



Century Paper & Board Mills Limited



Third Quarter Report March 2022

Contents

	PAGE
Corporate Information	2
Directors' Review	3-4
Directors' Review - Urdu	5-6
Condensed Interim Statement of Financial Position	7
Condensed Interim Statement of Profit or Loss	8
Condensed Interim Statement of Comprehensive Income	9
Condensed Interim Statement of Cash Flows	10
Condensed Interim Statement of Changes in Equity	11
Notes to the Condensed Interim Financial Statements	12-27

Corporate Information

Board of Directors

Iqbal Ali Lakhani - Chairman
Amin Mohammed Lakhani
Babar Ali Lakhani
Anushka Lakhani
Asif Qadir
Ali Aamir
Aftab Ahmad - Chief Executive Officer

Advisor

Sultan Ali Lakhani

Audit Committee

Ali Aamir - Chairman
Amin Mohammed Lakhani
Babar Ali Lakhani

Human Resource & Remuneration Committee

Asif Qadir - Chairman
Amin Mohammed Lakhani
Anushka Lakhani
Aftab Ahmad

Chief Financial Officer

Muhammad Rashid Dastagir
Email: rashid-dastagir@centurypaper.com.pk

Company Secretary

Mansoor Ahmed
Email: mansoor-ahmed@centurypaper.com.pk

External Auditors

BDO Ebrahim & Co.
Chartered Accountants
Email: info@bdoebrahim.com.pk

Shares Registrar

FAMCO Associates (Private) Limited
8-F, Near Hotel Faran, Nursery, Block-6, P.E.C.H.S. Shahra-e-Faisal, Karachi.
Phone: (021) 34380101-5 Fax: (021) 34380106
Email: info.shares@famco.com.pk
Website: www.famco.com.pk

Head Office and Registered Office

Lakson Square, Building No.2, Sarwar Shaheed Road, Karachi-74200, Pakistan.
Phone: (021) 38400000
Fax: (021) 35681163, 35683410
Email: info@centurypaper.com.pk
Website: www.centurypaper.com.pk

Lahore Office

14-Ali Block, New Garden Town, Lahore-54600, Pakistan.
Phone: (042) 35886801-4 Fax: (042) 35830338

Mills

62 KM, Lahore-Multan Highway, N-5, District Kasur, Pakistan.
Phone: (049) 4511464-5, 4510061-2 Fax: (049) 4510063



Directors' Review

On behalf of the Board of Directors we are pleased to present the performance review of your Company together with the un-audited financial statements for the nine months period ended March 31, 2022.

Operations and Sales Review

The Company produced 193,196 metric tons during the period under review (July 2021 - March 2022) as compared to 188,667 metric tons for the corresponding period of last year.

The Company sold 185,750 metric tons during the period under review (July 2021 - March 2022) as compared to 175,238 metric tons for the corresponding period of last year.

In terms of value, the net sales of the Company for the period under review (July 2021 - March 2022) were recorded at Rs. 28,478 million as compared to Rs. 21,074 million for the corresponding period of last year.

Financial Performance

The Company posted a gross profit of Rs. 3,759 million for the period under review (July 2021 - March 2022) as compared to Rs. 4,397 million for the corresponding period of last year. Erratic Raw material and fuel prices continued to exert pressure on profits, though their impact was partially offset through Incremental sales volume and necessary selling price adjustments.

The net operating profit for the period under review (July 2021 - March 2022) was recorded at Rs. 2,981 million as compared to Rs. 3,679 million for the corresponding period of last year.

Finance cost for the period under review (July 2021 - March 2022) increased to Rs. 438 million as compared to Rs. 325 million for the corresponding period of last year on the backdrop of successive policy rate hikes and increased working capital requirement for the period.

After taking into account financial charges, profit before tax for the period was Rs. 2,543 million as compared to Rs. 3,354 million in the corresponding period of last year.

Accordingly, net profit for the period under review was Rs. 1,795 million as compared to Rs. 2,381 million for the corresponding period of last year.

Earnings per Share

The basic earnings per share is reported at Rs. 8.85 as compared to Rs. 11.74 for the corresponding period of last year.

During the period, share capital stood increased to 202,885,316 shares after issuance of 26,463,302 bonus shares being the 15% bonus issue declared by the Board of Directors for the year ended June 30, 2021. Thus the weighted average number of shares for the current and corresponding periods include the impact of bonus shares for calculation of EPS as per requirement of International Financial Reporting Standards.

Directors' Review

There is no dilution effect on the earnings per share for the period under review and corresponding period of last year.

Balancing, Modernization & Replacement (BMR) and Digitization

Your Company has availed SBP's Temporary Economic Refinance (TERF) loan facility from different banks for up-gradation of Paper & Board Machines, Cogeneration Plants and auxiliaries relating thereto. As on the balance sheet date, the Company has utilized the major chunk of the financing by retiring letters of credit established under the facility. Moreover, your Company has collaborated with foreign consultants to use their artificial intelligence tools for quicker and precise analysis of data in order to improve machine operations to yield better productivity.

Corporate Social Responsibility (CSR)

The Company's different CSR initiatives for education and welfare of surrounding communities continued during the period. Your Company is also providing assistance to the less privileged people in the mills' vicinity in the shape of food packages and personal care products besides extending support to health care and schooling facilities in the area in coordination with local administration.

Near Term Outlook

The prevailing scenario of erratic raw material and fuel prices, intermittent global logistic issues, fluctuating PKR-\$ parity, rising indigenous inflations and higher interest rate is likely to persist in the ensuing quarter. Amid strong market demand, a well-placed business strategy is being pursued to serve our customers to the best possible extent by product mix adjustments and possible selling price adjustments as per market conditions. Management is hopeful that higher sales volumes and cost minimization through operational efficiencies will enable the Company to mitigate the negative impact of the above stated challenges and to close the financial year with positive financial results.

Acknowledgments

The Directors wish to acknowledge the devotion of the employees of all cadres and are appreciative of their dedication and commitment. They also extend heartfelt appreciation to the Company's suppliers, customers and bankers for their continued confidence and support.

