

Thal Limited

Condensed Interim Financial Statements
For The Period Ended September 30, 2022
(Un-audited)



Thal Limited

TABLE OF CONTENTS

	Page No.
Directors' Review Report -----	3
Unconsolidated Condensed Interim Financial Statements	
Statement of Financial Position -----	7
Statement of Profit or Loss -----	8
Statement of Comprehensive Income -----	9
Statement of Changes in Equity -----	10
Statement of Cash Flows -----	11
Notes to the Unconsolidated Condensed Interim Financial Statements -----	12
Consolidated Condensed Interim Financial Statements	
Statement of Financial Position -----	20
Statement of Profit or Loss -----	21
Statement of Comprehensive Income -----	22
Statement of Changes in Equity -----	23
Statement of Cash Flows -----	24
Notes to the Consolidated Condensed Interim Financial Statements -----	25
Directors' Review Report in Urdu -----	35
Corporate Information -----	42



Thal Limited

Directors' Review Report to the Shareholders

On behalf of the Board of Directors, we are pleased to share the Directors' Review Report along with unaudited condensed interim financial statements of Thal Limited (the "Company") for the period ended September 30, 2022.

Financial Highlights

<i>(PKR in millions) except earnings per share</i>	<i>Standalone</i>		<i>Consolidated</i>	
	Three months ended		Three months ended	
	Sep 30, 2022	Sep 30, 2021	Sep 30, 2022	Sep 30, 2021
Sales	6,919	7,674	7,268	8,282
Profit Before Taxes	249	1,233	1,262	1,669
Profit After Taxes	171	947	926	1,244
Earnings Per Share (Rs.)	2.11	11.69	9.71	13.88

Performance Overview

For the three months ended September 30, 2022, the Company posted sales revenue of Rs. 6.9 billion, down by Rs. 0.8 billion (10%), compared to Rs. 7.7 billion in the corresponding period last year. The basic & diluted earnings per share (EPS) for the current period was Rs. 2.25, compared to Rs. 11.69 in the corresponding 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.

During the period ended September 30, 2022, the engineering segment achieved sales of Rs. 3.4 billion compared to Rs 5.1 billion during the same period last year, showing a decrease of 33%.

The decline in sales is largely attributable to supply constraints on the back of import restrictions recently imposed by the State Bank of Pakistan (SBP) whereby prior approval from SBP is required before initiating transactions for import of goods falling under Chapter 84 and 85 of the Pakistan Customs Tariff Code which affects the majority of imports of this segment. As a consequence, the engineering segment has faced significant difficulties in opening letters of credit ("LC") or process payments to suppliers.

The outlook of the business remains challenging due to uncertainty surrounding the above mentioned import restrictions as well as continued turbulence in economic fundamentals such as exchange rate, inflation and interest rates.

The management continues its focus on 5S, health, safety and environmental initiatives through continuous process improvement as well as implementing various cost reduction initiatives to ensure sustainability.

Business Brief – Packaging, Building Material & Allied Products Segment

The Company has three business in this segment – jute, packaging and laminates. Sales revenue of the building material and allied products segment for the three-month period ended September 30, 2022, was Rs. 3.4 billion, up by Rs. 0.8 billion (31%), compared to Rs. 2.6 billion during the same period last year. This was driven by higher exports, improved selling prices on the back of higher import costs for jute and packaging products and commencement of operations of the new woven poly-propylene bags manufacturing plant. All businesses were, however, challenged by the turndown in economic activity and the flood situation and the significant depreciation in the Pakistani Rupee.



Jute Business

The quarter, under review, remained challenging for the jute business as major cost increases in terms of prices of raw jute, energy cost and minimum wages were absorbed. Additionally, the devaluation of the Pakistani Rupee further strained the profitability of the business, and posed a challenge.

From the sales volume perspective, the business has been aggressively exploring the export markets and achieved good progress as volume of export sales has shown an increase of 20% over same period last year. However, the demand in the local market came under pressure as a result of floods in Sind and Baluchistan. Demand is expected to improve in coming months with strong demand of grain sacks.

The future outlook of the business remains positive as demand from the government, domestic and export markets is expected to be stable and the Company is aggressively exploring newer markets.

Packaging Business

The packaging business comprises of cement and industrial packaging (paper and woven polypropylene), carrier bags and food packaging.

During the period under review, the business faced a severe challenge in its supply chain due to exchange rate fluctuations which impacted the input raw material prices significantly and disruption of raw material supplies from a major supply source due to the Ukraine conflict. The business which had been seeing robust growth, was badly impacted due to monsoon flooding which reduced sales specially in the cement packaging segment as many construction projects slowed down. The management has focused on utilizing capacities for other segments and was able to gain orders for woven polypropylene sacks for wheat packaging and other allied food and industrial segments.

The outlook for the coming quarter is quite challenging as cement sector sales are expected to be slow until reconstruction activities and government infrastructure projects restart. The management is confident that they would be able to increase sales in other segments and increase export sales for which efforts are being done.

Laminates Business

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

Owing to the overall economic instability compounded by the devastating floods that swept across the country, the overall market of the major products has been affected. The burden of the increased costs from currency devaluation and rising freight costs adversely impacted business. Furthermore, impediments in the opening and clearing of LCs continued to be a challenge.

On the sales front, the business is in the process of launching a new grade of melamite product to reinvigorate export markets. This new grade shall help us improve export sales of the business. The business is also working proactively towards increased localization of key raw materials, which will reduce the risk of Rupee devaluation and increased inventory turnover days. On the production end, the business has initiated and matured some key projects to increase plant efficiency, enhance production and to make operations more sustainable.

Subsidiaries

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

During the quarter, TBPK made sales amounting to Rs. 285 million, down by Rs. 240 million (i.e. 46%), against sales of Rs. 525 million during same period last year. Decrease in sales is directly linked to reduction in auto assembler volumes. With the ongoing import restrictions and general economic scenario, volumes have remained low throughout this quarter. At the same time, profitability has been difficult to maintain by further increases in financial costs and foreign exchange losses.



With the decline in overall volumes due to global supply chain crisis, local political turmoil, and increase in costs due to external uncontrollable factors such as currency devaluation and increase in interest rates, it was a tough quarter for the business. However, despite the challenges, TBPK has been able to improve its presence in the market, and the high-quality seats manufactured have been recognized by the customers. At the same time, despite the challenges, development work is in full swing on the new model and investment timelines are being successfully met for the launch.

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

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

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

The Company is also looking at growth options and new development on existing sites, though this is dependent on the general economic conditions.

During the quarter, HMPL approved final dividend of Rs. 147.6 million for the year ended June 30, 2022 for payment to Thal Limited.

Makro-Habib Pakistan Limited ("MHPL")

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

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

Investment in Power Sector

Sindh Engro Coal Mining Company Limited ("SECMC")

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

SECMC achieved a commercial operations date for 3.8 million tonnes per annum ("MTPA") capacity mine (Phase I) on July 10, 2019. SECMC successfully commenced commercial operations for expanded mining operations of 7.6 MTPA ("Phase II") in September 2022.

In first nine months of the calendar year 2022, SECMC operated smoothly and supplied 2.4 million tonnes of coal to record sales revenue of c. Rs. 36.9 million and an after-tax profit of c. Rs. 5.8 million. Whilst SECMC generated positive cash flows over the period, it is restricted from declaring any dividends under its financing agreements until the achievement of Project Completion Date ("PCD") 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 pursuing the Thar Coal & Energy Board for determination of tariff true up in order to achieve PCD by the end of the calendar year 2022. The Company has not received any dividend from SECMC so far.

SECMC Board approved Phase III expansion of the mine to enhance the total production capacity to 12 MTPA. The additional coal from Phase III shall be supplied to Lucky Electric's 600 MW power plant at Port Qasim which has already achieved commercial operations. Phase III expansion of the mine is expected to be completed in last quarter of CY2023.



Thal Power (Private) Limited

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

ThalNova achieved its financial close on September 30, 2020. The management is striving to complete the project by the end of the calendar year 2022.

