

Thal Limited

Condensed Interim Financial Statements
For the Period Ended September 30, 2021
(Un-audited)



Thal Limited

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Thal Limited

Directors' Review Report to the Shareholders

On behalf of the Board of Directors, I am pleased to share the Directors' Review along with unaudited interim condensed financial statements for the period ended September 30, 2021.

Financial Highlights

	<i>Standalone</i>		<i>Consolidated</i>	
	3 months ended		3 months ended	
(PKR in million)	Sep 30, 2021	Sep 30, 2020	Sep 30, 2021	Sep 30, 2020
Sales	7,674	5,104	8,282	5,561
Profit Before Taxes	1,233	928	1,669	1,819
Profit After Taxes	947	717	1,244	1,486
Earnings Per Share (Rs.)	11.69	8.85	13.88	17.18

Performance Overview

For the quarter ended September 30, 2021, Thal Limited (the "Company") posted sales revenue of Rs. 7.67 billion, up Rs. 2.57 billion (50%) compared to Rs. 5.1 billion in the corresponding quarter last year. The basic & diluted earnings per share (EPS) for the current quarter was Rs. 11.69 compared to Rs. 8.85 in the corresponding prior period last year.

Safety of our people is our core corporate objective. The Company is taking all requisite precautionary measures during this pandemic to ensure a safe working environment for its employees and stakeholders ensuring that they have been 100% vaccinated against Covid-19.

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, 2021, the turnover of the engineering segment achieved highest ever sales of Rs. 5.06 billion compared to Rs 3.08 billion during the same period last year, showing remarkable growth of 64% from same period last year. The growth is largely attributable to the improvement in automotive demand post Covid-19 lockdown. We anticipate a stable demand for automotive in the coming months.

As international supply chain disruptions are likely to prevail till end of the current financial year, management attention continues to focus supply chain planning and optimizing the safety stock for the un-interrupted supply to OEMs.

Due to rapidly increasing input costs, the business is facing cost pressure from both suppliers & OEMs and struggling to maintain margins & profitability of business.

Business Brief – Building Material & Allied Product Segment

Sales revenue of the Building Material & Allied Product segment for the quarter ended September 30, 2021, was Rs. 2.61 billion, up Rs. 0.58 billion (29%) compared to Rs. 2.03 billion during the same period last year.

Jute Operations

During the quarter ended September 30, 2021, the jute industry observed an increase in demand of gunny sacks needed for imported wheat. However, depreciation of Pakistan's rupee coupled with rise of minimum wage and freight cost has led to an increase in manufacturing costs. The business maintained its volumes but at lower margins locally and with exports to customers globally.

Over the years the business has continued to invest in enhancing production capacities of its existing facilities. It has well positioned itself to meet the growing demand for jute packaging materials. Additionally, the operating capacity for hessian was expanded to allow us to cater to growth in market demand.

During Q2, sales are expected to remain strong despite devaluation of Pakistan's rupee and rising trend of raw jute prices. Management is confident of maintaining a positive momentum and continue its focus on improving quality, health, safety and environment initiatives while enhancing cost efficiencies through continuous process improvement.

Papersack Packaging Business

The business had a healthy growth during the first financial quarter of FY 2021-22 in most product segments other than cement, due to an overall production slowdown in Pakistan's cement industry. The management is pleased to report significant revenue growth versus corresponding period of last year, however the next three quarters appear to be more challenging due to global supply chain issues resulting in worldwide material shortages, steep rise in freight charges and port congestions.

Customers in the cement segment are facing increase in input costs including coal and energy, which is impacting our cement paper bag demand. Food packaging including Self Opening Satchel bags and burger wrap sales have increased as a result of higher take-away and home deliveries by restaurants. The carrier bag segment is also showing steady growth after reopening of malls and the business tapping into export markets. The woven polypropylene construction project is proceeding on schedule. The business has also upgraded its cement paper bag manufacturing plant in the north, which has added to the capacity to service customers in the central & north regions where major cement plant expansions are to take place. As a part of our sustainability initiatives, work is progressing on the 1.75 MW solar power installation at our plants in Hub and Gadoon.

The outlook for coming quarter is positive and we are expecting the demand for all segments to remain on track as per projections. The management is focused on cost efficiencies, maintaining market share and increasing sales in export markets however, exchange rate volatility, energy costs & raw material price increases would pose a challenge for the business.

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.

The first quarter of FY 2021-22 saw an influx of new entrants in the market which put a price pressure on the business in order to maintain its market share. Furthermore, a slow-down in the market translated into lower sales orders. On the supply chain side, the rising cost of inputs owing to increased freight costs and rupee devaluation remained a constant challenge. Notwithstanding, as a positive development, the price matters have largely been addressed.

Post quarter-end, the market has picked up again and the settlement of price matters has boded well for the business. However, increased freight and shipping charges presented a cost control challenge to the business. In order to further enhance plant efficiency and product quality, we have initiated key projects, such as investing in boiler systems and press plates. This will further improve quality of our products, rationalize cost, optimize capacity and improve delivery timelines. Furthermore, we plan to invest in human capital to enable the formation of a competent work force.

The on-going efforts to increase business efficiencies gives us confidence that business will continue to be sustainable for the foreseeable future.

Subsidiaries

Thal Boshoku Pakistan (Private) Limited (TBPk)

During the quarter ended September 30, 2021, the business made sales amounting to Rs. 526 million against sales of Rs. 400 million in the corresponding period of last year. This increase in sales was due to a combination

of higher volumes and increased selling prices. Volumes have picked up versus the corresponding period of last year, which was significantly impacted by the global Covid-19 pandemic, whereas selling prices are higher due to further strengthening of the U.S. Dollar against the Pakistani rupee.

With the increase in volumes, prices, and product diversification, the business has been able to improve its presence in the market. The business has generated positive cash flows during the current quarter and improved its liquidity position with a reduced reliance on external borrowings.

Our high-quality seats have been recognized by the customers. All customer supply requirements were met in time with zero defects, and the customers rated the business in the "green zone" throughout the year. The focus remained on improving production efficiency, kaizen and competitiveness.

Outlook for the future of the business looks challenging due to continued pressure on the local economy. However, the automotive sector has seen some form of a resurgence of demand from OEMs. In addition, the new OEM entrants have started local production which has created further opportunities to diversify the customer base. The business is also actively involved in the development of new business and is confident of securing more business in the coming years.

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.

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 9MCY2021, SECMC operated smoothly and supplied 3 million tonnes of coal to record sales revenue of c. Rs. 26.6 billion and an after-tax profit of c. Rs. 6.5 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 Q3 FY 2021-22.

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, in line with Phase II expansion of SECMC. 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, 2021

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	September 30 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	4,999,106	3,710,820
Intangible assets		105,932	120,776
Investment property		984	985
Long-term investments	6	8,325,652	8,007,397
Long-term loans		275,000	275,000
Long-term deposits		24,692	20,378
Deferred tax asset		264,033	218,793
		13,995,399	12,354,149
CURRENT ASSETS			
Stores, spares and loose tools		139,963	117,827
Stock-in-trade	7	8,679,181	7,730,049
Trade debts	8	3,710,040	3,231,174
Loans and advances		420,282	103,160
Trade deposits and short-term prepayments		533,536	452,711
Interest accrued		22,294	20,582
Other receivables		1,043,469	619,151
Short-term investments		2,057,582	2,802,265
Cash and bank balances		2,106,909	2,096,373
		18,713,256	17,173,292
Assets classified as held for sale		3,000	5,000
		18,716,256	17,178,292
		32,711,655	29,532,441
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		1,000,000	1,000,000
200,000,000 (June 30, 2020: 200,000,000) ordinary shares of Rs. 5/- each			
Issued, subscribed and paid-up capital		405,150	405,150
81,029,909 (June 30, 2020: 81,029,909) ordinary shares of Rs. 5/- each			
Reserves		24,472,703	23,500,483
		24,877,853	23,905,633
NON-CURRENT LIABILITIES			
Long-term deposits and payables	9	10,513	11,887
Long-term borrowing	10	1,279,025	185,242
Lease liabilities	11	96,469	100,550
Deferred income	12	310,198	22,309
		1,696,205	319,988
CURRENT LIABILITIES			
Trade and other payables		4,976,627	4,335,229
Accrued mark-up		4,412	3,651
Unclaimed dividend		85,207	89,256
Unpaid dividend		36,141	36,242
Current portion of long-term borrowing	10	124,023	109,164
Current portion of lease liabilities	11	17,175	17,140
Current portion of deferred income	12	61,097	4,394
Short-term borrowing	13	375,000	361,000
Income tax - net	14	394,251	264,628
Sales tax payable		63,664	86,116
		6,137,597	5,306,820
CONTINGENCIES AND COMMITMENTS			
	15		
TOTAL EQUITY AND LIABILITIES		32,711,655	29,532,441