On behalf of the Board of Directors



IQBAL ALI LAKHANI
Chairman



AFTAB AHMAD
Chief Executive Officer

Karachi: April 21, 2022



THIRD QUARTER REPORT MARCH 2022

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی طرف سے 31 مارچ 2022ء کو ختم ہونے والی مدت کے لیے آپ کی کمپنی کی کارکردگی کا جائزہ مع غیر آڈٹ شدہ مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

کاروباری کارکردگی اور سیلز کا جائزہ

کمپنی نے زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) کے دوران 193,196 میٹرک ٹن کی پیداوار دی، جو کہ گزشتہ سال کی اسی مدت میں 188,667 میٹرک ٹن تھی۔

کمپنی نے زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں 185,750 میٹرک ٹن کی فروخت کی، جو کہ گزشتہ سال کی اسی مدت میں 175,238 میٹرک ٹن تھی۔

قدر کے اعتبار سے زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں سیلز ویلیو (Sales Value) 28,478 ملین روپے درج کی گئی، جو کہ گزشتہ سال اسی مدت میں 21,074 ملین روپے تھی۔

مالیاتی کارکردگی

زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں کمپنی نے 3,759 ملین روپے کا مجموعی منافع کمایا جو گزشتہ سال اسی مدت میں 4,397 ملین روپے تھا۔ بدلتی ہوئی خام مال اور ایندھن کی قیمتوں کی وجہ سے منافع پر دباؤ برقرار رہا اگرچہ اضافی سیلز حجم اور مصنوعات کی قیمتوں میں مناسب ردوبدل کے ذریعے اس کے اثرات کو کسی حد تک کم کیا گیا۔

زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں خالص آپریٹنگ منافع 2,981 ملین روپے ریکارڈ کیا گیا جو گزشتہ سال اسی مدت میں 3,679 ملین روپے تھا۔

زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں مالیاتی اخراجات نمایاں طور پر بڑھ کر 438 ملین روپے تک ہو گئے جو گزشتہ سال اسی مدت میں 325 ملین روپے تھے جس کی بنیادی وجہ شرح سود میں اضافہ اور بڑھتی ہوئی مالیاتی ضروریات رہیں۔

مالیاتی اخراجات مٹھا کرنے کے بعد زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں قبل از ٹیکس منافع 2,543 ملین روپے رہا جو گزشتہ سال اسی مدت میں 3,354 ملین روپے تھا۔

کمپنی نے زیر جائزہ مدت (جولائی 2021 تا مارچ 2022) میں 1,795 ملین روپے کا بعد از ٹیکس خالص منافع کمایا جو گزشتہ سال اسی مدت میں 2,381 ملین روپے تھا۔

فی شیئر آمدنی

زیر جائزہ مدت میں فی شیئر آمدنی 8.85 روپے رپورٹ کی گئی جو کہ گزشتہ سال اسی مدت میں 11.74 روپے تھی۔

زیر جائزہ مدت کے دوران بورڈ آف ڈائریکٹرز کی جانب سے 30 جون 2021 کے لئے اعلان کردہ 15% پونس شیئرز (26,463,302) کے اجراء کے بعد مجموعی شیئرز 176,422,014 سے بڑھ کر 202,885,316 ہو گئے۔

ڈائریکٹرز کا جائزہ

موجودہ اور گزشتہ فی شیئر آمدنی کے تعین کے لئے اوسط عمومی شیئرز میں بونس شیئرز کو بین الاقوامی فنانشل رپوننگ اصولوں کے تحت شامل کیا گیا ہے۔ زیر جائزہ مدت اور گزشتہ سال کی اسی مدت کے لیے فی شیئر آمدنی کے کمزور پڑنے کے کوئی آثار نہیں ہیں۔

پلانٹ اور مشینری کی استعداد کار میں بہتری کے اقدامات

اسٹیٹ بینک آف پاکستان کی عارضی معاشی قرض کی سہولت (Temporary Economic Refinance Facility) سے فائدہ اٹھاتے ہوئے کمپنی پیپرو بورڈ مشینوں، کو جرنیشن اور معاون مشینری کی پیداواری سہولیات میں مزید اضافہ کر رہی ہے۔

کمپنی اس سہولت کے تحت کھولی گئی ایل سیز (LCs) کی ادائیگیوں کے لئے زیادہ تر رقم استعمال کر چکی ہے۔ مزید برآں، کمپنی نے غیر ملکی ماہرین کے تعاون سے مصنوعی ذہانت (Artificial Intelligence) کو بروئے کار لاتے ہوئے اعداد و شمار کے درست اور بروقت تجزیے کے ذریعے مشینوں کے بھرپور اور بہتر استعمال پر خاص توجہ مرکوز کئے ہوئے ہے۔

کاروباری سماجی ذمہ داری

اس مدت کے دوران کمپنی کے کاروباری سماجی ذمہ داری کی مد میں تعلیم اور گردنواح کی فلاح و بہبود کے لئے مختلف اقدامات جاری رہے، ساتھ ہی کمپنی نے اپنی ملاز کے گردنواح کے مستحق افراد کے کھانے اور ذاتی نگہداشت کی مصنوعات کی صورت میں مدد جاری رکھے ہوئے ہے اور اس کے علاوہ مقامی انتظامیہ کے تعاون کے ساتھ صحت کے انتظامات کی دیکھ بھال اور اسکول سے متعلقہ سہولیات کی مد میں بھی مدد جاری رکھے ہوئے ہے۔

قریب مدتی منظر نامہ

خام مال اور ایندھن کی بڑھتی ہوئی قیمتوں، بین الاقوامی نقل و حمل کے مسائل، روپے کی قدر میں تاریخی اتار چڑھاؤ، افراط زر میں اضافے اور بلند شرح سود کے آنے والی سہ ماہی میں برقرار رہنے کے امکانات ہیں۔ کمپنی اپنی مصنوعات کی مستحکم طلب کے پیش نظر مارکیٹ کے حالات کو دیکھتے ہوئے بہتر پروڈکٹ مکس (Product Mix) اور قیمتوں میں مناسب رد و بدل کے ذریعے ایک موثر حکمت عملی پر عمل پیرا ہے۔

مینجمنٹ پُر امید ہے کہ بہتر سبیلز حجم اور آپریشنل افادیت کے ذریعے پیداواری لاگت کو کم کر کے مذکورہ مسائل کے منفی اثرات کو کم کرنے میں کامیاب ہوگی اور موجودہ مالی سال کا اختتام مثبت نتائج کے ساتھ کریگی۔

