اپنے پورٹ فولیو میں اضافے کے لئے کام کرنے کے ذریعے اپنی مصنوعات کی پیشکش میں اضافے بشمول آٹو پارٹس کی صنعت کے اندر نئی پروڈکٹس کے فروغ کے ضمن میں بھی اقدامات کر رہی ہے۔

### 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 40 فیصد میٹروکیش اینڈ کیری انٹرنیشنل ہولڈنگ بی۔وی۔ کے پاس ہیں۔ کمپنی مختلف کاروباری مواقع 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 کے لئے ادائیگی کے سلسلے میں 127 ملین روپے کی حتمی 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 کر دی 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 پٹیشن 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 ایچ ایم 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 پٹیشن میں جو ابداران ہیں۔

اے ڈبلیو ٹی کی نظر ثانی پٹیشن 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 اور کمپنی کو امید ہے کہ کوئی مناسب حل نکل آئے گا۔

لاک ڈاؤن کے خاتمے کے بعد مارکیٹ کی صورتحال بہتر ہوئی ہے۔ نہ صرف لیمینٹس برنس اس سہ ماہی کے دوران مقامی سیلز کی رفتار برقرار رکھنے میں کامیاب رہا بلکہ یہ برآمدات کے ضمن میں بھی مشرق وسطیٰ اور افریقی مارکیٹوں میں اپنے موجودہ کلائنٹس کو بھی برقرار رکھ سکا۔ مزید برآں اس کے مقامی اور برآمدی دونوں مارکیٹوں میں نئے صارفین کا اضافہ بھی ہوا۔

باکفایت پیداواری صلاحیت، بہتر سیلز اور سپلائی کے سلسلے کے منظم بندوبست کے باعث لیمینٹس برنس اس سہ ماہی کے دوران طے شدہ ہدف کے مقابلے میں کہیں زیادہ بہتر نتائج ظاہر کرنے میں کامیاب رہا ہے۔ عالمی مارکیٹیں بدستور پرائسنگ اور شیپنگ کے دورانیے میں غیر یقینی صورتحال سے دوچار ہیں لہذا ہم کسی نمایاں اور اہم قلت سے بچنے کیلئے خام مال کے تحفظ اور ذخائر کو برقرار رکھے ہوئے ہیں۔

آئندہ سہ ماہی کے لئے کلیدی شعبوں پر خصوصی توجہ دیتے ہوئے برانڈ کے فروغ اور تشریح میں اب تک ہر مستقل کام، پروڈکٹ کے معیار میں اضافے اور ان ڈور اسکنز، فلور لیمینٹس وغیرہ کی نئی راہیں تلاش کرنے کے ذریعے پروڈکٹس میں توسیع پر توجہ دی جاتی رہے گی۔

تعمیراتی صنعت اور منسلک بلڈنگ میٹریلز کی انڈسٹری میں جاری بہتری کے سلسلے کے باعث ہم پُر امید ہیں کہ لیمینٹس ڈویژن مستقبل میں مستحکم اور منافع بخش کاروبار کی حیثیت سے مزید فروغ حاصل ہوگا۔

ذیلی ادارے

تھل بوشو کو پاکستان (پرائیویٹ) لمیٹڈ (ٹی بی پی کے)

سیٹ پلانٹ نے فروری 2020 میں اپنی سرگرمیوں کا آغاز کیا اور اس سہ ماہی کے دوران سیلز آمدنی بڑھانے میں نمایاں کردار ادا کیا۔

حجم، نرخوں میں اضافے پروڈکٹس میں توسیع اور صارفین کی جانب سے بہتر معیار کو تسلیم کرنے کے باعث کمپنی مارکیٹ میں اپنی موجودگی کو بہتر بنانے اور مثبت کیش فلوز کیلئے اپنی لیکویڈٹی کو بہتر بنانے میں کامیاب رہی۔

آپریشن کی موجودہ جانب پر تمام صارفین کی سپلائرز کی ضروریات ”زیرو نقص“ کے ساتھ پوری کی گئی ہے اور پورے سال کے دوران ہمیں ”گرین زون“ میں رکھا گیا۔ پیداواری کفایت کو بہتر بنانے، کازن اور ہمارے ٹیم ممبران کیلئے کام کرنے کے صحتمندانہ اور محفوظ ماحول فراہم کرنے کے ضمن میں توجہ کا سلسلہ بھی برقرار ہے۔



آئندہ سہ ماہی کے دوران سیلز مستحکم رہنے کا امکان ہے تاہم پاک روپے کی قدر میں کمی اور خام جوٹ کے نرخوں میں اضافے کے رجحان نے انتظامیہ کیلئے نئے چیلنجز ظاہر کر دیئے ہیں۔ انتظامیہ معیار، ہیلتھ، سیفٹی اور ماحولیات کے اقدامات بہتر بنانے پر توجہ مرکوز رکھے گی جبکہ کارکردگی کے عمل میں مستقل بہتری کے ذریعے باکفایت پیداواری لاگت کا سلسلہ بھی بڑھایا جائے گا۔