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

	Note	Quarter ended	
		September 30, 2021	September 30, 2020
		(Rupees in thousands)	
Revenue – net		7,673,843	5,104,451
Cost of sales		(6,336,442)	(4,198,149)
Gross profit		<u>1,337,401</u>	<u>906,302</u>
Distribution and selling expenses		(173,370)	(104,313)
Administrative expenses		(231,395)	(193,783)
Other charges		(70,372)	(65,484)
		<u>(475,137)</u>	<u>(363,580)</u>
Other income	16	382,851	391,608
Operating profit		<u>1,245,115</u>	<u>934,330</u>
Finance cost		(12,515)	(6,353)
Profit before taxation		<u>1,232,600</u>	<u>927,977</u>
Taxation		(285,567)	(211,235)
Profit after taxation		<u><u>947,033</u></u>	<u><u>716,742</u></u>
		Rupees	Rupees
Basic and diluted earnings per share		<u><u>11.69</u></u>	<u><u>8.85</u></u>

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in thousands)	
Profit after taxation	947,033	716,742
Other comprehensive income		
Item that will not be reclassified to unconsolidated statement of profit or loss in subsequent periods;		
Gain on revaluation of long-term investments classified at fair value through other comprehensive income (FVOCI)	25,187	77,840
Total comprehensive income	972,220	794,582

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.

Chief Executive Officer

Director

Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	RESERVES					Total Equity
	Issued, subscribed & paid-up capital	Capital	Revenue		Gain on revaluation of investments classified at FVOCI	
			General Reserve	Unappropriated profit		
----- (Rupees in '000) -----						
Balance as at June 30, 2020	405,150	1,006,915	17,629,999	1,743,690	115,399	20,901,153
Transfer to general reserve	-	-	1,460,000	(1,460,000)	-	-
Profit after taxation	-	-	-	716,742	-	716,742
Other comprehensive income	-	-	-	-	77,840	77,840
Total comprehensive income	-	-	-	716,742	77,840	794,582
Balance as at September 30, 2020 (Un-audited)	405,150	1,006,915	19,089,999	1,000,432	193,239	21,695,735
Balance as at June 30, 2021 (Audited)	405,150	1,006,915	19,089,999	3,158,159	245,410	23,905,633
Transfer to general reserve	-	-	2,649,000	(2,649,000)	-	-
Profit after taxation	-	-	-	947,033	-	947,033
Other comprehensive income	-	-	-	-	25,187	25,187
Total comprehensive income	-	-	-	947,033	25,187	972,220
Balance as at September 30, 2021 (Un-audited)	405,150	1,006,915	21,738,999	1,456,192	270,597	24,877,853

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Director



Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,232,600	927,977
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	5,882	1,476
- Others	170,027	122,433
Gain on disposal of operating fixed assets	(6,388)	(2,147)
Amortization	14,844	15,187
Finance cost of:		
- Lease liabilities	2,464	293
- Others	10,051	6,060
Dividend income	(365,868)	(191,478)
Interest income	(22,458)	(31,637)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(26,639)	(19,031)
Reversal of allowance for expected credit losses	(785)	(46,964)
Provision charge / (reversal) for obsolescence of inventories	16,772	49,742
Provision for impairment of property, plant and equipment	5,200	-
Provision for impairment of assets classified as held for sale	1,430	-
Provision for retirement benefits	2,752	1,749
	(192,716)	(94,317)
Increase in current assets		
Stores, spares and loose tools	(22,136)	(1,521)
Stock-in-trade	(965,904)	57,363
Trade debts	(477,511)	(73,603)
Loans and advances	(317,122)	(20,810)
Trade deposits and short-term prepayments	(80,825)	(161,023)
Other receivables	(96,874)	(60,289)
	(1,960,372)	(259,883)
Decrease / (increase) in current liabilities		
Trade and other payables	636,765	550,198
Sales tax payable	(22,452)	37,314
	614,313	587,512
Cash generated from operations	(306,176)	1,161,288
Finance costs paid	(11,754)	(5,382)
Retirement benefits paid	1,881	301
Income tax paid	(201,184)	(107,078)
Long-term loans - net	-	-
Long-term deposits - net	(5,688)	-
Net cash generated from operating activities	(522,920)	1,049,130
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,475,177)	(56,189)
Additions to intangible assets	-	-
Proceeds from disposal of operating fixed assets	12,171	3,683
Long-term loans to subsidiaries	-	(11,500)
Dividend income received	38,424	30,191
Interest income received	21,573	22,752
Long-term investments made	(293,068)	-
Short-term investments - net	770,495	(2,208,017)
Net cash used in investing activities	(925,582)	(2,219,080)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(4,046)	(2,111)
Export Refinance Facility obtained	14,000	216,000
SBP's Refinance Facility for Salaries and Wages (repaid)/obtained	(24,893)	-
SBP's Temporary Economic Refinance Facility obtained	1,281,185	-
SBP's Financing Scheme for Renewable Energy obtained - net	196,942	-
Dividends paid	(4,150)	(132)
Net cash used in financing activities	1,459,038	213,757
NET DECREASE IN CASH AND CASH EQUIVALENTS	10,536	(956,193)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,096,373	3,055,379
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,106,909	2,099,186
Cash and bank balances	2,106,909	2,099,186

The annexed notes 1 to 22 form an integral part of these unconsolidated condensed interim financial statements.


Chief Executive Officer


Director


Chief Financial Officer

THAL LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

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

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

- 1.2** These unconsolidated condensed interim financial statements are separate condensed interim financial statements of the Company in which investments in subsidiaries and associates are accounted for at cost and are not consolidated or accounted for by using equity method of accounting.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

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

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

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

	Note	September 30 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- owned	5.1	2,999,609	2,983,479
- right-of-use assets		105,037	110,919
Capital work-in-progress	5.2	1,894,460	616,422
		4,999,106	3,710,820

5.1 Details of additions and disposals are as follows:

		Additions at cost		Disposals at net book value	
		Quarter ended September 30,		Quarter ended September 30,	
		2021 (Un-audited)	2020	2021 (Un-audited)	2020
Note	----- (Rupees in thousands) -----				
Factory building		6,688	19,186	-	-
Non-factory building		-	-	-	-
Plant and machinery		116,948	3,144	-	156
Furniture and fittings		2,968	570	-	3
Vehicles		49,551	97	5,783	1,237
Office and mills equipment		10,002	2,674	-	140
Computer equipment		3,438	4,568	-	-
Jigs and fixtures		7,074	22,652	-	-
Capital stores and spares		470	-	-	-
5.1.1		197,139	52,891	5,783	1,536

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 45.229 million (September 30, 2020: Rs.8.976 million).