اظہار تشکر

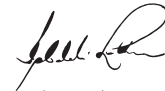
آپ کے ڈائریکٹرز کمپنی کے عملے اور ملازمین کی محنت اور پُر خلوص کارکردگی کا اعتراف کرتے ہیں۔ وہ مسلسل سرپرستی اور وابستگی پر اپنے سپلائرز، کسٹمرز اور بینکوں کو بھی خراج تحسین پیش کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



آفتاب احمد

چیف ایگزیکٹو آفیسر



اقبال علی لاکھانی

چیرمین

کراچی: 21 اپریل 2022



Condensed Interim Statement of Financial Position

as at March 31, 2022 (Un-audited)

		March 31, 2022	June 30, 2021 (Audited)
	Note	(Rupees in thousands)	
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment			
Operating fixed assets	7	8,662,468	8,702,205
Capital work in progress	8	2,652,930	1,244,059
		11,315,398	9,946,264
Intangible assets		10,399	9,046
Long-term advances	9	21,542	1,841
Long-term deposits		8,291	7,291
		11,355,630	9,964,442
CURRENT ASSETS			
Stores and spares	10	2,805,391	2,208,603
Stock-in-trade	11	6,081,541	5,188,539
Trade debts		4,129,247	3,259,021
Advances	12	132,609	177,642
Trade deposits and short-term prepayments	13	41,714	14,150
Other receivables		7,405	5,664
Tax refunds due from Government	14	97,591	96,991
Taxation - net		295,158	-
Cash and bank balances	15	867,464	492,503
		14,458,120	11,443,113
TOTAL ASSETS		25,813,750	21,407,555
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
410,000,000 (June 30, 2021: 410,000,000)			
shares of Rs. 10 each		4,100,000	4,100,000
Issued, subscribed and paid-up capital			
202,885,316 (June 30, 2021: 176,422,014)			
ordinary shares of Rs. 10 each		2,028,854	1,764,221
Reserves		9,823,207	8,557,694
		11,852,061	10,321,915
NON - CURRENT LIABILITIES			
Long-term financing	16	2,685,448	2,749,025
Lease liabilities	17	40,200	48,251
Deferred taxation		1,262,966	1,094,964
Deferred capital grant	18	-	2,651
GIDC payable		-	38,494
		3,988,614	3,933,385
CURRENT LIABILITIES			
Trade and other payables	19	4,313,541	4,022,723
Short-term borrowings	20	5,219,679	2,178,244
Interest and mark-up accrued	21	134,300	33,221
Taxation - net		-	386,732
Unclaimed dividend		1,977	1,607
Current portion of long-term lease liabilities		10,428	8,723
Current portion of deferred capital grant	18	5,262	16,057
Current portion of long-term financing	16	287,888	504,948
		9,973,075	7,152,255
TOTAL EQUITY AND LIABILITIES		25,813,750	21,407,555
CONTINGENCIES AND COMMITMENTS	22		

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


IQBAL ALI LAKHANI
Chairman


AFTAB AHMAD
Chief Executive Officer


MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

CENTURY PAPER & BOARD MILLS LIMITED



Condensed Interim Statement of Profit or Loss

for the period ended March 31, 2022 (Un-audited)

		Nine months ended		Quarter ended	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	Note	(Rupees in thousands)			
Turnover - net	23	28,477,845	21,074,284	10,562,543	7,612,026
Cost of sales	24	(24,718,595)	(16,677,157)	(9,100,391)	(6,029,473)
Gross profit		3,759,250	4,397,127	1,462,152	1,582,553
General and administrative expenses		(508,908)	(431,566)	(175,243)	(142,940)
Selling expenses		(59,172)	(53,564)	(21,329)	(17,988)
Distribution expenses		(106,188)	(97,212)	(34,472)	(34,476)
Other operating charges					
Workers' Profit Participation Fund		(136,590)	(180,116)	(54,315)	(65,807)
Workers' Welfare Fund		(51,904)	(68,444)	(20,639)	(25,007)
Others		(25,553)	(33,048)	(9,402)	(16,893)
		(214,047)	(281,608)	(84,356)	(107,707)
Other income	25	110,421	145,496	43,599	41,989
Operating profit		2,981,356	3,678,673	1,190,351	1,321,431
Finance cost	26	(438,049)	(324,915)	(178,994)	(96,114)
Profit before taxation		2,543,307	3,353,758	1,011,357	1,225,317
Taxation					
Current		(569,557)	(579,543)	(264,997)	(175,675)
Prior year		(10,969)	-	(6,428)	-
Deferred		(168,002)	(393,047)	(28,293)	(179,669)
		(748,528)	(972,590)	(299,718)	(355,344)
Profit for the period		1,794,779	2,381,168	711,639	869,973
Earnings per share					
- basic and diluted (Rupees)	27	8.85	11.74	3.51	4.29

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


IQBAL ALI LAKHANI
 Chairman


AFTAB AHMAD
 Chief Executive Officer


MUHAMMAD RASHID DASTAGIR
 Chief Financial Officer

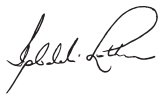


Condensed Interim Statement of Comprehensive Income

for the period ended March 31, 2022 (Un-audited)

	Nine months ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(Rupees in thousands)				
Profit for the period	1,794,779	2,381,168	711,639	869,973
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,794,779	2,381,168	711,639	869,973

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.



