

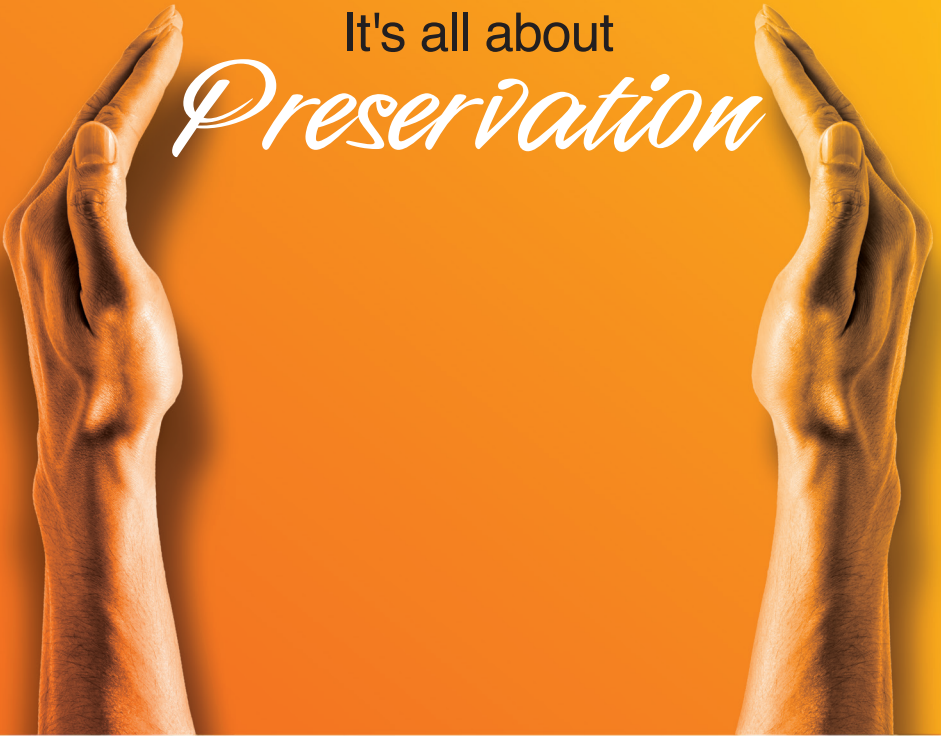


**Cherat Packaging Limited**

A Ghulam Faruque Group Company

It's all about

*Preservation*



Unaudited  
Accounts  
SEPTEMBER 30,  
**2022**



GHULAM FARUQUE  
GROUP

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# Company Information

## Board of Directors

Mr. Akbarali Pesnani	Chairman
Mr. Amer Faruque	Chief Executive
Mr. Aslam Faruque	Director
Mr. Shehryar Faruque	Director
Mr. Arif Faruque	Director
Mr. Ali H. Shirazi	Director
Mr. Abid Vazir	Director
Mr. Sher Afzal Khan Mazari	Director
Ms. Maleeha Humayun Bangash	Director

## Audit Committee

Mr. Ali H. Shirazi	Chairman
Mr. Arif Faruque	Member
Mr. Shehryar Faruque	Member

## Human Resource and Remuneration Committee

Mr. Sher Afzal Khan Mazari	Chairman
Mr. Amer Faruque	Member
Mr. Aslam Faruque	Member

## Director and Chief Operating Officer

Mr. Abid Vazir

## Chief Financial Officer

Syed Waqar Haider Kazmi

## Company Secretary

Ms. Hina Mir

## Head of Internal Audit

Mr. Aamir Saleem

## Auditors

EY Ford Rhodes  
Chartered Accountants

## Legal Advisor

K.M.S. Law Associates

## Bankers

Allied Bank Ltd  
Bank Al Habib Ltd  
Habib Bank Ltd  
Habib Metropolitan Bank Ltd  
Industrial and Commercial Bank of China Ltd  
MCB Bank Ltd  
National Bank of Pakistan  
Samba Bank Ltd  
Soneri Bank Ltd  
The Bank of Punjab  
United Bank Ltd

## Non-Banking Financial Institution

Pakistan Kuwait Investment Co. (Pvt) Ltd

## Bankers (Islamic)

Al Baraka Bank (Pakistan) Ltd  
Askari Bank Ltd  
Bank Alfalah Ltd  
Bank Al Habib Ltd  
Bankislami Pakistan Ltd  
Dubai Islamic Bank Pakistan Ltd  
Faysal Bank Ltd  
MCB Islamic Bank Ltd  
Meezan Bank Ltd  
The Bank of Khyber

## Share Registrar

CDC Share Registrar Services Limited.  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahr-e-Faisal, Karachi-74400  
Tel: 0800-23275 UAN: 111-111-500  
Email: [info@cdcsrsl.com](mailto:info@cdcsrsl.com)

## Contact Us:

UAN: 111-000-009  
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Web: [www.gfg.com.pk](http://www.gfg.com.pk)