Acknowledgement

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

On behalf of the Board

Muhammad Tayyab Ahmad Tareen
Chief Executive

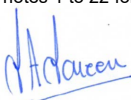
Salman Burney
Director

Karachi: October 28, 2022

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

	Note	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	5,880,721	5,678,486
Intangible assets		60,403	74,765
Investment property		979	980
Long-term investments	6	10,914,910	10,908,740
Long-term deposits		30,730	30,730
Deferred tax asset		243,841	192,734
		<u>17,131,584</u>	<u>16,886,435</u>
CURRENT ASSETS			
Stores, spares and loose tools		190,701	199,880
Stock-in-trade	7	11,321,074	10,379,101
Trade debts	8	3,596,807	3,829,852
Loans and advances		592,074	546,592
Trade deposits and short-term prepayments		303,434	1,042,163
Interest accrued		41,664	33,669
Other receivables		880,725	867,030
Short-term investments		874,120	1,263,318
Sales tax refundable		434,792	-
Cash and bank balances		1,316,452	2,557,628
		<u>19,551,843</u>	<u>20,719,233</u>
TOTAL ASSETS		<u><u>36,683,427</u></u>	<u><u>37,605,668</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2022: 200,000,000) ordinary shares of Rs. 5/- each		<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2022: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Reserves		<u>27,001,909</u>	<u>26,824,677</u>
		<u>27,407,059</u>	<u>27,229,827</u>
NON-CURRENT LIABILITIES			
Long-term deposits and payables	9	10,513	10,513
Long-term borrowing	10	2,280,801	2,272,565
Lease liabilities	11	75,151	80,088
Deferred income	12	318,765	332,745
		<u>2,685,230</u>	<u>2,695,911</u>
CURRENT LIABILITIES			
Trade and other payables		5,153,774	5,843,706
Accrued mark-up		16,909	24,281
Unclaimed dividend		97,040	97,740
Unpaid dividend		27,688	28,150
Current portion of long-term borrowing	10	61,367	81,898
Current portion of lease liabilities	11	20,496	20,496
Current portion of deferred income	12	70,487	70,910
Short-term borrowing	13	555,000	597,080
Income tax - net	14	588,377	876,738
Sales tax payable		-	38,931
		<u>6,591,138</u>	<u>7,679,930</u>
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITY AND LIABILITIES		<u><u>36,683,427</u></u>	<u><u>37,605,668</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 PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022
(UN-AUDITED)

	Note	Quarter ended	
		September 30, 2022	September 30, 2021
		(Rupees in thousands)	
Revenue – net		6,918,876	7,673,843
Cost of sales		(6,031,970)	(6,336,442)
Gross profit		886,906	1,337,401
Distribution and selling expenses		(222,398)	(173,370)
Administrative expenses		(258,337)	(231,395)
Other charges	16	(251,419)	(128,233)
		(732,154)	(532,998)
Other income		147,970	440,712
Operating profit		302,722	1,245,115
Finance cost		(53,810)	(12,515)
Profit before taxation		248,912	1,232,600
Taxation		(77,850)	(285,567)
Profit after taxation		171,062	947,033
		Rupees	Rupees
Basic and diluted earnings per share		2.11	11.69

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, 2022
(UN-AUDITED)

	Quarter ended	
	September 30,	September 30,
	2022	2021
	(Rupees in thousands)	
Profit after taxation	171,062	947,033
Other comprehensive income		
Item that will not be reclassified to unconsolidated statement of profit or loss in subsequent periods - net of tax		
Gain on revaluation of long-term investments classified at fair value through other comprehensive income (FVOCI)	6,170	25,187
Total comprehensive income	177,232	972,220

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, 2022

	RESERVES					Total Equity
	Issued, subscribed & paid-up capital	Capital	Revenue			
			General Reserve	Unappropriated profit	Gain on revaluation of investments classified at FVOCI	
(Rupees in '000)						
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
Balance as at June 30, 2022 (Audited)	405,150	1,006,915	21,739,000	3,875,077	203,685	27,229,827
Transfer to general reserve	-	-	2,649,001	(2,649,001)	-	-
Profit after taxation	-	-	-	171,062	-	171,062
Other comprehensive income	-	-	-	-	6,170	6,170
Total comprehensive income	-	-	-	171,062	6,170	177,232
Balance as at September 30, 2022 (Un-audited)	405,150	1,006,915	24,388,001	1,397,138	209,855	27,407,059

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



 Chief Executive Officer



 Director

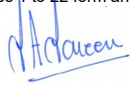


 Chief Financial Officer

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022
(UN-AUDITED)

	Quarter ended	
	September 30, 2022	September 30, 2021
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	248,912	1,232,600
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	5,925	5,882
- Others	176,558	170,027
Gain on disposal of operating fixed assets	(131)	(6,388)
Amortization	14,392	14,844
Finance cost of:		
- Lease liabilities	2,159	2,464
- Others	51,651	10,051
Dividend income	(42,122)	(365,868)
Interest income	(50,988)	(22,458)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(16,017)	(26,639)
Reversal of allowance for expected credit losses	(9,986)	(785)
Provision for obsolescence of inventories	12,068	16,772
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	3,149	2,752
	146,658	(192,716)
Increase in current assets		
Stores, spares and loose tools	1,818	(22,136)
Stock-in-trade	(946,680)	(965,904)
Trade debts	243,031	(477,511)
Loans and advances	(45,482)	(317,122)
Trade deposits and short-term prepayments	738,729	(80,825)
Other receivables	2,185	(96,874)
	(6,399)	(1,960,372)
Increase in current liabilities		
Trade and other payables	(693,057)	636,765
Sales tax payable	(473,723)	(22,452)
	(1,166,780)	614,313
Cash (used in) / generated from operations	(777,609)	(306,175)
Finance costs paid	(61,182)	(11,754)
Retirement benefits paid	(24)	1,881
Income tax paid	(417,318)	(201,184)
Long-term deposits - net	-	(5,688)
Net cash (used in) / generated from operating activities	(1,256,133)	(522,920)
CASH FLOWS FROM INVESTING ACTIVITIES		
Additions to property, plant and equipment	(384,829)	(1,475,177)
Additions to intangible assets	(30)	-
Proceeds from disposal of operating fixed assets	243	12,171
Dividend income received	26,242	38,424
Interest income received	42,993	21,573
Long-term investments made	-	(293,068)
Short-term investments - net	405,215	770,495
Net cash used in investing activities	89,834	(925,582)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal portion of lease rentals paid	(4,937)	(4,046)
Export Refinance Facility obtained	(42,080)	14,000
SBP's Refinance Facility for Salaries and Wages repaid	(24,893)	(24,893)
SBP's Temporary Economic Refinance Facility obtained	-	1,281,185
SBP's Financing Scheme for Renewable Energy obtained - net	(1,805)	196,942
Long-term financing obtained	-	-
Dividends paid	(1,162)	(4,150)
Net cash generated from / (used in) financing activities	(74,877)	1,459,038
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,241,176)	10,536
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,557,628	2,096,373
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,316,452	2,106,909
	1,316,452	2,106,909
Cash and bank balances	1,316,452	2,106,909
Total cash and cash equivalents	1,316,452	2,106,909

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, 2022
(UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

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

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

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

2. BASIS OF PREPARATION

2.1 Statement of Compliance

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

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

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

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

3. ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the Company's annual audited financial statements for the year ended June 30, 2022.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

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

During the preparation of these unconsolidated condensed interim financial statements, the significant judgements made by management in applying Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2022.

	Note	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets			
- owned	5.1	4,599,535	4,676,979
- right-of-use assets		81,302	87,227
		4,680,837	4,764,206
Capital work-in-progress	5.2	1,199,884	914,280
		5,880,721	5,678,486

5.1 Details of additions and disposals are as follows:

	Note	Additions at cost		Disposals at net book value	
		Quarter ended September 30,		Quarter ended September 30,	
		2022 (Un-audited)	2021 (Un-audited)	2022 (Un-audited)	2021 (Un-audited)
----- (Rupees in thousands) -----					
Factory building		1,725	6,688	-	-
Non-factory building		-	116,948	-	-
Plant and machinery		65,256	2,968	-	-
Furniture and fittings		-	49,551	-	-
Vehicles		2,784	10,002	112	5,783
Office and mills equipment		12,403	3,438	-	-
Computer equipment		3,107	7,074	-	-
Jigs and fixtures		13,950	470	-	-
5.1.1		99,225	197,139	112	5,783

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 85.468 million (September 30, 2021: Rs. 45.229 million).