5.2 Details of additions at cost are as follows:

		September 30, 2021 (Un-audited) (Rupees in thousands)	September 30, 2020 (Audited)
Factory building		225,206	-
Plant and machinery		948,556	4,314
Furniture and fittings		-	-
Office and mills equipment		148,383	7,960
Computer equipment		-	-
Jigs and fixtures		1,122	-
		1,323,267	12,274

THAL LIMITED
CONDENSED INTERIM FINANCIAL STATEMENTS

		September 30 2021 (Un-audited) (Rupees in thousands)	June 30, 2020 (Audited)
6.	LONG-TERM INVESTMENTS		
	<u>Investments in related parties - at cost</u>		
	Subsidiaries	#REF! 5,080,009	5,080,009
	Associates	<u>2,920,398</u>	<u>2,627,330</u>
		<u>8,000,407</u>	<u>7,707,339</u>
	<u>Other investments - at fair value through other comprehensive income</u>		
	Listed shares	<u>325,245</u>	<u>300,058</u>
		<u><u>8,325,652</u></u>	<u><u>8,007,397</u></u>
		September 30 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
		Note	
7.	STOCK-IN-TRADE		
	Raw material:		
	- In hand	4,715,120	4,755,273
	- In transit	<u>2,768,573</u>	<u>2,019,451</u>
		<u>7,483,693</u>	<u>6,774,724</u>
	Work-in-process	554,416	560,647
	Finished goods	866,616	606,815
	Less: Provision for obsolescence	<u>(225,544)</u>	<u>(212,137)</u>
		<u><u>8,679,181</u></u>	<u><u>7,730,049</u></u>
8.	TRADE DEBTS		
	Considered good	3,791,375	3,313,294
	Provision for impairment	<u>(81,335)</u>	<u>(82,120)</u>
		<u><u>3,710,040</u></u>	<u><u>3,231,174</u></u>
9.	LONG-TERM DEPOSITS AND LIABILITY		
	Long-term deposits	1,463	1,463
	Long-term liability	9.1 14,545	15,919
	Current portion of long-term liability	<u>(5,495)</u>	<u>(5,495)</u>
		<u><u>10,513</u></u>	<u><u>11,887</u></u>
9.1	This includes liability recorded against Gas Infrastructure Development Cess (GIDC) which is payable in 48 equal quarterly installments pursuant to the decision of Honorable Supreme Court dated August 13, 2020.		

		September 30 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
10. LONG-TERM BORROWING - secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages	10.1	149,356	174,249
Less: Current maturity		(99,571)	(99,571)
		49,785	74,678
SBP's Temporary Economic Refinance Facility	10.2	1,380,466	99,281
Less: Deferred income	12	(371,295)	(26,703)
		1,009,171	72,578
SBP's Financing Scheme for Renewable Energy	10.3	244,521	47,579
Less: Current maturity		(24,452)	(9,593)
		220,069	37,986
		1,279,025	185,242

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

10.2 In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from three commercial banks is Rs 1,510 million, out of which the Company has utilised Rs 99.281 million as at June 30, 2021 from two commercial banks. The facilities carry interest at rates ranging from of 1.95% to 3.00% and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets.

10.3 In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from two commercial banks is Rs 358 million, out of which the Company has utilised Rs 47.579 million as at June 30, 2021 from one commercial banks for installation of solar power system at one location. The facilities carries interest at rates ranging from 2.45% to 3.45% and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.

		September 30 2020 (Un-audited) (Rupees in thousands)	June 30, 2020 (Audited)
11. LEASE LIABILITY			
Opening balance		100,550	8,443
Impact of initial adoption of IFRS-16		-	-
Adjustment		-	120,334
Accretion of interest		1,874	5,552
Lease rentals paid		11,220	(16,639)
Closing balance		113,644	117,690
Less: Current maturity		(17,175)	(17,140)
		96,469	100,550
12. DEFERRED INCOME			
Deferred income		371,295	26,703
Less: Current portion of deferred income		(61,097)	(4,394)
		310,198	22,309
13. SHORT TERM FINANCING - secured			

This represents Export Refinance Facility availed by the Company from commercial banks. The total amount of facility is Rs. 375 million, carries markup at 3% per annum and is payable within 180 days. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Company.

		September 30 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
14. INCOME TAX – net	Note		
Group Tax Relief adjustments	14.1	(684,120)	(684,120)
Group Taxation adjustments	14.2	46,591	46,904
Income tax provision less tax payments – net	14.3	1,031,780	901,844
		<u>394,251</u>	<u>264,628</u>

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

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

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

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

- 14.2** In terms of provision of Section 59AA of Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries namely Makro-Habib Pakistan Limited and Thal Power (Private) Limited have irrevocably opted to be taxed as a single fiscal unit. Accordingly, the tax loss and tax transferred by each subsidiary amounts to Rs. 0.578 million (September 30, 2020: Rs. 0.672 million) and Rs. 0.265 million (September 30, 2020: Rs. 3.185 million),
- 14.3** Includes adjustment of tax challans acquired from Makro-Habib Pakistan Limited and Thal Power (Private) Limited amounting to Rs 0.017 million (September 30, 2020: Rs 0.006 million) and Rs 0.521 million (September 30, 2020: Rs 2.224 million), respectively.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There were no material changes in the status of contingencies as reported in the audited unconsolidated financial statements for the year ended June 30, 2021 except as disclosed in note 12.1 to these unconsolidated condensed interim financial statements.

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
Note	(Rupees in thousands)	
15.2 Commitments		
15.2.1 Post dated cheques have been issued to Collector of Custom	<u>28,676</u>	<u>18,866</u>
15.2.2 Outstanding letters of credit for import of raw material and plant and machinery	<u>4,416,938</u>	<u>4,168,056</u>
15.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial commitments of the Company	<u>4,037,931</u>	<u>3,874,935</u>
15.2.4 Commitments in respect of raw material	<u>972,814</u>	<u>959,051</u>
15.2.5 Commitments in respect of capital expenditure	<u>114,309</u>	<u>261,528</u>
15.2.6 Commitments for rentals under Ijarah (lease) agreements		
Within one year	20,017	21,571
After one year but not later than five years	9,246	13,347
15.2.9	<u>29,263</u>	<u>34,918</u>
15.2.7 Commitments in respect of investments are disclosed in note 7 to these unconsolidated condensed interim financial statements.		
15.2.8 These guarantees are secured against certain items of property, plant and equipment of the company.		
15.2.9 These are secured by on-demand promissory notes of Rs. 65.15 million (June 30, 2021: Rs 65.150 million).		

16. OTHER INCOME

This includes dividend income and reversal of allowance for expected credit losses amounting to Rs. 365.868 million (September 30, 2020: Rs. 191.478 million) and Rs. 0.785 million (September 30, 2020: Rs. 46.964 million) respectively.

17. TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transactions	Quarter ended	
		September 30, 2021 (Un-audited)	September 30, 2020 (Un-audited)
		(Rupees in thousands)	
Subsidiaries	Professional services acquired	43,510	41,668
	Dividend income	148,959	127,057
	Loan given to / (repaid by) subsidiaries - net	-	11,500
	Interest income on loan to subsidiary	5,683	5,424
	Service fee	8,100	8,100
Associates	Sales of goods	3,681,325	2,319,192
	Dividend income	178,485	34,230
	Insurance premium	15,626	9,385
	Purchase of assets	6,850	-
	Rent received	709	708
Employee benefit funds	Contribution to provident fund	15,386	11,362
	Contribution to retirement benefit fund	3,196	1,749
Key management personnel	Remuneration paid	23,696	25,758
Directors	Directors' meeting fee paid	314	220

18. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

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

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

20. GENERAL

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

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

21. SUBSEQUENT EVENT

The Board of Directors had recommended final cash dividend of Rs. 6.00 per share for the year ended June 30, 2021. 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 12, 2021.

22. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 27, 2021 by the Board of Directors of the Company.