## پیپرسیک برنس

حکومت تعمیری صنعت کے فروغ کیلئے خصوصی توجہ دے رہی ہے جس کے نتیجے میں اس سہ ماہی کے دوران سیمنٹ کیلئے طلب 2 ہندسوں میں بڑھی ہے۔ کمپنی طلب میں اس اضافے سے فائدہ اٹھانے کیلئے بہترین کارکردگی کے ساتھ اپنی نئی اضافی گنجائش اور صلاحیت کیلئے پُر عزم ہے۔ سہ ماہی کے دوران آمدنی اور حجم میں گزشتہ سال کی اسی مدت کے مقابلے میں نمایاں حد تک اضافہ ہوا ہے۔ اپنے عملے کا تحفظ اور بہبود پر ہماری ہمیشہ بنیادی توجہ مرکوز رہے گی۔ کمپنی اس وبائی صورتحال کے دوران تمام تر حفاظتی اقدامات پر بھرپور توجہ دے رہی ہے تاکہ اپنے ملازمین کو کام کرنے کا محفوظ ماحول فراہم کر سکے۔

دیگر شعبوں بالخصوص فوڈ گریڈ کے تھیلوں کے شعبے کا حجم COVID-19 (کورونا وائرس) کی وبائی صورتحال کے دوران ریٹورنٹس کی جانب سے ہوم ڈیلیوری اور ٹیک اوے کا سلسلہ بڑھنے کی وجہ سے مسلسل بڑھتا رہا ہے۔

کاروبار کا منافع بہتر ہوا ہے جس کو بنیادی طور پر بین الاقوامی مارکیٹ میں کاغذوں کے نرخوں میں قدرے کمی آنے اور بلند تر حجم سے منسوب کیا جاسکتا ہے۔ مزید برآں سرکاری حکام کے ساتھ مستقل روابط کے ساتھ کمپنی فنانس ایکٹ، 2020 کے ذریعے کاغذ سے بنے تھیلوں پر کسٹم ڈیوٹی میں ریلیف حاصل کرنے میں کامیاب رہی ہے۔ پیپرسیک کی پوری صنعت حکومت بالخصوص وزارت تجارت اور نیشنل ٹیرف کمیشن کی شکر گزار ہے کیونکہ کسٹم ڈیوٹی پر اس رعایت کے ذریعے پیپرسیک کو ڈبلیو پی بی بیگز کے خلاف مقابلے کیلئے ایک متوازن اور ہم پلہ میدان میسر آ گیا ہے۔

سال کے باقی ماندہ حصے کیلئے آؤٹ لک مثبت دکھائی دیتا ہے کیونکہ ہمیں توقع ہے کہ سیمنٹ کی بوریوں اور فوڈ گریڈ کے بیگز میں طلب بڑھنے کا سلسلہ جاری رہے گا۔ انتظامیہ کنٹرول اور کام کرنے کے محفوظ ماحول کے تحت اخراجات کو باکفایت بنانے پر مستقل توجہ دے رہی ہے۔ تاہم ایکسیج ریٹ کے اتار چڑھاؤ اور ملک میں COVID-19 (کورونا وائرس) کی دوسری لہر کے سبب ممکنہ لاک ڈاؤن کے باعث طلب پر منفی اثرات پڑ سکتے ہیں۔

## لیمینٹس آپریشنز

لیمینٹس برنس تین اہم شعبوں ایچ پی ایل (ہائی پریشر لیمینٹس)، کمپیکٹ لیمینٹس اور لیمینٹیشن بورڈز میں ”فارما سیٹ“ کے برانڈ نام کے تحت سرگرم عمل ہے۔ یہ برانڈ اپنے معیار اور کارپوریٹ اقدار کو برقرار رکھنے کے ضمن میں ایک نمایاں مقام کا حامل ہے۔

30 ستمبر 2020 کو ختم ہونے والی سہ ماہی کیلئے شعبہ انجینئرنگ کا ٹرن اوور 3.1 بلین روپے تھا جو گزشتہ سال کی اس سہ ماہی کے دوران رہنے والے 2.3 بلین روپے کے مقابلے میں 0.8 بلین روپے (35 فیصد) زائد ہے۔ یہ اضافہ بنیادی طور پر COVID-19 (کورونا وائرس) کی صورتحال کے تناظر میں کئے گئے لاک ڈاؤن ختم ہونے کے بعد آٹوموٹیو کی طلب بڑھنے اور معاشی اشاریوں میں استحکام کے سبب ممکن ہو سکا۔ گزشتہ سال اسی مدت کے دوران آٹوموٹیو کی طلب میں حکومت کی جانب سے اضافی ٹیکسز اور ڈیوٹیز نافذ کئے جانے کے سبب کم ہو گئی تھی۔ ہم پر امید ہیں کہ آنے والے مہینوں میں آٹوموٹیو کیلئے طلب میں اضافہ ہوگا۔