	Note	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
5.2 The movement of capital work-in-progress is as follows:			
Opening balance		914,280	616,422
Additions during the period	5.3.1	371,072	2,331,083
Transfers to operating fixed assets		(85,468)	(2,033,225)
Closing balance		1,199,884	914,280

5.3.1 Details of additions at cost are as follows:	September 30, September 30, 2022 2021	
	(Un-audited) (Rupees in thousands)	(Un-audited)
Factory building	-	225,206
Plant and machinery	268,585	948,556
Vehicles	11,072	-
Office and mills equipment	85,199	148,383
Computer equipment	6,216	-
Jigs and fixtures	-	1,122
	<u>371,072</u>	<u>1,323,267</u>

6. LONG-TERM INVESTMENTS	September 30, June 30, 2022 2021	
	(Un-audited) (Rupees in thousands)	(Audited)
Investments in related parties - at cost		
Subsidiaries	6.1 7,730,009	7,730,009
Associates	6.2 2,920,398	2,920,398
	<u>10,650,407</u>	<u>10,650,407</u>
Other investments - at fair value through other comprehensive income		
Listed shares	264,503	258,333
	<u>10,914,910</u>	<u>10,908,740</u>

6.1 The Company, through its subsidiary, Thal Power (Private) Limited (TPL), undertook to invest USD 34.3 million in PKR equivalent in ThalNova Power Thar (Private) Limited (TNTPL), which is a company developing a coal based power plant. As on the reporting date, through TPL, the Company has invested Rs. 4,148.770 million in TNTPL acquiring 266,669,867 ordinary shares having face value of Rs. 10 each. The balance commitment of the investment is USD 10 million in PKR equivalent. TNTPL achieved its financial close on September 30, 2020 and expects to achieve Commercial Operations Date (COD) in 2022.

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

		September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
7. STOCK-IN-TRADE			
Raw material:			
- In hand		7,590,922	5,459,808
- In transit		1,299,522	3,131,505
		<u>8,890,444</u>	<u>8,591,313</u>
Work-in-process		1,027,499	809,655
Finished goods		1,637,184	1,207,479
Less: Provision for obsolescence		(234,053)	(229,346)
		<u>11,321,074</u>	<u>10,379,101</u>
8. TRADE DEBTS			
Considered good		3,665,656	3,908,687
Allowance for expected credit losses		(68,849)	(78,835)
		<u>3,596,807</u>	<u>3,829,852</u>
9. LONG-TERM DEPOSITS AND LIABILITY			
Long-term deposits		1,463	1,463
Long-term liability		14,545	14,545
Current portion of long-term liability		(5,495)	(5,495)
		<u>10,513</u>	<u>10,513</u>
10. LONG-TERM BORROWING - secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages	10.1	49,785	74,678
Less: Current portion		(49,785)	(74,678)
		-	-
SBP's Temporary Economic Refinance Facility	10.2	1,467,674	1,467,674
Less: Deferred income	12	(330,786)	(345,189)
Less: Current portion		(3,103)	-
		1,133,785	1,122,485
SBP's Financing Scheme for Renewable Energy	10.3	295,053	296,858
Less: Deferred income		(58,466)	(58,466)
Less: Current portion		(8,479)	(7,220)
		228,108	231,172
Long-term loan	10.4	918,908	918,908
		<u>2,280,801</u>	<u>2,272,565</u>

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

10.2 In 2020, SBP introduced Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from various commercial banks is Rs. 1,510 million, out of which the Company has utilised Rs 1,468 million as at June 30, 2022. The facilities carry interest at rates ranging from of 1.95% to 3.00% and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets.

- 10.3** In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from various commercial banks is Rs. 358 million, out of which the Company has utilised Rs 297 million as at June 30, 2022 for installation of solar power system at various location. The facilities carry interest at rates ranging from 2.45% to 3.45% and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.
- 10.4** During the year, the Company obtained long-term loan from a commercial bank for investment in ThalNova Power Thar (Private) Limited through its subsidiary, Thal Power (Private) Limited. The facilities carry interest at 3-month KIBOR + 0.25% and are repayable in 20 equal quarterly installments starting from January 2024. The facilities are secured against charge against fixed assets of the Company.

		September 30, 2022	June 30, 2021
		(Un-audited)	(Audited)
	Note	(Rupees in thousands)	
11. LEASE LIABILITY			
Opening balance		100,584	117,690
Accretion of interest		2,159	9,498
Lease rentals paid		(7,096)	(26,604)
Closing balance		95,647	100,584
Less: Current portion		(20,496)	(20,496)
		75,151	80,088
12. DEFERRED INCOME			
Deferred income		389,252	403,655
Less: Current portion of deferred income		(70,487)	(70,910)
		318,765	332,745
13. SHORT TERM BORROWING - secured			
Export Refinance Facility	13.1	555,000	555,000
Export Finance Scheme		-	42,080
		555,000	597,080

- 13.1** This represents Export Refinance Facility obtained by the Company from various commercial banks. The total amount of the facility is Rs. 555 million (2022: Rs. 555 million). It carries markup at rates ranging from 2.35% to 3% per annum (2022: 2.35% to 3% per annum) and is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Company. The portion of the facility utilized during the year amounted to Rs 555 million (2022: Rs. 555 million) and is repayable latest by November 2022.

		September 30, 2022	June 30, 2022
		(Un-audited)	(Audited)
	Note	(Rupees in thousands)	
14. INCOME TAX – net			
Group Tax Relief adjustments	14.1	(684,120)	(684,120)
Group Taxation adjustments		58,266	58,266
Income tax provision less tax payments – net		1,214,231	1,502,592
		588,377	876,738

- 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 the Company's tax liability.

15. CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There were no material changes in the status of contingencies as reported in the audited unconsolidated financial statements for the year ended June 30, 2022 except as disclosed in note 14.1 to these unconsolidated condensed interim financial statements.

	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
15.2 Commitments		
15.2.1 Post dated cheques have been issued to Collector of Custom	<u>172,333</u>	<u>180,686</u>
15.2.2 Outstanding letters of credit for import of raw material and plant and machinery	<u>3,079,292</u>	<u>5,515,484</u>
15.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial commitments of the Company	15.2.7 <u>5,024,769</u>	<u>4,621,237</u>
15.2.4 Commitments in respect of raw material	<u>128,357</u>	<u>1,541,047</u>
15.2.5 Commitments in respect of capital expenditure	<u>-</u>	<u>108,492</u>
15.2.6 Commitments for rentals under Ijarah (lease) agreements		
Within one year	8,162	8,540
After one year but not later than five years	246	556
	15.2.8 <u>8,408</u>	<u>9,096</u>
15.2.7 These guarantees are secured against certain items of property, plant and equipment of the Company.		
15.2.8 These are secured by on-demand promissory notes of Rs. 34.512 million (June 30, 2022: Rs 34.512 million).		

16. OTHER CHARGES

This includes exchange loss amounting to Rs. 236.611 million (September 30, 2021: Rs.57.861 million).

17. TRANSACTIONS WITH RELATED PARTIES

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

Relationship	Nature of transactions	Quarter ended	
		September 30, 2022	September 30, 2021
		(Un-audited)	
		(Rupees in thousands)	
Subsidiaries	Professional services acquired	48,013	43,510
	Dividend income	-	148,959
	Purchase of goods	229	-
	Interest income on loan to subsidiary	11,438	5,683
	Tax loss/profit challah acquired	-	851
	Service fee	8,100	8,100
Associates	Sales of goods	2,391,216	3,681,325
	Dividend income	15,893	178,485
	Investment in associate	-	293,068
	Insurance premium	13,987	15,626
	Insurance claim received	21,188	-
	Purchase of assets	13,720	6,850
	Rent received	811	709
Employee benefit funds	Contribution to provident fund	22,017	15,386
	Contribution to retirement benefit fund	3,550	3,196
Key management personnel	Remuneration paid	21,711	23,696
Directors	Directors' meeting fee paid	362	314

18. FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022. There have been no changes in any risk management policies since the year end.

19. FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

20. GENERAL

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

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

21. SUBSEQUENT EVENT

The Board of Directors had recommended final cash dividend of Rs. 2.50 per share for the year ended June 30, 2022. 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 20, 2022.

22. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on 28 October 2022 by the Board of Directors of the Company.