Chief Executive Officer

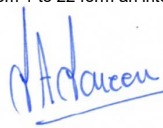
Director

Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2021

	Note	September 30, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	6,038,932	4,775,320
Intangible assets		110,432	126,158
Investment property		6,429,413	6,473,153
Long-term investments	6	10,976,095	10,517,824
Long-term deposits		31,343	24,803
Long-term prepayments		22,501	22,501
		23,608,716	21,939,759
CURRENT ASSETS			
Stores, spares and loose tools		177,895	158,309
Stock-in-trade	7	9,079,212	8,118,615
Trade debts	8	3,966,773	3,463,037
Loans and advances		445,861	113,330
Trade deposits and short-term prepayments		554,820	466,582
Interest accrued		8,969	13,263
Other receivables		1,011,286	720,011
Short-term investments	9	6,648,854	7,107,687
Sales tax refundable		-	-
Cash and bank balances		2,709,532	2,680,774
		24,603,202	22,841,608
Non-current assets held for sale		3,000	5,000
		24,606,202	22,846,608
TOTAL ASSETS		48,214,918	44,786,367
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		30,807,997	29,659,829
Equity attributable to equity holders' of the parent		31,213,159	30,064,991
Non-controlling interest		6,585,064	6,565,006
		37,798,223	36,629,997
NON-CURRENT LIABILITIES			
Long-term deposits and liability	10	338,508	339,587
Long-term borrowings	11	1,521,915	415,191
Lease liabilities	12	937,915	905,894
Deferred income	13	310,198	22,309
Deferred tax liability		202,891	243,136
		3,311,427	1,926,117
CURRENT LIABILITIES			
Trade and other payables		5,580,392	4,873,842
Accrued markup		4,412	7,422
Unclaimed dividend		85,207	89,256
Unpaid dividend		125,516	36,242
Current portion of long-term borrowings	11	124,023	109,164
Current portion of lease liabilities	12	21,475	120,223
Current portion of deferred income	13	61,097	4,394
Short-term borrowings	15	501,824	528,164
Income Tax - net	14	561,298	412,838
Sales tax payable		40,024	48,708
		7,105,268	6,230,253
CONTINGENCIES AND COMMITMENTS	16		
TOTAL EQUITIES AND LIABILITIES		48,214,918	44,786,367

The annexed notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.



 Chief Executive



 Director

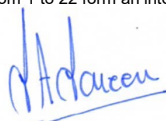


 Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

	Notes	Quarter ended	
		September 30, 2021	September 30, 2020
		(Rupees in thousands)	
Revenue - net		8,282,097	5,561,017
Cost of sales		<u>(6,934,186)</u>	<u>(4,679,320)</u>
Gross Profit		1,347,911	881,697
Distribution costs		<u>(176,712)</u>	<u>(107,154)</u>
Administrative expenses		<u>(356,940)</u>	<u>(309,918)</u>
Other charges		<u>(146,469)</u>	<u>(23,883)</u>
		<u>(680,121)</u>	<u>(440,955)</u>
Other income	17	729,177	739,729
Operating Profit		1,396,967	1,180,471
Finance costs		<u>(48,255)</u>	<u>(43,190)</u>
		<u>1,348,711</u>	<u>1,137,281</u>
Share of net profit of associates - after tax		320,101	681,354
Profit before taxation		1,668,812	1,818,635
Taxation		<u>(424,868)</u>	<u>(332,697)</u>
Profit after taxation		1,243,945	1,485,938
Attributable to:			
- Equity holders of the Holding Company		1,124,581	1,391,987
- Non-controlling interest		119,364	93,951
		<u>1,243,945</u>	<u>1,485,938</u>
		Rupees	Rupees
Basic and diluted earnings per share attributable to the equity holders of the Holding Company		<u>13.88</u>	<u>17.18</u>

The annexed notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.



 Chief Executive



 Director



 Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in thousands)	
Profit after taxation	1,243,945	1,485,938
Other comprehensive income		
(Loss) / gain on revaluation of investments at fair value through other comprehensive income	25,187	77,840
Share of actuarial loss on remeasurement of defined benefit plans of associates	(1,600)	(4,287)
Total comprehensive income for the period, net of tax	1,267,532	1,559,491
Attributable to:		
- Equity holders of the Holding Company	1,148,168	1,465,540
- Non-controlling interest	119,364	93,951
	1,267,532	1,559,491

The annexed notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

	Quarter ended	
	September 30, 2021	September 30, 2020
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,668,812	1,818,635
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	14,437	9,051
- Others	282,063	230,293
Provision for impairment of property, plant and equipment	5,200	4,730
Gain on disposal of property, plant and equipment	(9,735)	(2,849)
Gain on disposal of investment property	(15)	(3,200)
Amortisation	15,240	16,023
Share in profit of associates - after taxation	(320,101)	(681,354)
Finance cost of:		
- Lease liabilities	30,961	27,449
- Others	17,294	15,741
Dividend income	(40,082)	(31,443)
Interest income	(44,283)	(65,765)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(101,649)	(56,267)
(Reversal) / Provision for expected credit loss	(785)	(46,964)
Provision charge / (reversal) for obsolescence of inventories	18,679	49,742
Provision for impairment of assets classified as held for sale	1,430	-
Provision for retirement benefits	2,752	1,749
Exchange gain on long-term borrowing	12,941	(1,095)
	(115,652)	(534,159)
	1,553,161	1,284,476
(Increase) / decrease in current assets		
Stores, spares and loose tools	(19,586)	(14,898)
Stock-in-trade	(979,276)	76,686
Trade debts	(502,381)	(183,924)
Loans and advances	(332,531)	(40,142)
Trade deposits and short-term prepayments	(88,238)	(174,626)
Other receivables	(112,790)	(51,753)
Sales tax refundable	(8,684)	34,216
Increase / (decrease) in current liabilities		
Deferred income	14,372	(99)
Trade and other payables	689,101	640,416
	(1,340,013)	285,876
Cash generated from operations	213,147	1,570,352
Finance costs paid	(51,265)	(48,759)
Retirement benefits paid	325	(893)
Income tax paid	(316,653)	(214,571)
Long-term loans	-	-
Long-term deposits - net	(7,619)	247
Net cash used in operating activities	(162,065)	1,306,376
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(1,483,660)	(62,798)
Additions to investment property	(45,165)	(7,424)
Additions to intangible assets	486	-
Proceeds from disposal of property, plant and equipment	16,988	7,605
Proceeds from disposal of investment property	15	-
Dividends received	34,123	31,443
Interest income received	56,853	61,238
Long-term investments made	(293,068)	-
Short-term investments - net	552,206	(2,528,533)
Net cash generated from investing activities	(1,161,222)	(2,498,469)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(66,727)	(59,843)
Export Refinance Facility obtained	14,000	216,000
SBP's Refinance Facility for Salaries and Wages (repaid)/obtained	(24,893)	-
SBP's Temporary Economic Refinance Facility obtained	1,281,185	-
SBP's Financing Scheme for Renewable Energy obtained - net	196,942	-
Loan from Toyota Boshoku Asia Corporation Limited - NCI	-	-
Dividends paid	(8,122)	(132)
Net cash used in financing activities	1,392,385	156,025
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	69,098	(1,036,068)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,513,610	3,307,241
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,582,708	2,271,173
Cash and bank balances	2,709,532	2,548,109
Short-term borrowings	(126,824)	(276,936)
	2,582,708	2,271,173

The annexed notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.