وبائی صورتحال کے تناظر میں معاشی چیلنجز اور سیاسی عدم استحکام نے طویل مدتی بنیاد پر صارفین کی طلب اور جانچنے کی صلاحیت کو مشکل بنا دیا ہے۔ تاہم انتظامیہ پر امید ہے کہ معاشی بحالی کے ضمن میں حکومت کے اقدامات سے صورتحال بہتر ہو جائے گی۔

اس غیر یقینی صورتحال میں اسٹیک ہولڈرز کے مفادات کو تحفظ دینے کی غرض سے انتظامیہ نے آپریشنل اخراجات کو کم کرنے کیلئے متعدد اقدامات کئے ہیں تاکہ مستحکم اور منافع بخش آپریشنز کو برقرار رکھا جائے۔ کاروبار کے فروغ میں تیزی لانے کی غرض سے کمپنی آٹوموٹیو کی صنعت میں اپنی ساکھ کو بہتر بنا رہی ہے جہاں موجود اور نئے او ای ایمز کے ساتھ مقامی اشتراک کار کے مواقعوں سے کامیابی کے مثبت اشارے ظاہر ہوئے ہیں۔

آگے بڑھتے ہوئے انتظامیہ کارکردگی کے عمل میں مستقل بہتری کے ذریعے معیار، صحت، تحفظ اور ماحولیات میں بہتری کے اقدامات مزید بہتر بنانے پر توجہ دینے کا سلسلہ جاری رکھے گی۔

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

30 ستمبر 2020 کو ختم ہونے والی سہ ماہی کیلئے بلڈنگ میٹریل اور منسلک پروڈکٹس کے شعبے کی سیلز آدنی 2 بلین روپے تھی جو گزشتہ سال کی اس مدت کے 1.7 بلین روپے کے مقابلے میں 0.3 بلین روپے (18 فیصد) زائد ہے۔

### جوٹ آپریشن

زیر جائزہ سہ ماہی کاروبار کیلئے سخت چیلنجز کی حامل رہی۔ کئی اہم بنیادی اشیاء مثلاً خام جوٹ اور پاؤر کے نرخوں میں نمایاں اضافہ ہوا، اس کے ساتھ پاکستانی روپے کی قدر میں کمی بھی آپریٹنگ اخراجات میں اضافے کے حوالے سے مستقل چیلنج ہے۔ اس کے نتیجے میں استعمال کنندگان کیلئے نرخ بڑھ چکے ہیں۔

COVID-19 (کورونا وائرس) اور سخت مسابقت کے باعث معیشت میں مجموعی سست روی کے اثرات کے باوجود ہم باکفایت لاگت، بہتر سیلز اور سپلائی کے مستحکم انتظام کے باعث سیلز کی رفتار برقرار رکھنے میں کامیاب رہے اور کاروبار سال کے دوران بہتر نتائج فراہم کرنے میں کامیاب رہا۔

## تھل لیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے میں ڈائریکٹرز کا جائزہ بشمول 30 ستمبر 2020 کو ختم ہونے والی مدت کے لئے غیر آڈٹ شدہ عبوری مجموعی مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

### فنانس کی خاص خاص باتیں

| روپے بلین میں                   |                                 |                                 |                                 |                          |
|---------------------------------|---------------------------------|---------------------------------|---------------------------------|--------------------------|
| کنسالٹیڈ                        |                                 | اسٹینڈالون                      |                                 |                          |
| برائے مدت ختمہ<br>30 ستمبر 2019 | برائے مدت ختمہ<br>30 ستمبر 2020 | برائے مدت ختمہ<br>30 ستمبر 2019 | برائے مدت ختمہ<br>30 ستمبر 2020 |                          |
| 4,187                           | 5,514                           | 3,998                           | 5,057                           | سیلز                     |
| 864                             | 1,819                           | 285                             | 928                             | قبل از ٹیکس منافع        |
| 650                             | 1,486                           | 194                             | 717                             | بعد از ٹیکس منافع        |
| 7.04                            | 17.18                           | 2.40                            | 8.85                            | فی شیئر آمدنی (روپے میں) |

### کارکردگی کا جائزہ

30 ستمبر 2020 کو ختم ہونے والی سہ ماہی کیلئے کمپنی نے 5.06 بلین روپے کا سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی سہ ماہی کے 4 بلین روپے کے مقابلے میں 1.06 بلین روپے (26 فیصد) زائد ہے۔ بنیادی اور خالص آمدنی فی شیئر (ای پی ایس) برائے رواں سہ ماہی 8.85 روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس سہ ماہی میں 2.40 روپے تھی۔

### کاروبار کی مختصر صورتحال - انجینئرنگ کا شعبہ

کمپنی کا شعبہ انجینئرنگ تھرمل وانجن کمپونینٹس برنس اور الیکٹرک سسٹمز برنس پر مشتمل ہے، ان کاروباروں میں بنیادی طور پر آٹو انڈسٹری کیلئے پارٹس کی تیاری پر توجہ دی جاتی ہے۔

## 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  
Industrial & Commercial Bank of China Limited  
Telenor Microfinance 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  
Fax: 92(21) 3438-0106, 3242-8310

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