Chief Executive Officer



Director



Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2022

	Note	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	7,022,636	6,659,119
Intangible assets		62,206	77,191
Investment property		6,148,911	6,227,839
Long-term investments	6	15,505,183	14,931,971
Long-term deposits		35,455	35,455
Long-term prepayments		22,501	22,501
		<u>28,796,892</u>	<u>27,954,076</u>
CURRENT ASSETS			
Stores, spares and loose tools		235,315	244,143
Stock-in-trade	7	11,929,723	10,808,718
Trade debts	8	3,732,555	3,962,577
Loans and advances		765,341	709,261
Trade deposits and short-term prepayments		316,746	1,055,606
Interest accrued		20,399	23,106
Other receivables		1,055,696	1,054,247
Short-term investments		6,252,593	6,142,676
Sales tax refundable		517,674	-
Cash and bank balances		1,780,801	3,057,253
		<u>26,606,843</u>	<u>27,057,587</u>
TOTAL ASSETS		<u><u>55,403,735</u></u>	<u><u>55,011,663</u></u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2021: 200,000,000) ordinary shares of Rs.5 each		<u>1,000,000</u>	1,000,000
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2021: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		<u>35,332,392</u>	<u>34,532,216</u>
Equity attributable to equity holders' of the parent		<u>35,737,554</u>	<u>34,937,378</u>
Non-controlling interest		<u>6,795,518</u>	<u>6,656,553</u>
		<u>42,533,072</u>	<u>41,593,931</u>
NON-CURRENT LIABILITIES			
Long-term deposits and liability	9	339,350	339,688
Long-term borrowings	10	2,285,632	2,277,816
Lease liabilities	11	828,822	893,947
Deferred income	12	318,765	332,745
Deferred tax liability		507,671	477,952
		<u>4,280,240</u>	<u>4,322,148</u>
CURRENT LIABILITIES			
Trade and other payables		5,875,725	6,476,553
Accrued markup		18,546	28,046
Unclaimed dividend		97,040	97,740
Unpaid dividend		27,688	28,150
Current portion of long-term borrowings	10	397,264	383,056
Current portion of lease liabilities	11	121,545	122,778
Current portion of deferred income	12	70,487	70,910
Short-term borrowings	13	1,088,991	701,816
Income Tax - net	14	893,137	1,152,423
Sales tax payable		-	34,112
		<u>8,590,423</u>	<u>9,095,584</u>
CONTINGENCIES AND COMMITMENTS	15		
TOTAL EQUITIES AND LIABILITIES		<u><u>55,403,735</u></u>	<u><u>55,011,663</u></u>

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



Chief Executive



Director



Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022
(UN-AUDITED)

	Notes	Quarter ended	
		September 30, 2022	September 30, 2021
		(Rupees in thousands)	
Revenue - net		7,268,069	8,282,097
Cost of sales		(6,476,647)	(6,934,186)
Gross Profit		791,422	1,347,911
Distribution costs		(225,642)	(176,712)
Administrative expenses		(391,388)	(356,940)
Other charges	16	(286,300)	(146,469)
		(903,330)	(680,121)
Other income		898,777	729,177
Operating Profit		786,869	1,396,967
Finance costs		(100,376)	(48,255)
		686,493	1,348,711
Share of net profit of associates - after tax		575,742	320,101
Profit before taxation		1,262,235	1,668,812
Taxation		(336,457)	(424,868)
Profit after taxation		925,778	1,243,945
Attributable to:			
- Equity holders of the Holding Company		786,813	1,124,581
- Non-controlling interest		138,965	119,364
		925,778	1,243,945
		Rupees	Rupees
Basic and diluted earnings per share attributable to the equity holders of the Holding Company		9.71	13.88

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



Chief Executive



Director



Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2022
(UN-AUDITED)

	Quarter ended	
	September 30, 2022	September 30, 2021
	(Rupees in thousands)	
Profit after taxation	925,778	1,243,945
Other comprehensive income		
(Loss) / gain on revaluation of investments at fair value through other comprehensive income	6,170	25,187
Share of actuarial loss on remeasurement of defined benefit plans of associates	7,193	(1,600)
Total comprehensive income for the period, net of tax	939,141	1,267,532
Attributable to:		
- Equity holders of the Holding Company	800,176	1,148,168
- Non-controlling interest	138,965	119,364
	939,141	1,267,532

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



Chief Executive



Director



Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED SEPTEMBER 30, 2022

	Issued, subscribed & paid-up capital	Share deposit money	RESERVES				Non-controlling interest	Total equity
			Capital	Revenue				
				General Reserve	Unappropriated profit	Gain on revaluation of investments classified at FVOCI		
----- Rupees in '000 -----								
Balance as at June 30, 2021 (Audited)	405,150	12	67,929	19,131,874	10,214,613	245,413	6,565,006	36,629,997
Transfer to general reserve	-	-	-	2,649,000	(2,649,000)	-	-	-
Subsidiary Company								
Final dividend @ Rs. 0.623/- per share for the year ended June 30, 2020	-	-	-	-	-	-	(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, 2022 (Un-audited)	405,150	12	67,929	21,780,874	8,688,594	270,600	6,585,064	37,798,223
Balance as at June 30, 2022 (Audited)	405,150	12	67,929	21,780,875	12,484,696	198,716	6,656,553	41,593,931
Transfer to general reserve	-	-	-	3,649,500	(3,649,500)	-	-	-
Profit for the period	-	-	-	-	786,813	-	138,965	925,778
Other comprehensive income	-	-	-	-	7,193	6,170	-	13,363
Total comprehensive income	-	-	-	-	794,006	6,170	138,965	939,141
Balance as at September 30, 2022 (Unaudited)	405,150	12	67,929	25,430,375	9,629,202	204,886	6,795,518	42,533,072

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



Chief Executive



Director

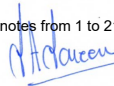


Chief Financial Officer

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED SEPTEMBER 30, 2022
(UN-AUDITED)

	Quarter ended	
	September 30, 2022	September 30, 2021
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,262,235	1,668,812
Adjustments for non-cash charges and other items:		
Depreciation on:		
- Right-of-use assets	(61,244)	14,437
- Others	350,048	282,063
Provision for impairment of property, plant and equipment	-	5,200
(Gain) / Loss on sale of investment property	-	(15)
Exchange loss on long-term loan	34,460	12,941
Amortisation	33,958	15,722
Share in profit of associates - after taxation	(575,742)	(320,101)
Finance cost of:		
- Lease liabilities	69,653	34,047
- Others	30,723	14,208
Dividend income	(168,937)	(115,092)
Interest income	(102,449)	(44,283)
Gain on revaluation / redemption of investments classified at fair value through profit or loss	(16,017)	(26,639)
(Reversal) / Provision for expected credit loss	(9,986)	(785)
Provision charge / (reversal) for obsolescence of inventories	29,116	18,679
Provision for retirement benefits	3,149	2,752
(Gain) / Loss on sale of property, plant and equipment	(242)	(9,735)
Provision for impairment of assets held for sale	-	1,430
	(383,510)	(115,170)
	878,725	1,553,643
(Increase) / decrease in current assets		
Stores, spares and loose tools	(862)	(19,586)
Stock-in-trade	(1,140,431)	(979,276)
Trade debts	240,008	(502,381)
Loans and advances	(56,080)	(332,531)
Trade deposits and short-term prepayments	738,860	(88,238)
Other receivables	14,431	(112,790)
Increase / (decrease) in current liabilities		
Deferred income	13,983	14,372
Sales tax payable	(551,786)	(8,684)
Trade and other payables	(615,598)	689,101
	(1,357,475)	(1,340,013)
Cash generated from operations	(478,750)	213,629
Finance costs paid	(96,069)	(51,265)
Retirement benefits paid	(2,362)	325
Income tax paid	(566,024)	(316,653)
Long-term deposits - net	(338)	(7,619)
Net cash used in operating activities	(1,143,543)	(161,583)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(578,479)	(1,483,660)
Additions to investment property	3,967	(45,165)
Additions to intangible assets	(18,973)	-
Dividends received	168,950	34,123
Interest received	92,354	56,853
Proceeds from disposal of property, plant and equipment	1,361	16,992
Proceeds from disposal of investment property	-	15
Investment in subsidiary	(2,650,000)	(1,900,000)
Long-term investment made	2,650,000	1,606,932
Short term investments purchased	(81,098)	552,206
Net cash generated from investing activities	(411,918)	(1,161,704)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease liabilities paid	(87,592)	(66,727)
Dividends paid	(1,162)	(8,122)
Export Refinance Scheme (repaid)/obtained	(42,080)	14,000
SBP Refinance Facility for Salaries & Wages repaid	(24,893)	(24,893)
SBP Temporary Economic Refinance Facility obtained	-	1,281,185
SBP Financing Scheme for Renewable Energy (repaid)/obtained	(1,805)	196,942
Long term borrowings	7,286	-
Net cash used in financing activities	(150,246)	1,392,385
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(1,705,707)	69,098
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,952,517	2,513,610
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,246,810	2,582,708
Cash and bank balances	1,780,801	2,709,532
Short-term borrowings	(533,991)	(126,824)
	1,246,810	2,582,708

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


 Chief Executive


 Director


 Chief Financial Officer

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

THAL LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2022
(UN-AUDITED)

1. THE GROUP AND ITS OPERATIONS

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

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

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

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

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

1.2 Geographical location and address of business units

Holding Company:

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

Plants

Holding Company:

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

Subsidiaries:

Noble Computer Services (Private) Limited operations are located at 2nd Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, 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, 2022.