Chief Executive



Director



Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2021

	Issued, subscribed & paid-up capital	Share deposit money	Capital	RESERVES			Non-controlling interest	Total equity
				General Reserve	Unappropriated profit	Revenue		
						Gain on revaluation of investments classified at FVOCI		
----- Rupees in '000 -----								
Balance as at June 30, 2020	405,150	12	67,929	17,671,874	6,841,559	115,402	6,451,573	31,553,499
Transfer to general reserve	-	-	-	1,460,000	(1,460,000)	-	-	-
Subsidiary Company								
Final dividend @ Rs. 0.399/- 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
Balance as at September 30, 2020 (Un-audited)	405,150	12	67,929	19,131,874	6,769,259	193,242	6,460,819	33,028,285
Balance as at June 30, 2021	405,150	12	67,929	19,131,874	10,214,613	245,413	6,565,006	36,629,997
Transfer to general reserve	-	-	-	2,649,000	(2,649,000)	-	-	-
Subsidiary Company								
Final dividend @ Rs. 0.730/- per share for the year ended June 30, 2021	-	-	-	-	-	-	(99,306)	(99,306)
Profit for the period	-	-	-	-	1,124,581	-	119,364	1,243,945
Other comprehensive income	-	-	-	-	(1,600)	25,187	-	23,587
Total comprehensive income	-	-	-	-	1,122,981	25,187	119,364	1,267,532
Balance as at September 30, 2021 (Unaudited)	405,150	12	67,929	21,780,874	8,688,594	270,600	6,585,064	37,798,223

The annexed notes from 1 to 22 form an integral part of these consolidated condensed interim financial statements.



 Chief Executive



 Director



 Chief Financial Officer

THAL LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2021
(UN-AUDITED)

1. THE GROUP AND ITS OPERATIONS

- 1.1** Thal Limited (the Holding Company) was incorporated on January 31, 1966 as a public company limited by shares 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 busines 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 Statement of Compliance

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

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

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

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

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

3 ACCOUNTING POLICIES

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

4 ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

5 PROPERTY, PLANT AND EQUIPMENT

	Note	September 30, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
Operating fixed assets			
- owned	5.1	4,025,535	4,017,436
- right-of-use assets		118,937	126,117
Capital work-in-progress	5.2	1,894,460	631,767
		<u>6,038,932</u>	<u>4,775,320</u>

5.1 Details of additions and disposals are as follows:

	Additions at cost		Deletions at book value	
	Quarter Ended September 30,		Quarter Ended September 30,	
	2021 (Un-audited)	2020	2021 (Un-audited)	2020
	------(Rupees in thousands)-----			
Factory building	6,688	19,186	-	-
Non-factory building	-	-	-	-
Plant and machinery	116,948	5,997	-	156
Furniture and fittings	4,133	570	-	3
Vehicles	63,122	97	7,020	1,250
Office and mills equipment	13,333	3,875	-	147
Computer equipment	9,199	6,726	233	-
Jigs and Fixtures	7,074	23,049	-	-
Major stores and spares	470	-	-	-
	<u>220,966</u>	<u>59,500</u>	<u>7,253</u>	<u>1,556</u>

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 45.229 million (September 30, 2020: Rs.8.976 million).

5.2 Details of additions at cost are as follows:

	September 30, 2021 (Un-audited) (Rupees in thousands)	September 30, 2020 (Audited)
Factory building	225,206	-
Plant and machinery	948,556	4,314
Furniture and fittings	-	-
Office and mills equipment	148,383	7,960
Computer equipment	-	-
Jigs and fixtures	1,122	-
	<u>1,323,267</u>	<u>12,274</u>

	September 30, 2021 (Un-audited)	June 30, 2021 (Audited)
	(Rupees in thousands)	
6 LONG-TERM INVESTMENTS		
Investment in related parties		
Investment in associates - equity accounting	10,650,850	10,217,766
Other investments - at fair value through other comprehensive income		
Listed shares	325,245	300,058
	<u>10,976,095</u>	<u>10,517,824</u>
7 STOCK-IN-TRADE		
Raw material		
- In hand	5,031,003	4,977,029
- In transit	2,836,504	2,164,918
	<u>7,867,507</u>	<u>7,141,947</u>
Work-in-process	554,416	560,647
Finished goods	888,794	636,931
Less: Provision for obsolescence	(231,505)	(220,910)
	<u>9,079,212</u>	<u>8,118,615</u>
8 TRADE DEBTS		
Considered good	4,049,578	3,546,670
Allowance for expected credit losses	(82,805)	(83,633)
	<u>3,966,773</u>	<u>3,463,037</u>
9 SHORT-TERM INVESTMENTS		
At amortised cost		
Term deposit receipts	-	927,603
Treasury bills	1,021,385	664,211
	<u>1,021,385</u>	<u>1,591,814</u>
At fair value through profit or loss		
Mutual Funds	5,627,469	5,515,873
Term finance certificate	-	-
	<u>5,627,469</u>	<u>5,515,873</u>
	<u>6,648,854</u>	<u>7,107,687</u>
	September 30, 2021	June 30, 2021
	(Un-audited)	(Audited)
	(Rupees in thousands)	
10 LONG-TERM DEPOSITS AND LIABILITY		
Long-term deposits	329,458	329,163
Long-term liability	14,545	15,919
Current portion of long-term liability	(5,495)	(5,495)
	<u>338,508</u>	<u>339,587</u>

10.1 This includes liability recorded against Gas Infrastructure Development Cess (GIDC) which is payable in 48 equal quarterly installments pursuant to the decision of Honorable Supreme Court dated August 13, 2020.

		September 30, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
11 LONG-TERM BORROWINGS			
Secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages	11.1	149,356	174,249
Less: Current maturity		(99,571)	(99,571)
		49,785	74,678
SBP's Temporary Economic Refinance Facility	11.2	1,380,466	99,281
Less: Deferred income	13.	(371,295)	(26,703)
		1,009,171	72,578
SBP's Financing Scheme for Renewable Energy	11.3	244,521	47,579
Less: Current maturity		(24,452)	(9,593)
		220,069	37,986
Unsecured			
Toyota Boshoku Asia Corporation Limited - NCI	11.4	225,000	225,000
Exchange loss thereon		17,890	4,949
		242,890	229,949
		1,521,915	415,191

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

11.2 In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from three commercial banks is Rs 1,510 million, out of which the Holding Company has utilised Rs 99.281 million as at June 30, 2021. The facilities carry interest at rates ranging from 1.95% to 3.00% and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets.

11.3 In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from two commercial banks is Rs 358 million, out of which the Holding Company has utilised Rs 47.579 million as at June 30, 2021 from one commercial banks for installation of solar power system at one location. The facilities carries interest at rates ranging from 2.45% to 3.45% and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.

11.4 This represents a foreign currency loan of USD 1.459 million, in equivalent Pakistani Rupees, which on the date of transfer amounted to Rs. 225 million. This carries mark up at LIBOR + 0.1% per annum and is repayable by January, 2023.

		September 30, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
12 LEASE LIABILITY			
Opening balance		1,026,117	882,702
Impact of initial adoption of IFRS-16		-	-
Additions during the year		-	136,901
Adjustment		-	-
Accretion of interest		30,961	115,430
Lease rentals paid		(97,688)	(108,916)
Closing balance		959,390	1,026,117
Less: Current maturity		(21,475)	(120,223)
		937,915	905,894
13. DEFERRED INCOME			
Deferred income		371,295	26,703
Less: Current portion of deferred income		(61,097)	(4,394)
		310,198	22,309

		September 30, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
14. INCOME TAX - Net			
Group Tax Relief adjustments	14.1	(684,120)	(684,120)
Group Taxation adjustments	14.2	46,591	46,904
Income Tax provision less tax payments - net	14.3	1,179,313	1,050,054
		<u>541,784</u>	<u>412,838</u>

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

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

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

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

- 14.2** In terms of provision of Section 59AA of Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries namely Makro-Habib Pakistan Limited and Thal Power (Private) Limited have irrevocably opted to be taxed as a single fiscal unit. Accordingly, the tax loss and tax transferred by each subsidiary amounts to Rs. 0.578 million (September 30, 2020: Rs. 0.672 million) and Rs. 0.265 million (September 30, 2020: Rs. 3.185 million), respectively.
- 14.3** Includes adjustment of tax challans acquired from Makro-Habib Pakistan Limited and Thal Power (Private) Limited amounting to Rs 0.017 million (September 30, 2020: Rs 0.006 million) and Rs 0.521 million (September 30, 2020: Rs 2.224 million),