IQBAL ALI LAKHANI
Chairman



AFTAB AHMAD
Chief Executive Officer



MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Condensed Interim Statement of Cash Flows


for the period ended March 31, 2022 (Un-audited)

		Nine months ended	
		March 31, 2022	March 31, 2021
	Note	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	28	2,190,096	4,491,476
Finance cost paid		(336,970)	(328,568)
Taxes paid		(1,263,016)	(338,340)
Gratuity paid		(42,744)	(39,016)
Workers' Profit Participation Fund paid		(229,057)	(115,309)
Long-term advances		(19,701)	(17,068)
Long-term deposits		(1,000)	(2,126)
GIDC payable		(38,494)	(209,378)
Net cash generated from operating activities		259,114	3,441,671
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(2,363,250)	(742,361)
Proceeds from sale of property, plant and equipment		2,250	8,479
Proceeds from insurance claim of operating assets		-	31,720
Net cash used in investing activities		(2,361,000)	(702,162)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long-term financing from associated companies		(1,325,000)	(200,000)
Proceeds from long-term financing from banking companies		1,465,499	642,829
Repayment of long-term financing from banking companies		(434,581)	(597,011)
Principle paid on lease Liability		(6,346)	(4,357)
Dividend paid on ordinary shares		(264,161)	(220,528)
Net cash used in financing activities		(564,588)	(379,067)
Net (decrease) / increase in cash and cash equivalents		(2,666,474)	2,360,442
Cash and cash equivalents at the beginning of the period		(1,685,741)	(3,379,606)
Cash and cash equivalents at the end of the period		(4,352,215)	(1,019,164)
CASH AND CASH EQUIVALENTS			
Cash and bank balances	15	867,464	425,733
Short-term borrowings	20	(5,219,679)	(1,444,897)
		(4,352,215)	(1,019,164)

The annexed notes from 1 to 36 form an integral part of these condensed interim financial statements.


IQBAL ALI LAKHANI
Chairman


AFTAB AHMAD
Chief Executive Officer


MUHAMMAD RASHID DASTAGIR
Chief Financial Officer

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

1. STATUS AND NATURE OF BUSINESS

Century Paper & Board Mills Limited ("the Company") was incorporated in Pakistan as a public limited company on August 2, 1984 under the repealed Companies Ordinance, 1984 (now Companies Act 2017) and its ordinary shares are listed on Pakistan Stock Exchange. The Company is engaged in manufacturing and marketing of paper, board and related products.

2 GEOGRAPHICAL LOCATION AND ADDRESSES OF BUSINESS UNITS

The registered office of the Company is located at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi, Pakistan. The mills (plant) of the Company is located at 62 KM, Lahore, Multan Highway, N-5, District Kasur, Pakistan, and a regional office of the Company is located at 14-Ali Block, New Garden Town, Lahore, Pakistan.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These condensed interim financial statements are unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017.

These condensed interim financial statements of the Company for the nine months ended March 31, 2022 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 Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 and Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ from the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2021 which have been prepared in accordance with approved accounting standards as applicable in Pakistan. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The comparative statement of financial position presented in this condensed interim financial statements has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2021, whereas the comparative condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial statements for the nine months ended March 31, 2021.

3.2 Basis of measurement

This condensed interim financial statements has been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value. This condensed interim financial statements has been prepared following accrual basis of accounting except for cash flow information.

3.3 Functional and presentation currency

These condensed interim financial statements have been presented in Pak Rupees, which is the functional and presentation currency of the Company.

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

4. SIGNIFICANT ACCOUNTING POLICIES AND CHANGES THEREIN

The accounting policies adopted and methods of computation followed in the preparation of this condensed interim financial statements are same as those for the preceding annual financial statements for the year ended June 30, 2021.

4.1 Initial application of standards, amendments or an interpretation to existing standards

a) Standards, amendments and interpretations to accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on January 01, 2021, but are considered not to be relevant or to have any significant effect on the Company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in these condensed interim financial statements.

b) Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Company's accounting periods beginning on or after January 1, 2022, but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in these condensed interim financial statements.

5. ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial statements requires management to make certain judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2021.

6. TAXATION

The provisions for taxation for the nine months and quarter ended March 31, 2022, have been made using the best estimated effective tax rate applicable to expected total annual earnings. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes. The applicable income tax rate for the Tax Year 2022 is 29%.

		March 31, 2022	June 30, 2021 (Audited)
7. OPERATING FIXED ASSETS	Note	(Rupees in thousands)	
Fixed Assets	7.1	8,620,438	8,651,733
Right-of-use assets	7.2	42,030	50,472
		8,662,468	8,702,205
7.1 Fixed Assets			
Opening net book value (NBV)		8,651,733	9,141,008
Additions during the period / year at cost	7.1.1	761,781	636,890
		9,413,514	9,777,898
Disposals during the period / year at NBV	7.1.4	(732)	(27,433)
Depreciation charge for the period / year		(792,344)	(1,098,732)
		(793,076)	(1,126,165)
Closing net book value (NBV)		8,620,438	8,651,733

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

	March 31, 2022	June 30, 2021 (Audited)
Note	(Rupees in thousands)	
7.1.1 Detail of additions (at cost) during the period / year are as follows:		
Freehold land	165,351	1,040
Buildings on freehold land	29,824	32,883
Plant and machinery	499,092	489,260
Furniture and fixtures	986	6,057
Vehicles	30,313	79,332
Electrical and other equipments	6,326	14,136
Computers	29,890	14,182
	<u>761,781</u>	<u>636,890</u>
7.1.2 This includes transfers from capital work in progress amounting to Rs. 495.28 million (June 30, 2021: Rs. 494.97 million).		
7.1.3 The free hold land is located at Village Jumber Khurd, Tehsil Pattoki, District Kasur and area of land is 170.9 acres.		
7.1.4 Detail of disposals (at NBV) during the period / year are as follows:		
Buildings on freehold land	-	9,536
Vehicles	732	17,897
	<u>732</u>	<u>27,433</u>
7.2 Right-of-use assets		
Opening net book value (NBV)	50,472	20,787
Additions during the period / year	-	39,838
	<u>50,472</u>	<u>60,625</u>
Depreciation charge for the period / year	(8,442)	(10,153)
	<u>42,030</u>	<u>50,472</u>
8. CAPITAL WORK IN PROGRESS		
This comprises of:		
Land and building	37,019	13,695
Plant and machinery	2,615,911	1,230,364
	<u>2,652,930</u>	<u>1,244,059</u>
8.1 Movement of carrying amount is as follows:		
Opening balance	1,244,059	128,397
Additions (at cost) during the period / year	8.1.1 1,904,157	1,610,638
	<u>3,148,216</u>	<u>1,739,035</u>
Transfer to operating fixed assets during the period / year	(495,286)	(494,976)
Closing balance	<u>2,652,930</u>	<u>1,244,059</u>