3 ACCOUNTING POLICIES

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

4 ACCOUNTING ESTIMATES AND JUDGMENTS

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

During the preparation of these consolidated condensed interim financial statements, the significant judgements made by management in applying Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2022.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30, 2022 (Audited)
Operating fixed assets			
- owned	5.1	5,531,852	5,635,387
- right-of-use assets		90,051	98,302
		5,621,903	5,733,689
Capital work-in-progress	5.2	1,400,733	925,430
		7,022,636	6,659,119

5.1 Details of additions and disposals are as follows:

	Additions at cost		Deletions at book value	
	Quarter ended September 30, 2022 (Un-audited)		Quarter ended September 30, 2021 (Un-audited)	
	----- (Rupees in thousands) -----			
Factory building	1,725	6,688	-	-
Non-factory building	-	116,948	-	-
Plant and machinery	65,256	4,133	-	-
Furniture and fittings	560	63,122	-	-
Vehicles	2,869	13,333	202	7,020
Office and mills equipment	12,403	9,199	564	-
Computer equipment	6,413	7,074	353	233
Jigs and Fixtures	13,950	470	-	-
	103,176	220,967	1,119	7,253

5.1.1 Includes transfers from capital work-in-progress amounting to Rs. 96.618 million (September 30, 2021: Rs. 57.253 million).

	September 30, 2022 (Un-audited) (Rupees in thousands)	June 30 2022 (Audited)
5.2 The movement of capital work-in-progress is as follows:		
Opening balance	925,430	631,767
Additions during the year	571,921	2,383,907
Transfers to operating fixed assets	(96,618)	(2,090,244)
Closing balance	1,400,733	925,430

5.3.1 Details of additions at cost are as follows:

	September 30, 2022 (Un-audited)	September 30, 2020 (Audited)
	(Rupees in thousands)	
Factory building	90,187	225,206
Plant and machinery	379,247	948,556
Vehicles	11,072	-
Office and mills equipment	85,199	148,383
Computer equipment	6,216	-
Jigs and fixtures	-	1,122
	571,921	1,323,267

	September 30, 2022 (Un-audited)	June 30, 2022 (Audited)
	(Rupees in thousands)	
6 LONG-TERM INVESTMENTS		
<u>Investment in related parties</u>		
Investment in associates - equity accounting	6.1 & 6.2 15,240,680	14,673,638
<u>Other investments - at fair value through other comprehensive income</u>		
Listed shares	264,503	258,333
	15,505,183	14,931,971

6.1 The Group undertook to invest USD 34.3 million in PKR equivalent in ThalNova Power Thar (Private) Limited (TNTPL), which is a company developing a coal based power plant. Upto the reporting date, the Group has invested Rs. 4,148.770 million in TNTPL acquiring 266,669,867 ordinary shares having face value of Rs. 10 each. The balance commitment of the investment is USD 10 million in PKR equivalent. TNTPL achieved its financial close on September 30, 2020 and expects to achieve Commercial Operations Date (COD) in 2022.

6.2 The Group undertook to invest a total of USD 25.6 million to expand the mine to 7.6 mtpa. Phase I of the Project achieved commercial operations in July 2019 and Phase II achieved financial close in December 2019. As on the reporting date, the Group has invested Rs. 2,840.15 million acquiring 191,643,025 ordinary shares having face value of Rs. 10 each, at a price of Rs. 14.82 per share. The balance commitment of the investment is USD 2.5 million in PKR equivalent.

		Septemer 30, 2022	June 30, 2022
	Note	(Un-audited)	(Audited)
7 STOCK-IN-TRADE			
Raw material			
- In hand		8,055,203	5,819,908
- In transit		1,418,444	3,163,083
		<u>9,473,647</u>	<u>8,982,991</u>
Work-in-process		1,027,499	809,655
Finished goods			
- In hand		1,687,463	1,255,532
- In transit		7	7
Less: Provision for obsolescence		<u>(258,893)</u>	<u>(239,467)</u>
		<u>11,929,723</u>	<u>10,808,718</u>
8 TRADE DEBTS			
Considered good		3,802,874	4,042,882
Allowance for expected credit losses		<u>(70,319)</u>	<u>(80,305)</u>
		<u>3,732,555</u>	<u>3,962,577</u>
9 LONG-TERM DEPOSITS AND LIABILITY			
Long-term deposits		330,300	330,638
Long-term liability		14,545	14,545
Current portion of long-term liability		<u>(5,495)</u>	<u>(5,495)</u>
		<u>339,350</u>	<u>339,688</u>
10 LONG-TERM BORROWINGS			
Secured			
State Bank of Pakistan's (SBP) Refinance Facility for Payment of Salaries and Wages	10.1	49,785	74,678
Less: Current maturity		<u>(49,785)</u>	<u>(74,678)</u>
		-	-
SBP's Temporary Economic Refinance Facility	10.2	1,467,674	1,467,674
Less: Deferred income	12.	<u>(330,786)</u>	<u>(345,189)</u>
Less: Current portion		<u>(3,103)</u>	-
		1,133,785	1,122,485
SBP's Financing Scheme for Renewable Energy	10.3	295,053	296,858
Less: Deferred income		<u>(58,466)</u>	<u>(58,466)</u>
Less: Current portion		<u>(8,479)</u>	<u>(7,220)</u>
		228,108	231,172
Long-term loan	10.4	918,908	918,908
Islamic mode of financing		7,007	7,427
Less: Current portion		<u>(2,176)</u>	<u>(2,176)</u>
	10.5	4,831	5,251
		<u>2,285,632</u>	<u>2,277,816</u>
Unsecured			
Toyota Boshoku Asia Corporation Limited - NCI	10.6	333,721	298,982
Less: Current portion		<u>(333,721)</u>	<u>(298,982)</u>
		-	-
		<u>2,285,632</u>	<u>2,277,816</u>

- 10.1** In 2020, SBP introduced a temporary Refinance Scheme for payment of wages and salaries to the workers and employees of business concerns to support companies in making the payment of salaries and wages due to economic challenges imposed by COVID-19. This carries interest at the rate of 1.25% per annum and is repayable in eight equal quarterly installments. The borrowing is secured against a joint Pari Passu hypothecation charge on all present and future stocks, book debts and certain receivables of the Company.
- 10.2** In 2020, SBP introduced a Temporary Economic Refinance Facility to facilitate purchase of new plant and machinery to be used for setting up of new projects in all sectors. The total amount of the facilities from various commercial banks is Rs 1,510 million, out of which the Group has utilised Rs 1,468 million as at September 30, 2022. The facilities carry interest at rates ranging from of 1.95% to 3.00% and are repayable in 32 equal quarterly installments starting from July 2023. The facilities are secured against charge against the underlying fixed assets.
- 10.3** In 2016, SBP introduced Refinance Scheme for Renewable Energy to encourage and facilitate purchase and installation of renewable energy facilities. Through a circular issued in 2019, the expiry period of the scheme was extended to June 30, 2022. The total amount of the facilities from various commercial banks is Rs 358 million, out of which the Group has utilised Rs 297 million as at September 30, 2022 for installation of solar power system at various location. The facilities carries interest at rates ranging from 2.45% to 3.45% and are repayable in 40 equal quarterly installments. The facilities are secured against charge against the underlying fixed assets.
- 10.4** During the period, the Holding Company obtained long-term loan from a commercial bank for investment in ThalNova Power Thar (Private) Limited through its subsidiary, Thal Power (Private) Limited. The facilities carries interest at 3-month KIBOR + 0.25% and is repayable in 20 equal quarterly installments starting from January 2024. The facilities are secured against charge against fixed assets of the Holding Company.
- 10.5** This represents Diminishing Musharaka Arrangement of Rs. 8.408 million with a modaraba for financing expenditure incurred. The tenor of the facility is five years with no years grace period. This finance facility is repayable in sixty equal monthly installments which commenced from December 2021 and is payable latest by November 2026.
- 10.6** 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.