		September 30, 2021	June 30, 2021
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
15 SHORT TERM FINANCING - secured			
Export Refinance Scheme	15.1	375,000	361,000
Running Finance		126,824	167,164
		<u>501,824</u>	<u>528,164</u>

- 15.1** This represents Export Refinance Facility availed by the Holding Company from commercial banks. The total amount of facility is Rs. 375 million, carries markup at 3% per annum and is repayable within a maximum period of 180 days. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Holding Company.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

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

	September 30, 2021 (Un-audited) (Rupees in thousands)	June 30, 2021 (Audited)
16.2 Commitments		
16.2.1 Post dated cheques have been issued to Collector of Custom	<u>28,676</u>	<u>18,866</u>
16.2.2 Outstanding letters of credit for import of raw material and plant and machinery	<u>4,701,691</u>	<u>4,452,809</u>
16.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial commitments of the Company	<u>7,588,029</u>	<u>7,425,033</u>
16.2.4 Commitments in respect of raw material	<u>972,814</u>	<u>959,051</u>
16.2.5 Commitments in respect of capital expenditure	<u>176,824</u>	<u>324,043</u>
16.2.6 Commitments for rentals under Ijarah (lease) agreements		
Within one year	24,918	26,472
After one year but not later than five years	14,643	18,744
16.2.7	<u>39,561</u>	<u>45,216</u>

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

17 OTHER INCOME

This includes dividend income, rental, licence and signage income and reversal of allowance for expected credit losses amounting to Rs. 40.082 million (September 30, 2020: Rs. 31.443 million), Rs. 522.812 million (September 30, 2020: Rs. 485.286 million) and 0.785 (September 30, 2020: 38.678 million), respectively.

18 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Relationship	Nature of transactions	Quarter ended	
		September 30, 2021	September 30, 2020
		(Un-audited)	
		Rupees in thousand	
Associates	Sales of goods	4,113,557	2,678,307
	Dividend income received	178,485	34,230
	Professional services rendered	62,786	52,315
	Rent / licence fee received	472,578	422,463
	Insurance premium paid	17,748	11,132
	Insurance claim received	-	1,719
	Supplies purchased	395,350	158,774
	Purchase of assets	6,850	-
Employee benefit plans	Contribution to provident fund	21,196	14,054
	Contribution to retirement benefit fund	3,196	1,749
Key management personnel	Remuneration paid	53,310	45,282
Directors	Directors' meeting fee paid	314	220

19 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

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

20 FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

19 SEGMENT ANALYSIS

	Quarter ended									
	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020
	Engineering		Building material and allied products		Real estate management & others		Elimination		Total	
	-----Rupees in thousand-----									
Sales Revenue - External	5,584,274	3,475,818	2,614,098	2,027,160	83,725	58,039	-	-	8,282,097	5,561,017
- Internal	-	-	-	-	43,510	41,865	(43,510)	(41,865)	-	-
Rental income	-	-	-	-	522,812	485,256	-	-	522,812	485,256
Total Segment Revenue	5,584,274	3,475,818	2,614,098	2,027,160	650,047	585,160	(43,510)	(41,865)	8,804,909	6,046,273
Segment Result	775,718	527,586	439,493	328,100	375,467	337,314	-	-	1,590,678	1,193,000
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(268,261)	(217,979)
Other charges									(81,978)	(64,389)
Other income									156,528	269,839
Operating profit									1,396,967	1,180,471
Finance cost									(48,255)	(43,190)
Share in profit of associates									320,101	681,354
Taxation									(424,868)	(332,697)
Profit after taxation									1,243,945	1,485,938

20 GENERAL

20.1 Figures have been rounded off to the nearest thousands.

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

21 SUBSEQUENT EVENT

The Board of Directors of the Holding Company had recommended final cash dividend of Rs. 6.00 per share for the year ended June 30, 2021. 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 12, 2021.

22 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 27, 2021 by the Board of Directors of the Holding Company.



Chief Executive



Director



Chief Financial Officer

تھل لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے میں ڈائریکٹرز کا جائزہ بشمول 30 ستمبر 2021 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

کنسالٹیڈ بیڈ		اسٹینڈالون		(روپے بلین میں)
مدت مختتمہ برائے 3 ماہ 30 ستمبر 2020	مدت مختتمہ برائے 3 ماہ 30 ستمبر 2021	مدت مختتمہ برائے 3 ماہ 30 ستمبر 2020	مدت مختتمہ برائے 3 ماہ 30 ستمبر 2021	
5,561	8,282	5,104	7,674	سیلز
1,819	1,669	928	1,233	قبل از ٹیکس منافع
1,486	1,244	717	947	بعد از ٹیکس منافع
17.18	13.88	8.85	11.69	فی شیئر آمدنی (روپے میں)

کارکردگی کا جائزہ

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے لئے تھل لمیٹڈ (دی کمپنی) نے 7.67 بلین روپے کا سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی سہ ماہی کے 5.1 بلین روپے کے مقابلے میں 2.57 بلین روپے (50 فیصد) زائد ہے۔ بنیادی اور خالص آمدنی فی شیئر (ای پی ایس) برائے رواں سہ ماہی 11.69 روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس سہ ماہی میں 8.85 روپے تھی۔

ہمارے ملازمین کا تحفظ ہمارے بنیادی کارپوریٹ مقاصد کا حصہ ہے۔ کمپنی نے اس وبائی صورتحال کے دوران تمام تر مطلوبہ حفاظتی اقدامات کئے تاکہ اپنے ملازمین اور اسٹیک ہولڈرز کے لئے کام کرنے کے محفوظ ماحول کو یقینی بنایا جائے اور اس کے ساتھ COVID-19 (کورونا وائرس) کے خلاف 100 فیصد ویکسینیشن کو یقینی بنایا گیا۔

کاروبار کی مختصر صورتحال - انجینئرنگ کا شعبہ

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

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے لئے شعبہ انجینئرنگ کے ٹرن اوور نے 5.06 بلین روپے کی بلند ترین سیلز کا حجم حاصل کیا جو اس کے مقابلے میں گزشتہ سال کی اسی مدت کے دوران یہ 3.07 بلین روپے تھا اور اس طرح گزشتہ سال کی اس مدت سے 65 فیصد کی نمایاں شرح نمو ظاہر ہوتی ہے، یہ شرح نمو وسیع طور پر COVID-19 (کورونا وائرس) کی لہر کے بعد آٹو موٹیو کی بڑھتی ہوئی طلب کے باعث ممکن ہوئی۔ ہم آنے والے مہینوں میں آٹو موٹیو میں مزید مستحکم طلب کی امید رکھتے ہیں۔

جیسا کہ رواں مالی سال کے آخر تک بین الاقوامی سپلائی چین ممکنہ طور پر متاثر رہنے کا امکان ہے، لہذا انتظامیہ نے اس حوالے سے مستقل طور پر سپلائی چین پر خصوصی توجہ مرکوز کر رکھی ہے اور او ای ایمز (OEMs) کو بلا رکاوٹ سپلائی کے لئے محفوظ اسٹاک برقرار رکھنے پر توجہ دی جا رہی ہے۔

ان پٹ اخراجات میں تیزی سے اضافے کے باعث بزنس کو سپلائرز اور او ای ایمز (OEMs) دونوں کی جانب سے لاگتوں کے ضمن میں دباؤ کا سامنا کرنا پڑ رہا ہے اور کوشش ہے کہ کاروبار کے مارجنز اور منافع جات کو برقرار رکھا جائے۔

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

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے لئے تعمیراتی سامان اور منسلک مصنوعات کے شعبے نے 2.61 بلین روپے کا سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی سہ ماہی کے 2.03 بلین روپے کے مقابلے میں 0.56 بلین روپے (29 فیصد) زائد ہے۔