8.1.1 This includes advances to suppliers amounting to Rs. 53.65 million (June 30, 2021: Rs. 22.43 million).

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

		March 31, 2022	June 30, 2021 (Audited)
	Note	(Rupees in thousands)	
9. LONG-TERM ADVANCES			
(Unsecured - considered good)			
Long-term advances to suppliers	9.1	<u>21,542</u>	<u>1,841</u>
9.1 This represents advances to suppliers against purchases of vehicles in the normal course of business which does not carry any interest / mark-up.			
10. STORES AND SPARES			
In hand			
Stores		1,099,944	919,893
Spares		700,858	555,525
Fuel		<u>904,026</u>	<u>239,461</u>
		<u>2,704,828</u>	<u>1,714,879</u>
In transit			
Spares		163,873	58,669
Coal		-	493,865
		<u>163,873</u>	<u>552,534</u>
Provision for slow moving stores and spares		<u>(63,310)</u>	<u>(58,810)</u>
		<u>2,805,391</u>	<u>2,208,603</u>
11. STOCK-IN-TRADE			
Raw materials			
in hand		3,365,896	2,653,483
in transit		<u>1,855,463</u>	<u>1,484,035</u>
		<u>5,221,359</u>	<u>4,137,518</u>
Work-in-process		178,888	127,238
Finished goods		<u>681,294</u>	<u>923,783</u>
		<u>6,081,541</u>	<u>5,188,539</u>
12. ADVANCES			
Advances			
to employees		4,691	1,205
to suppliers		<u>127,918</u>	<u>176,437</u>
12.1 This represents advances in the normal course of the business and do not carry any interest / mark-up.	12.1	<u>132,609</u>	<u>177,642</u>
13. TRADE DEPOSITS AND SHORT TERM PREPAYMENTS			
Trade deposits	13.1	5,690	3,271
Prepayments		<u>36,024</u>	<u>10,879</u>
		<u>41,714</u>	<u>14,150</u>
13.1 This represents short term deposits in the normal course of the business and do not carry any interest / mark-up.			

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

		March 31, 2022	June 30, 2021 (Audited)
		(Rupees in thousands)	
14. TAX REFUNDS DUE FROM GOVERNMENT	Note		
Income tax - net	14.1	81,528	80,928
Sales tax	14.2	16,063	16,063
		<u>97,591</u>	<u>96,991</u>
14.1 There has been no significant change in the status as set out in note 16 to the annual financial statements of the Company for the year ended June 30, 2021.			
15. CASH AND BANK BALANCES			
Cash at bank in current account			
Conventional mode		392,852	195,739
Cheques in hand		472,435	293,252
Cash in hand		2,177	3,512
		<u>867,464</u>	<u>492,503</u>
16. LONG TERM FINANCING			
From banking companies			
Utilized under mark-up arrangements financed by:			
Islamic mode			
Faysal Bank Limited - Musharaka	16.1	456,193	185,794
Bank Islami Pakistan Limited	16.1	246,533	88,457
Meezan Bank Limited - Musharaka	16.2	-	37,500
		<u>702,726</u>	<u>311,751</u>
Conventional mode			
Syndicated - Consortium of Banks - 1	16.3	1,505,866	778,792
Habib Metropolitan Bank Limited	16.3	160,000	46,077
JS Bank	16.3	196,026	-
Allied Bank Limited - Term Loan - 1	16.4	151,807	295,430
Allied Bank Limited - Term Loan - 2	16.5	163,111	194,773
Allied Bank Limited - Term Loan - 3	16.6	93,800	227,150
Syndicated - Consortium of Banks - 2	16.7	-	75,000
		<u>2,270,610</u>	<u>1,617,222</u>
		<u>2,973,336</u>	<u>1,928,973</u>
From associated undertakings - unsecured			
SIZA Commodities (Private) Limited - 1	16.8	-	550,000
SIZA Commodities (Private) Limited - 2	16.8	-	100,000
SIZA (Private) Limited	16.8	-	425,000
SIZA Services (Private) Limited	16.8	-	250,000
		<u>-</u>	<u>1,325,000</u>
		<u>2,973,336</u>	<u>3,253,973</u>
Current portion:			
Islamic mode		-	(37,500)
Conventional mode		(287,888)	(467,448)
		<u>(287,888)</u>	<u>(504,948)</u>
		<u>2,685,448</u>	<u>2,749,025</u>

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

Note	Borrowed Rs. in Million	Purpose	Rate of Mark-up	Tenor	Repayment Installments
------	----------------------------	---------	--------------------	-------	---------------------------

16.1 Islamic Temporary Economic Refinance Facility (ITERF) Schemes of the State Bank of Pakistan

500	Balancing, Modernization and	2.20%	7 Years	20 Quarterly
250	Replacement (BMR) of plant and machinery	3.05%	10 Years	32 Quarterly

The finance facility is secured by way of mortgage of immovable properties and / or First Pari Passu Hypothecation Charge over the Fixed Assets of the Company along with 25% Margin.

16.2 This finance facility has been fully repaid during the period at its maturity dates.

16.3 Temporary Economic Refinance Facility (TERF) Scheme of the State Bank of Pakistan

1500	Balancing, Modernization and	2.20%	7 Years	20 Quarterly
200	Replacement (BMR) of plant and	4.50%	10 Years	32 Quarterly
400	machinery	5%	10 Years	32 Quarterly

The finance facility is secured by way of mortgage of immovable properties and / or First Pari Passu Hypothecation Charge over the Fixed Assets of the Company along with 25% Margin.

16.4 Under Refinance Scheme of the State Bank of Pakistan for payment of salaries and wages

435	For paying salaries and wages	0.75% & 1.50%	2-1/2 Year	8 Quarterly
-----	-------------------------------	---------------	------------	-------------

This term loan is secured by way of first hypothecation charge over all assets belonging to the Company with 25% margin.

16.5 Renewable energy finance facility of the State Bank of Pakistan

400	Solar Grid Panels	2.75% to 4.50%	7 Years	28 Quarterly
-----	-------------------	----------------	---------	--------------

This term loan is secured by way of first hypothecation charge over all assets belonging to the Company with 25% margin.

16.6 Term Loan

500	Gas Trubine Generators	3 months KIBOR + 0.20%	3 Years	10 Quarterly
-----	------------------------	---------------------------	---------	--------------

This term loan is secured by way of first hypothecation charge over all assets belonging to the Company with 25% margin.