		Septemer 30, 2022	June 30, 2022
	Note	(Un-audited)	(Audited)
		(Rupees in thousands)	
11 LEASE LIABILITY			
Opening balance		1,016,725	1,026,117
Additions during the year		-	4,892
Accretion of interest		30,939	123,699
Lease rentals paid		(97,297)	(137,983)
Closing balance		950,367	1,016,725
Less: Current maturity		(121,545)	(122,778)
		828,822	893,947
12. DEFERRED INCOME			
Deferred income		389,252	403,655
Less: Current portion of deferred income		(70,487)	(70,910)
		318,765	332,745
13. SHORT TERM FINANCING - secured			
Export Refinance Scheme	13.1	555,000	555,000
Export Finance Scheme		-	42,080
Running Finance	13.2	533,991	104,736
		1,088,991	701,816

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

13.2 This represents running finance facility availed by the Company from various commercial banks. The facility carries mark-up at 3-month KIBOR + 0.4% to 0.75%. The total amount of the facility is Rs. 4,864 million out of which the Company has utilised Rs. 533.991 million as at September 30, 2022. The facility is secured against a joint Pari Passu hypothecation charge on all present and future stocks and book debts of the Company.

		Septemer 30, 2022	June 30, 2022
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
14. INCOME TAX - Net			
Group Tax Relief adjustments	14.1	(684,120)	(684,120)
Group Taxation adjustments		58,266	58,266
Income Tax provision less tax payments - net		<u>1,518,991</u>	<u>1,778,277</u>
		<u>893,137</u>	<u>1,152,423</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.

15. CONTINGENCIES AND COMMITMENTS

15.1 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.

15.2 Commitments

		Septemer 30, 2022	June 30, 2022
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
15.2.1 Post dated cheques have been issued to Collector of Custom		<u>172,333</u>	<u>180,686</u>
15.2.2 Outstanding letters of credit for import of raw material and plant and machinery		<u>3,319,039</u>	<u>5,731,152</u>
15.2.3 Letter of guarantees issued by banks on behalf of the Company in respect of financial committments of the Company	15.2.7	<u>6,972,170</u>	<u>6,568,639</u>
15.2.4 Commitments in respect of raw material		<u>128,357</u>	<u>1,541,047</u>
15.2.5 Commitments in respect of capital expenditure		<u>-</u>	<u>139,742</u>
15.2.6 Commitments for rentals under Ijarah (lease) agreements			
Within one year		11,526	11,904
After one year but not later than five years		2,995	3,305
	15.2.8	<u>14,521</u>	<u>15,209</u>

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

15.2.8 These are secured by on-demand promissory notes of Rs. 34.512 million (June 30, 2022: Rs 34.512 million).

16 OTHER CHARGES

This includes exchange loss amounting to Rs. 271.492 million (September 30, 2021: Rs.76.097 million).

17 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, 2022	September 30, 2021
		(Un-audited)	
		Rupees in thousand	
Associates	Sales of goods	2,615,140	4,113,557
	Dividend income received	15,893	178,485
	Dividend paid	-	99,306
	Professional services rendered	58,278	62,786
	Rent / licence fee received	515,538	472,578
	Insurance premium paid	15,421	17,748
	Insurance claim received	22,073	-
	Supplies purchased	322,356	395,350
	Purchase of assets	13,720	6,850
Employee benefit plans	Contribution to provident fund	26,256	21,196
	Contribution to retirement benefit fund	3,550	3,196
Key management personnel	Remuneration paid	36,496	53,310
Directors	Directors' meeting fee paid	362	314

18 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Group's activities expose it to a variety of financial risks. These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 June 2022. There have been no changes in any risk management policies since the year end.

19 FAIR VALUE OF FINANCIAL INSTRUMENTS

There were no transfers amongst levels during the period.

20 SEGMENT ANALYSIS

	Quarter ended									
	Septemer 30, 2022	Septemer 30, 2021	Septemer 30, 2022	Septemer 30, 2021	Septemer 30, 2022	Septemer 30, 2021	Septemer 30, 2022	Septemer 30, 2021	Septemer 30, 2022	Septemer 30, 2021
	Engineering		Building material and allied products		Real estate management & others		Elimination		Total	
	-----Rupees in thousand-----									
Sales Revenue - External	3,778,133	5,584,274	3,425,937	2,614,098	63,999	83,725	-	-	7,268,069	8,282,097
- Internal	-	-	-	-	70,278	43,510	(70,278)	(43,510)	-	-
Rental income	-	-	-	-	581,317	522,812	-	-	581,317	522,812
Total Segment Revenue	3,778,133	5,584,274	3,425,937	2,614,098	715,594	650,047	(70,278)	(43,510)	7,849,386	8,804,909
Segment Result	257,073	775,718	399,535	439,493	400,508	375,467	-	-	1,057,116	1,590,678
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(300,332)	(268,261)
Other charges									(286,300)	(139,839)
Other income									316,385	214,389
Operating profit									786,869	1,396,967
Finance cost									(100,376)	(48,255)
Share in profit of associates									575,742	320,101
Taxation									(336,457)	(424,868)
Profit after taxation									925,778	1,243,945

21 GENERAL

21.1 Figures have been rounded off to the nearest thousands.

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

22 SEUBSEQUENT EVENT

The Board of Directors had recommended final cash dividend of Rs. 2.50 per share for the year ended June 30, 2022. 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 20, 2022.

23 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on October 28, 2022 by the Board of Directors of the Holding Company.



Chief Executive



Director



Chief Financial Officer

تھل لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے شیئر ہولڈرز

بورڈ آف ڈائریکٹرز کی جانب سے ہم ڈائریکٹرز کی جائزہ رپورٹ بشمول 30 ستمبر 2022 کو ختم ہونے والی مدت کے لئے غیر آڈٹ شدہ عبوری مجموعی مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔

فنانس کی خاص خاص باتیں

کنسالید ایڈٹ		اسٹینڈ الون		(روپے بلین میں) مع سوائے فی شیئر آمدنی
مدت ختمہ برائے 3 ماہ		مدت ختمہ برائے 3 ماہ		
30 ستمبر 2021	30 ستمبر 2022	30 ستمبر 2021	30 ستمبر 2022	
8,282	7,268	7,674	6,919	سیلز
1,669	1,262	1,233	249	قبل از ٹیکس منافع
1,244	926	947	171	بعد از ٹیکس منافع
13.88	9.71	11.69	2.11	فی شیئر آمدنی (روپے میں)

کارکردگی کا جائزہ

30 ستمبر 2022 کو ختم ہونے والی تین ماہ کی مدت کیلئے کمپنی نے 6.9 بلین روپے کی سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی مدت کے 7.7 بلین روپے کے مقابلے میں 0.8 بلین روپے (10 فیصد) کم تھا۔ بنیادی اور خالص آمدنی فی شیئر (ای پی ایس) برائے رواں مدت 2.11 روپے رہی جو اس کے مقابلے میں گزشتہ سال کی اس مدت میں 11.69 روپے تھی۔

کاروبار کی مختصر صورتحال - انجینئرنگ کا شعبہ

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

30 ستمبر 2022 کو ختم ہونے والی مدت کے دوران انجینئرنگ کے شعبے نے 3.4 بلین روپے کی سیلز حاصل کی جو گزشتہ سال کی اس مدت کے دوران مقابلاً 5.1 بلین روپے تھی جس سے 33 فیصد کمی ظاہر ہوتی ہے۔

سیلز میں کمی وسیع طور پر اسٹیٹ بینک آف پاکستان (ایس بی پی) کی جانب سے حالیہ طور پر لاگو کی جانے والی درآمدی پابندیوں کی وجہ سے منسوب کی جاسکتی ہے جس کے ذریعے پاکستان کسٹمز ٹیرف کوڈ کے باب 84 اور 85 کے تحت آنے والی اشیاء کی درآمدات کیلئے ٹرانزیکشنز سے قبل ایس بی پی کی پیشگی منظوری لینا لازم تھا جس کی وجہ سے اس شعبے کی درآمدات کی اکثریت متاثر ہوئی۔ اس کے نتیجے کے طور پر انجینئرنگ کے شعبے کو لیٹر آف کریڈٹ (ایل سیز) کے کھولنے یا سپلائرز کو ادائیگی کے عمل میں نمایاں مشکلات کا سامنا کرنا پڑا۔