جوٹ بزنس

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے دوران جوٹ انڈسٹری نے گندم کی درآمد کے لئے یورپ کے بیگز کی طلب میں اضافے کی ضرورت کو محسوس کیا تھا، تاہم پاکستان کے روپے کی قدر میں کمی کے ساتھ کم از کم تنخواہوں میں اضافے اور فریٹ اخراجات میں فیکچرنگ لاگت میں اضافے کا باعث بنے۔ کاروبار نے اپنے حجم کو برقرار رکھا تاہم مقامی طور پر کم تر مارجنز اور عالمی سطح پر برآمدات کے ساتھ کاروبار کیا گیا۔

گزشتہ کئی سالوں سے بزنس مستقل طور پر اپنی موجودہ سہولتوں کی پیداواری گنجائش میں اضافے کے لئے سرمایہ کاری کر رہا ہے۔ اس کے نتیجے میں جوٹ پیکیجنگ میٹریلز کے لئے طلب مسلسل بڑھ چکی ہے۔ مزید برآں جیسین کے لئے آپریٹنگ کی گنجائش میں توسیع دی گئی ہے تاکہ ہم مارکیٹ کی طلب میں بڑھتی ہوئی ضرورت کو پورا کر سکیں۔

دوسری سہ ماہی کے دوران پاکستانی روپے کی قدر میں کمی اور خام جوٹ کے نرخوں میں اضافے کے رجحان کے باوجود سیلز مستحکم رہنے کی توقع ہے۔ انتظامیہ اس امر کے بارے میں پر اعتماد ہے کہ مثبت شرح نمو کی رفتار کو برقرار اور مستقل بہتری کے اقدامات کے ذریعے معیار، صحت، تحفظ اور ماحولیات کو بہتر بنانے کے ساتھ باکفایت پیداواری عمل پر خصوصی توجہ مرکوز رکھی جائے گی۔

پیپر سیک پیکیجنگ بزنس

مالی سال 2021-22 کی پہلی مالیاتی سہ ماہی کے دوران بزنس نے پروڈکٹ کے بیشتر شعبوں ماسوائے سیمنٹ میں صحتمندانہ شرح نمو حاصل کی، جس کی وجہ پاکستان کی سیمنٹ انڈسٹری میں مجموعی طور پر پیداواری سست روی تھی۔ انتظامیہ بمسرت رپورٹ دیتی ہے کہ گزشتہ سال کی اس مدت کے مقابلے میں نمایاں ریونیو شرح نمو حاصل کی گئی جبکہ آئندہ 3 سہ ماہیاں مزید چیلنجنگ نظر آ رہی ہیں جس کی وجہ عالمی سپلائی چین کے معاملات ہیں جس کے نتیجے میں دنیا بھر میں میٹریلز کی قلت، فریٹ چارجز میں نمایاں اضافہ اور بندرگاہوں میں گنجائش کی کمی ہوگی۔

سیمنٹ کے شعبے کے صارفین ان پٹ اخراجات میں اضافے بشمول کونکے اور توانائی کے نرخوں میں اضافے کا سامنا کر رہے ہیں جس کے اثرات ہمارے سیمنٹ کی پیپر بیگ کی طلب پر مرتب ہو رہے ہیں۔ ریٹیلوٹس کی جانب سے ٹیک اوے اور ہوم ڈیلیوریز کا سلسلہ بڑھنے کے نتیجے میں نوڈ پیکیجنگ بشمول سیلف اوپننگ سچل بیگز اور برگریپ سیلز میں اضافہ ہوا ہے۔ شاپنگ مالز اور کاروبار دوبارہ کھلنے کے ساتھ ایکسپورٹ مارکیٹ کی بحالی کے سبب کیریئر بیگ کے شعبے نے بھی نمایاں گروتھ ظاہر کی۔ وون پوٹی پرائیون کا تعمیراتی پروجیکٹ شیڈول پر کام کا آغاز کر رہا ہے۔ کاروبار نے شمال میں اپنے سیمنٹ پیپر بیگز مینوفیکچرنگ پلانٹ کو بھی اپ گریڈ کیا ہے جس سے وسطی اور شمالی خطوں میں سروس صارفین کے لئے گنجائش میں اضافہ ہوا ہے جہاں نمایاں سیمنٹ پلانٹ کی توسیع کا کام انجام دیا جا رہا ہے۔ کاروبار میں پائیداری کے اقدامات کے طور پر جب اور گدون میں ہمارے پلانٹس پر 1.75 ایم ڈی سولر پاور کی تنصیب کا کام جاری ہے۔

آئندہ سہ ماہی کے لئے پس منظر مثبت ہے اور ہم توقع کرتے ہیں کہ تمام شعبوں کے لئے طلب متوقع ممکنہ اہداف (پروجیکشنز) کے مطابق برقرار رہے گی۔ انتظامیہ نے باکفایت پیداواری صلاحیت، مارکیٹ شیئر برقرار رکھنے اور برآمدی

مارکیٹوں میں سیلز بڑھانے پر توجہ مرکوز کر رکھی ہے تاہم زرمبادلہ کی شرح میں اتار چڑھاؤ، انرجی کے اخراجات اور خام مال کے نرخوں میں اضافے کے باعث کاروبار کے لیے چیلنج درپیش رہے گا۔

لیمینٹس برنس

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

مالی سال 2021-22 کی پہلی سہ ماہی کے دوران مارکیٹ میں نئی کمپنیوں کی تیزی سے آمد کا سلسلہ دیکھا گیا جس سے کاروبار پر اپنے مارکیٹ شیئر کو برقرار رکھنے کے ضمن میں نرخوں پر دباؤ کا سامنا کرنا پڑا۔ مزید برآں مارکیٹ کی سست روی کے نتیجے میں سیلز آرڈرز بھی کم رہے۔ سپلائی چین کی جانب بڑھتے ہوئے ان پٹ اخراجات کی وجہ سے فرق پڑا جیسا کہ فریٹ اخراجات کا بڑھنا اور روپے کی قدر میں کمی مستقل طور پر چیلنج بنی رہی۔ اس کے باوجود ایک مثبت پیشرفت کے طور پر نرخ کے معاملات کو وسیع بنیاد پر نمٹا لیا گیا۔

سہ ماہی کے اختتام سے قبل مارکیٹ میں دوبارہ تیزی آئی اور نرخوں کا معاملہ کاروبار کے لئے بخوبی نمٹا لیا گیا۔ تاہم بڑھتے ہوئے فریٹ اور شپنگ اخراجات نے کاروبار کے لیے ایک کاسٹ کنٹرول چیلنج ظاہر کیا۔ پلانٹ کی کارکردگی اور پروڈکٹ کے معیار کو مزید بہتر بنانے کے ضمن میں ہم نے کئی کلیدی پروڈیکٹس کا آغاز کیا مثلاً بوائمر سسٹمز اور پریس پلیٹس میں سرمایہ کاری کی گئی۔ اس سے ہماری پروڈکٹس کے معیار میں مزید بہتری کے ساتھ، لاگتوں میں توازن، گنجائش میں اضافے اور ڈیلوری کی ٹائم لائنز بہتر بنائی جاسکے گی۔ مزید برآں ہم نے ایک ماہر ورک فورس کی تشکیل کی غرض سے انسانی وسائل میں بھی سرمایہ کاری کا پلان بنایا ہے۔

کاروباری کارکردگی میں اضافے کی ان جاری کوششوں سے ہمیں اعتماد ہے کہ مستقبل قریب میں کاروبار پائیداری اور استحکام کے ساتھ جاری رہے گا۔

ذیلی ادارے

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

30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے دوران کاروبار نے 526 ملین روپے مالیت کی سیلز حاصل کی جبکہ اس کے مقابلے میں گزشتہ سال کی اس مدت میں سیلز کا حجم 400 ملین روپے رہا تھا۔ سیلز میں یہ اضافہ بلند تر حجم اور بڑھتے ہوئے