16.7 This finance facility has been fully repaid during the period at its maturity dates.

16.8 This finance facility has been fully repaid during the period.

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

		March 31, 2022	June 30, 2021 (Audited)
	Note	(Rupees in thousands)	
17. LEASE LIABILITIES			
Lease liabilities	17.1	50,628	56,974
Current portion		(10,428)	(8,723)
	17.2	<u>40,200</u>	<u>48,251</u>
17.1 Maturity analysis of contractual cashflow:			
Less than one year		10,428	8,723
One to five year		40,200	48,251
Net present value		<u>50,628</u>	<u>56,974</u>
17.2	The rate of return used as the discounting factor is 14% and 9% (June 2021: 14% and 9%) per annum.		
18. DEFERRED CAPITAL GRANT			
Capital grant	18.1	5,262	18,708
Current portion shown under current liability		(5,262)	(16,057)
		<u>-</u>	<u>2,651</u>
18.1	Following is the movement in government grant during the period / year:		
Opening balance		18,708	18,989
Addition during the period / year		-	16,828
Amortized during the period / year		(13,446)	(17,109)
Closing balance		<u>5,262</u>	<u>18,708</u>
This represents government grant recognized on long term financing facility obtained under SBP Refinance Scheme for payment of wages and salaries to workers and employees.			
19. TRADE AND OTHER PAYABLES			
Creditors	19.1	1,251,163	831,810
Foreign bills payable		1,001,916	1,316,108
Accrued liabilities	19.2	1,175,966	1,093,862
Sales tax payable - net		135,981	64,003
Customers' balances		96,369	57,159
Gratuity payable		61,956	70,676
Workers' Profit Participation Fund		136,590	229,057
Workers' Welfare Fund		120,555	159,275
Provident fund payable		10,309	9,157
Other liabilities		322,736	191,616
		<u>4,313,541</u>	<u>4,022,723</u>

19.1 The aggregate amount of the outstanding balance of associated undertakings is Rs. 21.80 million (June 30, 2021: Rs. 6.21 million).

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

- 19.2 This includes the amount payable in respect of Gas Infrastructure Development Cess (GIDC) levied under GIDC Act, 2015. In November 2020, the Supreme Court dismissed the review petition seeking review of its order issued in favor of recovery for GIDC arrears. Accordingly, the Company is paying GIDC installments as per monthly billing by Sui Northern Gas Pipeline Limited (SNGPL). The liability is recognized as per the guidelines issued by Institute of Chartered Accountants of Pakistan dated January 21, 2021.

	March 31, 2022	June 30, 2021 (Audited)
Note	(Rupees in thousands)	
20. SHORT TERM BORROWINGS		
From banking companies - secured		
Running finances		
Islamic mode	411,698	255,652
Conventional mode	4,807,981	1,922,592
20.1	<u>5,219,679</u>	<u>2,178,244</u>

- 20.1 The Company has available aggregate short term running finance facilities amounting to Rs. 11,950 million. Markup rates are linked with KIBOR from one to three months plus spread ranging from 0.05% to 1.50% (June 30, 2021: from 0.05% to 1.50%) per annum.

- 20.2 The Company has available aggregate sub-limits for FE loans under facilities for running finance and letters of credit amounting to Rs.7,130 million (June 30, 2021: Rs. 7,130 million).

21. INTEREST AND MARK-UP ACCRUED

Interest and mark-up accrued on:

Long-term financing from Banks		
Islamic mode	8,478	1,581
Conventional mode	13,566	14,284
	<u>22,044</u>	<u>15,865</u>
Short-term borrowings from Banks		
Islamic mode	10,249	3,199
Conventional mode	88,336	14,157
	<u>98,585</u>	<u>17,356</u>
Associated undertakings	13,671	-
	<u>134,300</u>	<u>33,221</u>

22. CONTINGENCIES AND COMMITMENTS

22.1 Contingencies

a) Guarantees

Guarantees have been issued by banks on behalf of the Company in the normal course of business aggregating to Rs. 941 million (June 30, 2021: Rs. 841 million) including guarantee relating to Sindh Infrastructure Cess amounting to Rs. 400 million (June 30, 2021: Rs. 300 million) furnished to Excise and Taxation Department.

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

b) Sales tax

- 1) The Additional Commissioner Enforcement - I, Punjab Revenue Authority issued a show cause notice bearing No. PRA/SC/WH/937 on June 07, 2018. The Deputy Commissioner Enforcement vide his order No. PRA/ST/WH/008 dated November 02, 2018 has determined the liability of Rs. 140 million on account of withholding sales tax under Punjab Sales Tax on Services Act 2012 for the period from July 01, 2015 to June 30, 2017. The Company filed an appeal before the Commissioner (Appeals) Punjab Revenue Authority dated December 22, 2018 against the order passed by the Additional Commissioner Enforcement - I.

The Company received order No. PRA 328/2018 dated November 06, 2019 from the Commissioner (Appeal), Punjab Revenue Authority in which determined liability has been reduced to Rs. 30.021 million. However, the Company has filed an appeal before the Appellate Tribunal, Punjab Revenue Authority against the order passed by Commissioner (Appeal) with the plea that this order was passed adversely without comprehensively concluding the evidence and explanation provided by the Company. The management is of the opinion, based on the advice of legal adviser that the decision is likely to be in the favor of the Company.

- 2) Five cases of inadmissible input sale tax amounting to Rs. 94.45 million were adjudicated against the Company by Deputy Commissioner Inland Revenue. The appeals were filed by the Company against these orders at respective forum. These cases were remanded back to the adjudicating authorities by the Appellate Authorities with the direction to verify the compliance of the Company with the relevant provisions of the Sales Tax Act, 1990. No provision has been made in these financial statements as the management is of the opinion, based on advice of tax advisor, that the decision is likely to be in the favor of the Company.

22.2 Commitments

The Company's commitments as at statement of financial position date are as follows:

- Letters of credit other than for capital expenditure at the end of the period amounted to Rs. 3,019.85 million (June 30, 2021: Rs. 2,965.22 million).
- Capital expenditure including letters of credit amounted to Rs. 349.42 million (June 30, 2021: Rs. 1,503.77 million).