کاروبار کا پس منظر مذکورہ بالا درآمدی پابندیوں کے سبب پائی جانے والی بے یقینی کے باعث چیلنجنگ ہی رہے گا اس کے ساتھ معاشی بنیادی عناصر میں رکاوٹوں مثلاً زرمبادلہ کے ریٹ، افراط زر اور شرح سود کی وجہ سے بھی مشکلات کا سامنا رہے گا۔

آگے بڑھتے ہوئے انتظامیہ مستقل بہتری کے عمل نیز پائیداری اور استحکام کو یقینی بنانے کے لئے مختلف باکفایت پیداواری عمل کے اقدامات کو اپنانے کے ذریعے 5S، صحت، سیفٹی اور ماحولیاتی اقدامات کو بہتر بنانے پر توجہ دینے کا سلسلہ برقرار رکھے گی۔

کاروباری جائزہ۔ پیکیجنگ، تعمیراتی سامان اور اس سے متعلق مصنوعات کا شعبہ

30 ستمبر 2022 کو ختم ہونے والی سہ ماہی مدت کے لئے تعمیراتی سامان اور منسلکہ مصنوعات کے شعبے نے 3.4 بلین روپے کی سیلز آمدنی ظاہر کی جو گزشتہ سال کی اسی مدت کے 2.6 بلین روپے کے مقابلے میں 0.8 بلین روپے (31 فیصد) زائد ہے۔ تاہم تمام کاروباروں کو معاشی سرگرمیوں میں بحران اور ملک میں سیلابی صورتحال اور پاکستانی روپے کی قدر میں نمایاں کمی کی وجہ سے چیلنجوں کا سامنا ہے۔

جوٹ برنس

زیر جائزہ سہ ماہی جوٹ برنس کے لئے چیلنجنگ رہی کیونکہ خام جوٹ کے نرخوں کے حوالے سے اخراجات بڑھنے، توانائی کی لاگت اور کم از کم تنخواہوں میں اضافے نے منفی اثرات مرتب کیے۔ اس کے علاوہ پاکستانی روپے کی قدر میں کمی نے مزید کاروبار کے منافع کو کم کر دیا اور مستقل ایک چیلنج کا سامنا رہا۔

سیلز کے حجم کے ایک امکان سے بزنس نے جارحانہ طور پر برآمدی مارکیٹوں کو تلاش کرنے کا سلسلہ جاری رکھا اور اس حوالے سے اچھی پروگریس حاصل کی گئی جیسا کہ اس دوران گزشتہ سال کی اسی مدت کے مقابلے میں برآمدی سیلز میں 20% سے زائد اضافہ حاصل کیا گیا تھا، تاہم مقامی مارکیٹ میں طلب دباؤ کا شکار رہی جس کی وجہ سندھ اور بلوچستان میں سیلاب کی تباہ کاریاں تھیں۔ توقع ہے کہ آنے والے مہینوں کے دوران اناج کی بوریوں میں نمایاں طلب بڑھنے کے ساتھ ڈیمانڈ میں بہتری آجائے گی۔

بزنس کا مستقبل کا منظر نامہ بہتر نظر آتا ہے کیونکہ سرکاری، مقامی اور برآمدی مارکیٹوں سے طلب مستحکم ہونے کی توقع ہے اور کمپنی نئی نئی مارکیٹوں کی تلاش کے لئے بھرپور طور پر سرگرم عمل ہے۔

پیکجنگ بزنس

پیکجنگ بزنس سینٹ اور انڈسٹریل پیکجنگ (کاغذ اور وون پولی پرائپلین)، کیریئر بیگز اور فوڈ پیکجنگ پر مشتمل ہے۔

زیر جائزہ مدت کے دوران بزنس کا زرمبادلہ کے نرخوں میں اتار چڑھاؤ کے باعث اپنی سپلائی چین کے ضمن میں سنگین چیلنج کا سامنا کرنا پڑا جس کے اثرات خام میٹریل کے نرخوں پر نمایاں حد تک مرتب ہوئے اور یوکرین کے تنازع کے باعث ایک نمایاں سپلائی کے ذریعے سے خام مال کی سپلائی میں رکاوٹ آئی۔ کاروبار جس میں تیزی سے گرتھ دیکھی جا رہی تھی، مون سون کی بارشوں اور سیلاب کے باعث بری طرح متاثر ہوا اور اس کی سیلز میں بڑی کمی آئی بالخصوص سینٹ پیکجنگ کے شعبے پر منفی اثرات پڑے کیونکہ بیشتر تعمیراتی منصوبے اس صورتحال کی وجہ سے سست روی کا شکار ہو گئے تھے۔ انتظامیہ نے دیگر شعبوں کے لئے اپنی صلاحیتوں اور گنجائش کو استعمال کرنے پر توجہ دی اور گندم کی پیکجنگ اور دیگر منسلک فوڈ اور صنعتی شعبوں کیلئے ڈبلیو پی بی بوریوں کے آرڈرز حاصل کیے۔

آنے والی سہ ماہی کے لئے بھی پس منظر قدرے چیلنجنگ دکھائی دیتا ہے کیونکہ سینٹ کے سیکٹر میں توقع ہے کہ سست روی برقرار رہے گی جس کی وجہ تعمیراتی سرگرمیوں کی رفتار میں کمی اور حکومت کے انفراسٹرکچر پروجیکٹس کا دوبارہ آغاز ہے۔ انتظامیہ پر اعتماد ہے کہ وہ جلد دیگر شعبوں کی سیلز میں اضافہ کرنے میں کامیاب ہو جائے گی اور برآمدی سیلز میں بھی اضافہ ہوگا جس کے لئے کوششیں تیزی سے جاری ہیں۔

لیمینٹس بزنس

لیمینٹس بزنس تین اہم شعبوں، ایچ پی ایل (ہائی پریشر لیمینٹس)، کمپیکٹ لیمینٹس اور لیمینٹڈ بورڈز میں برانڈ نام

”فارما بیٹ“ کے نام سے مصروف عمل ہے اور اپنے معیار، انفرادی مصنوعات اور جدید ترین ڈیزائنز کی وجہ سے معروف ہے۔

سہ ماہی کے دوران مجموعی معاشی عدم استحکام، قیامت خیز سیلابوں، جس نے ملک کے بڑے حصے کو اپنی لپیٹ میں لے رکھا تھا جس کی وجہ سے اہم پروڈکٹس کی مجموعی مارکیٹ شدید متاثر ہوئی۔ سپلائی کی جانب روپے کی بے قدری اور فریٹ کے بڑھتے ہوئے اخراجات کی وجہ سے پڑنے والے بوجھ کے سبب کاروبار بری طرح متاثر ہوا، مزید برآں ایل سیز کے کھلنے اور کلیئرنگ میں رکاوٹوں کی وجہ سے بھی مستقل طور پر چیلنج کا سامنا کرنا پڑا۔

سیلز کی جانب کاروبار دوبارہ بھرپور قوت کے ساتھ برآمدی مارکیٹوں کیلئے میلا مائٹ پروڈکٹ کا ایک نیا گریڈ متعارف کر رہا ہے۔ یہ نیا گریڈ کاروبار کی برآمدی سیلز کو بہتر بنانے میں ہماری مدد کرے گا۔ سپلائی کی جانب بزنس موثر طور پر کلیدی خام مال کو مقامی سطح پر بڑھانے کے ضمن میں مصروف عمل ہے جس سے ہمیں روپے کی قدر میں کمی کے خطرے سے نمٹنے اور روزانہ بڑھتے ہوئے انویسٹری ٹرن اوور کو روکنے میں مدد ملے گی۔ پروڈکشن کے آخر میں کاروبار پلانٹ کی کارکردگی میں اضافے، پیداوار بڑھانے اور تمام افعال اور کارکردگی پائیدار اور مستحکم بنانے کیلئے چند اہم پروڈکٹس کا آغاز کر کے اسے پایہ تکمیل تک پہنچایا ہے۔