سیلنگ نرنوں کے اشتراک کے سبب ہوا تھا۔ جم گزشتہ سال کی اسی مدت کے مقابلے میں نمایاں حد تک بڑھا جس کی بڑی وجہ عالمی وبا COVID-19 (کورونا وائرس) کے اثرات تھے جبکہ فروخت کے نرخ میں پاکستانی روپے کے برخلاف امریکی ڈالر کے نرخ بڑھنے کی وجہ سے اضافہ ہوا۔

جم، نرنوں میں اضافے اور پروڈکٹ کے پھیلاؤ کے ساتھ کاروبار مارکیٹ میں اپنی موجودگی بہتر بنانے میں کامیاب رہا ہے۔ برنس نے رواں سہ ماہی کے دوران مثبت کیش فلوز حاصل کیا اور بیرونی قرضوں پر انحصار میں کمی کے ساتھ اس کی لیکویڈیٹی پوزیشن بہتر ہوئی۔

ہماری انتہائی اعلیٰ معیار کی سیٹس کو صارفین کی جانب سے بے حد پذیرائی حاصل ہوئی۔ تمام صارفین کی سپلائی کی ضروریات کو زیر و نقائص کے ساتھ بروقت مکمل کیا اور صارفین نے پورے سال کے دوران برنس کو ”گرین زون“ کے درجے میں رکھا۔ پروڈکشن کی کارکردگی بہتر بنانے، کازن اور مسابقت پر توجہ کا سلسلہ برقرار رہے گا۔

کاروبار کے مستقبل کا منظر نامہ مقامی معیشت پر مستقل دباؤ کے باعث چیلنجنگ نظر آتا ہے۔ تاہم او ای ایمز سے طلب میں اضافے کی وجہ سے آٹومیٹیو سیکٹر میں کچھ بہتری کے آثار ہیں۔ علاوہ ازیں نئے او ای ایم کی آمد سے مقامی پروڈکشن کا آغاز ہو گیا ہے جس سے صارفین کے دائرہ کار میں توسیع کے ساتھ نئے مواقع بھی ہو رہے ہیں۔ برنس انتہائی موثر طور پر نئے کاروبار کے فروغ میں سرگرم عمل ہے اور یہ اعتماد ہے کہ آنے والے سالوں میں مزید کاروبار حاصل کیے جاسکیں گے۔

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

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

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 پیشینہ مسٹر دکردی اور اس کے نتیجے میں صدر اسٹور بند کردیا گیا۔

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

اے ڈبلیو ٹی کی نظر ثانی پیشین کی سماعت پہلے ایک نئے بیج کے رو برو 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۔

پاور سیٹر میں سرمایہ کاری

سندھ اینگروکول مائننگ کمپنی لمیٹڈ (ایس ای سی ایم سی)

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 نے 10 جولائی 2019 کو 3.8 ملین ٹن سالانہ (ایم ٹی پی اے) کپسٹی مائن (فیرون) کے لئے ایک کمرشل آپریشن کی تاریخ حاصل کی۔ تھر مائننگ کا فیرون اینگرو پاور جن تھر پرائیویٹ لمیٹڈ کی جانب سے تشکیل دیئے گئے 2x330 میگا واٹ پاور جنریشن پلانٹ کے لئے کونلہ فراہم کرے گا۔

تقویمی سال 2021 کی 9 ماہ کی مدت کے اختتام پر ایس ای سی ایم سی سہل اور رواں انداز میں مصروف عمل ہے اور 3 ملین ٹن کونلہ کی ریکارڈ سپلائی کر کے 26.6 بلین روپے کا سیلرز ریونیو اور 6.5 بلین روپے کا منافع بعد از ٹیکس حاصل کر چکا ہے۔ چونکہ ایس ای سی ایم سی نے مدت سے قبل مثبت کیش فلوز حاصل کیا لہذا اس کے فنانسنگ معاہدوں کے تحت کسی قسم کے منافع منقسمہ کے اعلان سے اسے اس وقت تک روک دیا گیا جب تک پروجیکٹ کی تکمیل کی تاریخ (پی سی ڈی) حاصل نہ ہو جائے جو کہ تھر کول اینڈ انرجی بورڈ کی جانب سے دائر کردہ ایس ای سی ایم سی کے سی او ڈی ایچ ٹیرف پیشین کی منظوری

اور ”ٹرو اپ“ ہونے سے مشروط ہے۔ ایس ای سی ایم سی انتظامیہ نے پی سی ڈی کے حصول کا ہدف مالی سال 2021-22 کی تیسری سہ ماہی میں طے کیا ہے۔

ایس ای سی ایم سی نے کامیابی کے ساتھ 31 دسمبر 2019 کو 7.6 ملین ٹن سالانہ کے لئے اپنے کان کنی کے آپریشنز کی توسیع کیلئے فنانشل کلوزر حاصل کر لیا۔ فیئر-II کے لئے ایس ای سی ایم سی تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ اور تھرانز جی لمیٹڈ کے ساتھ کول سپلائی ایگریمنٹس کر چکی ہے۔ تھرانز جی لمیٹڈ 330 میگا واٹ پاور پلانٹس کو بالترتیب 1.9 ملین ٹن سالانہ اضافی لگنائٹ 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 کے درمیان ایک مشترکہ منصوبہ ہے جو تھر سندھ میں واقع 330 میگا واٹ مائن ماؤ تھ 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۔

چائینہ مشینری اینڈ انجینئرنگ کارپوریشن (”سی ایم ای سی“) کو بطور ای پی سی مقرر کیا گیا ہے۔ تھل نووا کول سپلائی ایگریمنٹ (سی ایس اے) میں 1.9 ملین ٹن سالانہ لگنائٹ کی فراہمی کیلئے ایس ای سی ایم سی کے ساتھ شامل ہوا ہے۔ یہ سینٹرل پاور پراجیکٹس (گرنٹی) لمیٹڈ (سی پی پی اے) کے ساتھ پاور پراجیکٹس (پی پی اے) اور پرائیویٹ پاور انفراسٹرکچر بورڈ (پی پی آئی بی) کے ساتھ اپیلی میٹیشن ایگریمنٹ (آئی اے) معاہدوں کی بھی حامل ہے۔

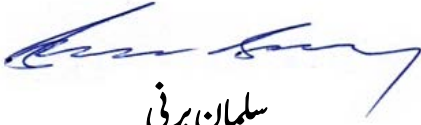
پاور پلانٹ چائنا پاکستان اکنامک کوریڈور (سی۔ پیک) کے تحت ترجیحی پروجیکٹس کے طور پر لسٹڈ ہے اور اس کی فنانشنگ چائنا ڈیولپمنٹ بینک اور حبیب بینک لمیٹڈ کی ذمہ داری پر کی جا رہی ہے۔

تھل نووا نے اپنا فنانشل کلوزر 30 ستمبر 2020 کو حاصل کیا تھا۔ پروجیکٹ کے 2022 میں آن لائن آنے کی توقع ایس ای سی ایم سی کے فیئر-II میں توسیع کے ساتھ ہے۔ تھل لمیٹڈ اپنے مکمل ملکیتی ذیلی ادارے تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے تھل نووا میں 26 فیصد عمومی شیئر ہولڈنگ کی ملکیت رکھتا ہے۔

اظہارِ تشکر

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

منجانب بورڈ



سلمان برنی
ڈائریکٹر



محمد طیب احمد ترین
چیف ایگزیکٹو

کراچی: مورخہ: 27 اکتوبر 2021

CORPORATE INFORMATION

Board of Directors

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

Chief Financial Officer

Shahid Saleem

Company Secretary

Salman Khalid

Audit Committee

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

Human Resource & Remuneration Committee

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

External Auditors

EY Ford Rhodes Chartered Accountants

Legal Advisors

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

Tax Advisors

EY Ford Rhodes Chartered Accountants

Bankers

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

Registered Office

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

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

Share Registrar:

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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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