	Nine months ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rupees in thousands)			
23. TURNOVER				
Local turnover	33,270,135	24,514,773	12,329,062	8,873,257
Export turnover	6,324	110,498	6,324	22,189
	33,276,459	24,625,271	12,335,386	8,895,446
Sales tax	(4,798,614)	(3,550,987)	(1,772,843)	(1,283,420)
Net turnover	28,477,845	21,074,284	10,562,543	7,612,026



Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

	Nine months ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rupees in thousands)			
24. COST OF SALES				
Materials consumed	16,199,557	11,155,241	5,929,176	3,893,673
Fuel and power	5,177,257	2,829,071	1,936,824	987,577
Depreciation on property, plant and equipment	755,542	807,096	250,382	259,501
Salaries, wages and other benefits	870,526	771,922	303,996	259,517
Stores and spare consumption	676,269	643,175	255,436	199,467
Repairs and maintenance	136,654	109,996	48,250	43,090
Packing expenses	632,384	472,355	204,597	170,162
Insurance	71,924	64,060	25,661	21,171
Provision for slow moving stores and spares	4,500	4,500	1,500	1,500
Rent rates and taxes	3,143	4,622	1,066	1,093
Manufacturing cost	24,527,756	16,862,038	8,956,888	5,836,751
Work-in-process				
Opening stock	127,238	103,498	165,214	127,627
Closing stock	(178,888)	(80,404)	(178,888)	(80,404)
	(51,650)	23,094	(13,674)	47,223
Cost of goods manufactured	24,476,106	16,885,132	8,943,214	5,883,974
Finished goods				
Opening stock	923,783	463,197	838,471	816,671
Closing stock	(681,294)	(671,172)	(681,294)	(671,172)
	242,489	(207,975)	157,177	145,499
	24,718,595	16,677,157	9,100,391	6,029,473
25. OTHER INCOME				
Sale of scrap	91,113	79,421	39,648	30,464
Gain on sale of operating fixed assets – net	1,519	3,678	-	7
Gain on insurance claim of operating fixed assets	-	22,184	-	-
Government grants	13,446	13,799	3,598	9,616
Gain on extinguishment of original GIDC liability	-	24,512	-	-
Others	4,343	1,902	353	1,902
	110,421	145,496	43,599	41,989

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

Note	Nine months ended		Quarter ended	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
	(Rupees in thousands)			
26. FINANCE COST				
Long-term financing - banks				
Islamic mode	-	7,823	(1,534)	1,791
Conventional mode	35,931	59,433	11,557	21,493
	35,931	67,256	10,023	23,284
Long term loan from associated undertakings	47,417	88,782	13,671	29,164
	83,348	156,038	23,694	52,448
Short term borrowings				
Islamic mode	22,045	12,287	9,870	11,390
Conventional mode	308,510	139,046	138,773	23,694
	330,555	151,333	148,643	35,084
Workers' Profit Participation Fund	616	1,922	-	-
Bank charges and commission	7,693	5,504	2,552	1,400
Finance charges on Leases	4,620	4,637	1,481	1,701
Finance charges on GIDC	11,217	5,481	2,624	5,481
	438,049	324,915	178,994	96,114

27. EARNINGS PER SHARE - BASIC AND DILUTED

The basic earnings per share as required under "IAS 33 Earnings per share" is given below:-

Profit for the period	1,794,779	2,381,168	711,639	869,973
Weighted average number of ordinary shares (in thousands)	202,885	202,885	202,885	202,885
Basic earnings per share (Rupees)	27.1	11.74	3.51	4.29

27.1 There is no dilutive effect on the basic earnings per shares of the Company. The Corresponding figures have been restated retrospectively to include the impact of the bonus shares issued during the period as required by international accounting standard.

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

		Nine months ended	
		March 31, 2022	March 31, 2021
Note		(Rupees in thousands)	
28. CASH GENERATED FROM OPERATIONS			
Profit before taxation		2,543,307	3,353,758
Adjustment for non cash charges and other items:			
Depreciation on property, plant and equipment		800,787	840,109
Amortization of intangible assets		2,762	2,550
Gain on disposal of operating fixed assets		(1,519)	(3,678)
Gain on insurance claim of operating fixed assets		-	(22,184)
Provision for gratuity		34,024	30,349
Provision for slow moving stores and spares		4,500	4,500
Workers' Profit Participation Fund		136,590	180,116
Finance cost		438,049	324,915
Gain on extinguishment of Original GIDC Liability		-	(24,512)
Working capital changes	28.1	(1,768,404)	(194,447)
		(353,211)	1,137,718
		2,190,096	4,491,476
28.1 Changes in working capital			
(Increase) / decrease in current assets			
Stores and spares		(601,288)	56,960
Stock-in-trade		(893,002)	(274,672)
Trade debts		(870,226)	(495,023)
Advances		45,033	51,550
Trade deposits and short-term prepayments		(27,564)	57,656
Other receivables		(1,741)	19,564
		(2,348,788)	(583,965)
Increase in current liabilities			
Trade and other payables		580,384	389,518
		(1,768,404)	(194,447)

29. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties and associated undertakings comprise of group companies, other associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated undertakings are as under:

Nature of transaction	Nature of Relation	Basis of Relation	Nine months ended		Quarter ended	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(Rupees in thousands)						
Sale of goods, Services and Reimbursement of expenses						
Merit Packaging Limited	Associated company	Common Director	1,756,175	1,220,498	690,548	469,382
Colgate Palmolive (Pakistan) Limited	Associated company	Common Director	840,695	647,822	309,810	222,473
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	595	45,464	91	112
Cyber Internet Services (Private) Limited	Associated company	Common Director	1,479	1,296	310	500