ذیلی ادارے

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

سہ ماہی کے دوران ٹی بی پی کے نے 285 ملین روپے مالیت کی سیلز حاصل کیں جو گزشتہ سال کی اس مدت کے دوران حاصل کردہ 525 ملین روپے کی سیلز کے مقابلے میں 240 ملین روپے (یعنی 46 فیصد) کم تھیں، سیلز میں کمی براہ راست آٹو اسمبلر حجم میں کمی سے منسلک ہے۔ حالیہ طور پر جاری درآمدی پابندیوں اور عمومی معاشی صورتحال کے ساتھ اس پوری سہ ماہی کے دوران حجم کمتر رہا۔ اس کے ساتھ ساتھ منافع جات کو بھی مزید بڑھتے ہوئے مالیاتی اخراجات اور غیر ملکی زرمبادلہ کے خساروں کی وجہ سے برقرار رکھنے میں مشکلات کا سامنا کرنا پڑا۔

عالمی سپلائی کے ذرائع کے بحران، مقامی سیاسی بے یقینی اور بیرونی ناقابل کنٹرول عناصر مثلاً کرنسی کی قدر میں کمی اور بڑھتی ہوئی شرح سود کی وجہ سے مجموعی حجم میں کمی کے ساتھ یہ سہ ماہی کمپنی کیلئے مشکل ترین رہی، تاہم چیلنجوں کے باوجود ٹی بی پی کے نے مارکیٹ میں اپنی موجودگی کو مزید بہتر بنایا اور اعلیٰ معیار کی سیٹس تیار کیں جن کو صارفین کی طرف سے پذیرائی حاصل ہوئی۔ اسی کے ساتھ ساتھ چیلنجوں کے باوجود نئے ماڈل پر ترقیاتی کام تیزی سے جاری رہا اور اسے متعارف کرانے کے لئے سرمایہ کاری کے ضمن میں طے شدہ وقت کا مہیا بی کے ساتھ حاصل کیا جا رہا ہے۔

کمپنی کے مستقبل کیلئے منظر نامہ مالیاتی اور سیاسی بے یقینی کے سبب مقامی معیشت پر پڑنے والے مستقل دباؤ کے باعث چیئرمیننگ نظر آتا ہے۔ تاہم ٹی بی پی کے موثر طور پر آنے والے سالوں میں نئے کاروبار حاصل کرنے کے لئے بھرپور طور پر سرگرم ہے تاکہ اپنی پروڈکٹ میں اضافے اور صارفین کے دائرہ کار کو بڑھایا جاسکے۔

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

ایچ ایم پی ایل کا مرکزی کاروبار جائیدادوں کی ملکیت اور اس کا انتظام سنبھالنا ہے، کاروبار کیش اینڈ کیری ریٹیل ریٹیل برنس کے فروغ کیلئے مختلف کاروباری مواقع حاصل کرنے اور اپنے اسٹور کی لوکیشنز سے ادارے کی قدر و قیمت بڑھانے کیلئے کوشاں ہے۔

کمپنی اپنے فروغ کے مواقع اور موجودہ سائٹس پر نئی ڈیولپمنٹ کی بھی کوشش کر رہی ہے جس کا انحصار عمومی معاشی صورتحال بہتر ہونے پر ہے۔

سہ ماہی کے دوران ایچ ایم پی ایل نے 30 جون 2022 کو ختم ہونے والے سال کیلئے تھل لمیٹڈ کو ادائیگی کیلئے 147.6 ملین روپے کے 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 مبارک شہید روڈ، لائنز ایریا، کراچی پر اسٹور پریمیئر کی ملکیت کا حامل ہے۔ سپریم کورٹ کے فیصلے کے مطابق اسٹور کو ستمبر 2015 میں بند کر دیا گیا تھا۔

مزید برآں سپریم کورٹ کے فیصلے پر عمل درآمد کرتے ہوئے ایچ ایم پی ایل نے پریمیئر پر قائم اسٹور کو منہدم کر دیا تھا اور کمپنی اپنے مستقبل کے لائحہ عمل پر غور کر رہی ہے۔

پاور سیکٹر میں سرمایہ کاری

سندھ اینگروکول میننگ کمپنی لمیٹڈ ("ایس ای سی ایم سی")

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

ایس ای سی ایم سی نے 10 جولائی 2019 کو 3.8 ملین ٹن سالانہ (ایم ٹی پی اے) کپسٹی مائن (فیرون) کے لئے ایک کمرشل آپریشنز کی تاریخ حاصل کی۔ ایس ای سی ایم سی نے 7.6 ایم ٹی پی اے ("فیئر-II") کے توسیع شدہ مائننگ آپریشنز کے لئے ستمبر 2022 میں کامیابی کے ساتھ اپنے تجارتی آپریشنز کا آغاز کر دیا تھا۔

تقویمی سال 2022 کے پہلے 9 ماہ میں ایس ای سی ایم سی نے سہل طریقے سے کام کا آغاز کیا اور 2.4 ملین ٹن کوئلہ سپلائی کر کے 36.9 ملین روپے کا ریکارڈ سیلز ریونیو اور 5.8 ملین روپے کا بعد از ٹیکس منافع حاصل کیا، حالانکہ ایس ای سی ایم نے اس مدت میں مثبت کیش فلوز حاصل کیا تھا، پھر بھی پروجیکٹ کی تکمیل کی تاریخ (پی سی ڈی) کے حصول تک فنانسنگ معاہدوں کے تحت کسی بھی قسم کے منافع منقسمہ کے اعلان پر پابندی ہے، جو تھرکول اینڈ انرجی بورڈ کی جانب سے دائر کردہ ایس ای سی ایم سی کے سی او ڈی اسٹیج ٹیرف پٹیشن کی منظوری اور "ٹرواپ" سے مشروط ہے۔ ایس ای سی ایم سی کی انتظامیہ تقویمی سال 2022 کے آخری تک پی سی ڈی کے حصول کے ضمن میں ٹیرف ٹرواپ کے تعین کے لئے تھرکول اینڈ انرجی بورڈ سے رابطے میں ہے، کمپنی نے اب تک ایس ای سی ایم سی سے کوئی منافع منقسمہ حاصل نہیں کیا ہے۔

ایس ای سی ایم سی بورڈ نے کان کی توسیع کے فیئر-III کی توسیع کی منظوری دیدی ہے تاکہ پروڈکشن کی گنجائش کو 12 ایم ٹی پی اے تک بڑھایا جاسکے۔ فیئر-III سے حاصل ہونے والا اضافی کوئلہ پورٹ قاسم پر لگی الیکٹرک کے 600 MW پاور پلانٹ کو فراہم کیا جائے گا جو پہلے ہی تجارتی آپریشنز کا آغاز کر چکا ہے، کان کے فیئر-III کی توسیع ممکنہ طور پر تقویمی سال 2023 کی آخری سہ ماہی تک مکمل کر لی جائے گی۔

تھل پاور (پرائیویٹ) لمیٹڈ

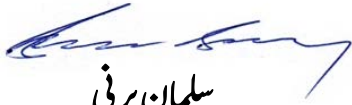
تھل لمیٹڈ تھل نووا پاور تھر پرائیویٹ لمیٹڈ ("تھل نووا") میں اپنے مکمل ملکیتی ذیلی ادارے تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے 26 فیصد عمومی شیئر ہولڈنگ کی ملکیت رکھتا ہے۔


تھل نووا نے 30 ستمبر 2020 کو اپنا فنانشل کلوز حاصل کیا تھا۔ انتظامیہ کوشش کر رہی ہے کہ پروجیکٹ کو تقویمی سال 2022 کے آخر تک مکمل کر لیا جائے۔

اظہارِ تشکر

ہم اس کٹھن اور چیلنجنگ صورتحال کا مقابلہ کرنے پر اپنے بورڈ آف ڈائریکٹرز، صارفین، ڈیلرز، سپلائرز، شیئر ہولڈرز، بینکرز اور جوائنٹ ونچرز اینڈ ٹیکنیکل شراکت کاروں کے ان کی مستقل معاونت اور کمپنی پر ان کے بھرپور اعتماد پر انہیں خراج تحسین پیش کرنے کے ساتھ ان کا شکر یہ 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: 28 اکتوبر 2022

CORPORATE INFORMATION

Board of Directors

Rafiq M. Habib	Chairman - Non-Executive
Muhammad Tayyab Ahmad Tareen	Chief Executive
Aliya Saeeda Khan	Independent Director
Khayam Husain	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

Aliya Saeeda Khan	Chairperson - Independent
Mohamedali R. Habib	Member
Imran Ali Habib	Member
Salman Burney	Member

Human Resource & Remuneration Committee

Aliya Saeeda Khan	Chairperson - 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
Sharaf 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
[E-mail: info.shares@famco.pk](mailto:info.shares@famco.pk)
[Web: www.famco.com.pk](http://www.famco.com.pk)