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

Nature of transaction	Nature of Relation	Basis of Relation	Nine months ended		Quarter ended	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(Rupees in thousands)						
Purchase of goods, Services and Reimbursement of expenses						
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	180,170	61,710	19,334	14,288
Merit Packaging Limited Lakson Business Solutions Limited	Associated company	Common Director	95,520	48,998	24,387	23,541
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	2,719	2,100	509	480
Princeton Travels (Private) Limited	Associated company	Common Director	2,835	862	1,040	418
SIZA Services (Private) Limited	Associated company	Common Director and 22.81% shares held	2,627	2,273	876	758
Cyber Internet Services (Private) Limited	Associated company	Common Director	9,650	7,099	3,356	2,369
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	228	280	146	57
Colgate Palmolive (Pakistan) Limited	Associated company	Common Director	91	23	9	5
Express Publications (Private) Limited	Associated company	Common Management	1,613	1,384	497	633
Sybrid (Private) Limited	Associated company	Common Director	17,074	1,899	3,322	-
SIZA Foods (Private) Limited	Associated company	Common Director	44	-	20	-
Pakistan Special Olympics	Related Party		124	-	124	-
Rent and other allied charges						
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	6,088	5,742	2,057	1,958
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	2,903	2,644	986	994
SIZA Services (Private) Limited	Associated company	Common Director and 22.81% shares held	604	520	215	182
SIZA Commodities (Private) Limited	Associated company	Common Director and 8.50% shares held	141	134	48	46
Donation						
The Layton Rahmatullah Benevolent Trust	Related Party	Trustee	-	500	-	-
Hassanali and Gulbanoo Lakhani Foundation	Associated undertaking	Trustee	-	2,500	-	-
Mark-up accrued						
SIZA Commodities (Private) Limited	Associated company	Common Director and 8.50% shares held	24,851	37,896	5,202	12,485
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	16,196	36,311	8,469	11,877
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	6,371	14,575	-	4,802

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

Nature of transaction	Nature of Relation	Basis of Relation	Nine months ended		Quarter ended	
			March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
(Rupees in thousands)						
Long term loan Paid						
SIZA Commodities (Private) Limited	Associated company	Common Director and 8.50% shares held	425,000	-	-	-
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	650,000	200,000	200,000	200,000
SIZA Services (Private) Limited	Associated company	Common Director and 22.18% shares held	250,000	-	-	-
Cash dividend						
Premier Fashions (Private) Limited	Associated company	Common Director and 8.97% shares held	23,740	16,816	-	-
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	72,271	51,192	-	-
SIZA Commodities (Private) Limited	Associated company	Common Director and 8.50% shares held	22,499	15,937	-	-
SIZA Services (Private) Limited	Associated company	Common Director and 22.81% shares held	58,707	41,584	-	-
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	1,133	803	-	-
Accuray Surgicals Limited	Associated company	Common Director and 1.26% shares held	3,336	2,363	-	-
Directors, CEO & their Spouses	Related Parties		223	161	-	-
Stock dividend						
Premier Fashions (Private) Limited	Associated company	Common Director and 8.97% shares held	23,740	26,377	-	-
SIZA (Private) Limited	Associated company	Common Director and 27.31% shares held	72,271	80,301	-	-
SIZA Commodities (Private) Limited	Associated company	Common Director and 8.50% shares held	22,499	24,999	-	-
SIZA Services (Private) Limited	Associated company	Common Director and 22.81% shares held	58,707	65,230	-	-
Century Insurance Company Limited	Associated company	Common Director and 0.43% shares held	1,133	1,259	-	-
Accuray Surgicals Limited	Associated company	Common Director and 1.26% shares held	3,336	3,707	-	-
Directors, CEO & their Spouses	Related Parties		223	257	-	-
Others						
Contribution to Staff Retirement Benefit Plans	Employees Fund		85,820	77,773	29,259	26,310
Remuneration and other benefits	Key Management Personnel		267,257	215,374	86,366	59,612

Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

	March 31, 2022	June 30, 2021 (Audited)
	(Rupees in thousands)	
29.1 Period / year end balances		
Receivable from related parties	759,401	510,750
Payable to related parties	21,804	6,206
Payable to retirement benefit plan	72,265	79,833
Markup accrued - Long term finance from associated companies	13,671	-
Long-term financing from associated undertaking / Director	-	1,325,000

30. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objective and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2021.

31. FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying values of all financial assets and liabilities reflected in the condensed interim financial statements approximate their fair values. Fair value is the amount for which asset could be exchanged or liability settled between knowledgeable, willing parties in an arm length transaction.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted prices (Unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included within level 1 that are observable for the asset either directly or derived from prices.

Level 3: inputs for the asset or liability that are not based on observable market data (unadjusted) inputs.

Transfers during the period

During the period ended March 31, 2022, there were no transfers between level 1 and level 2 fair value measurement and into or out of Level 3 fair value measurements.

32. NUMBER OF EMPLOYEES

- a) The number of employees as at period ended March 31, 2022 was 1,655 (June 30, 2021: 1,646) and average number of employees during the period was 1,656 (June 30, 2021: 1,647).

33. DATE OF AUTHORIZATION FOR ISSUE

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

34. IMPACT OF COVID-19

In light of ongoing COVID-19 pandemic, the Company has reviewed its exposure to business risks and has not identified any significant impact on the Company's operations or decline in revenue during the period ended March 31, 2022. Consequently, there is no material impact on the recognition and measurement of assets and liabilities.



Notes to the Condensed Interim Financial Statements

for the period ended March 31, 2022 (Un-audited)

35. CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary for the purpose of comparison and better presentation.

36. GENERAL

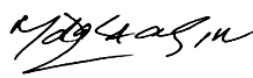
Amounts have been rounded off to the nearest thousands of rupees unless otherwise stated.



IQBAL ALI LAKHANI
Chairman



AFTAB AHMAD
Chief Executive Officer



MUHAMMAD RASHID DASTAGIR
Chief Financial Officer



CENTURY PAPER & BOARD MILLS LIMITED

Head Office, Registered Office, Corporate/Shares Office & Regional Sales Office (South)

Lakson Square, Building No.2, Sarwar Shaheed Road,
Karachi - 74200, Pakistan.

Phone: (021) 38400000 Fax: (021) 35681163, 35683410

Regional Sales Office (North)

14-Ali Block, New Garden Town, Lahore - 54600, Pakistan.

Phone: (042) 35886801-4 Fax: (042) 35830338

Mills

62 KM, Lahore-Multan Highway, N-5, District Kasur,
Pakistan. Phone: (049) 4511464-5, 4510061-2

Fax: (049) 4510063

Email: info@centurypaper.com.pk

Website: www.centurypaper.com.pk