## Registered Office

1st Floor, Betani Arcade,  
Jamrud Road, Peshawar  
Tel: (+9291) 5842285, 5842272  
Fax: (+9291) 5840447

## Head Office

Modern Motors House, Beaumont Road,  
Karachi-75530  
Tel: (+9221) 35683566-67, 35688348, 35689538  
Fax: (+9221) 35683425

## Factory

Plot No. 26, Gadoon Amazai  
Industrial Estate, District Swabi,  
Khyber Pakhtunkhwa  
Tel: (+92938) 270125, 270221  
Fax: (+92938) 270126

## Regional Offices

### Lahore

3, Sundar Das Road  
Tel: (+9242) 36286249-50, 36308259  
Fax: (+9242) 36286204

### Islamabad

1st Floor, Razia Sharif Plaza,  
Jinnah Avenue, Blue Area  
Tel: (+9251) 2344531-33  
Fax: (+9251) 2344534, 2344550

# Directors' Review

The Board of Directors is pleased to present the financial results of the Company for the three-month period ended September 30, 2022.

## Overview

Amid economic uncertainty, Pakistan's growth has stalled resulting in higher debt burden, declining foreign exchange reserves and a sharp depreciation in the value of Pak Rupees. Unprecedented increase in commodity prices globally, weakening global demand and higher prices of imported commodities including oil has put additional pressure on our foreign exchange reserves forcing the State Bank to take measures to curtail imports.

During the first quarter under review, the Company's performance has been aided by an increase in sales volumes and prudent operational management. Despite challenging environment, there has been an increase in sales revenue of the Company during the period under review primarily due to increase in sales volume of flexible packaging material. However, because to slowdown in cement dispatches due to heavy rains and floods, quantity of bags sold was lower than the corresponding period last year.

## Operating performance

There has been a 23% increase in the sales revenues of the Company from the corresponding period last year. Substantial increase was recorded in the cost of various input items like kraft paper and other raw materials, resulting in increased cost of production. During the period, there was a marked increase in finance cost due to higher utilization of running finance facility and hike in discount rates by State Bank of Pakistan. For the quarter ended September 30, 2022 the Company posted an after-tax profit of Rs. 162 million.

## Expansion of Flexible Packaging Business

Work on the acquisition and installation of second rotogravure printer is progressing on schedule and is expected to be completed by March 2023. Furthermore, we are pleased to report that the Board of Directors of the Company has decided to acquire its second Flexographic printer together with allied equipment to enhance the production capacity of Flexible Packaging Division. The expansion will cost up to Rs. 1.25 billion and will be financed through long term loan with expected completion by March 2024.

## **Future Prospects**

Fiscal and monetary policy measures coupled with high commodity prices have resulted in inflationary pressures, which is suppressing the local demand. However, the Company is well positioned to sustain these adverse challenges by way of timely and regular investments in its business. The Company is on course to achieve its long-term objective of being a leading player in the field of packaging by expanding its existing businesses and diversifying into new areas of packaging. In a period of rising competition, the Company remains confident of preserving its market share and achieving greater economies of scale. In these highly uncertain economic times, your Company is closely monitoring the situation and will continue to take appropriate measures to safeguard the interests of stakeholders.

## **Acknowledgment**

The management would like to express its gratitude to all customers, financial institutions, staff members, suppliers and shareholders who have been associated with the Company for their continued support and cooperation. It would like to particularly thank Mondi Packaging, Sabic and Windmoller & Holscher for their cooperation and support to the Company.

## **On behalf of the Board of Directors**



**Akbarali Pesnani**  
Chairman



**Amer Faruque**  
Chief Executive

Karachi: October 19, 2022

# Condensed Interim Statement of Financial Position


As at September 30, 2022

	Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
(Rupees in '000)			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Property, plant & equipment	4	5,706,022	5,555,646
Intangible assets		4,423	4,599
		5,710,445	5,560,245
Long-term investments	5	620,451	500,418
Long-term security deposits		721	721
		6,331,617	6,061,384
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		483,785	480,428
Stock-in-trade		6,214,721	4,661,360
Trade debts		3,193,121	2,840,738
Loans and advances		20,793	6,378
Trade deposits and short-term prepayments		75,453	34,915
Other receivables		165,588	263,260
Taxation-net		516,040	544,069
Cash and bank balances		30,404	29,125
		10,699,905	8,860,273
<b>TOTAL ASSETS</b>		<b>17,031,522</b>	<b>14,921,657</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
100,000,000 (June 30, 2022: 100,000,000)			
ordinary shares of Rs. 10/- each		1,000,000	1,000,000
Share capital		425,069	425,069
Reserves		6,112,531	5,830,488
		6,537,600	6,255,557
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing - secured	6	1,684,619	1,781,601
Deferred taxation		732,998	732,555
Government grant		232,510	243,354
		2,650,127	2,757,510
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,018,634	1,772,086
Accrued mark-up		192,318	145,983
Short-term borrowings - secured	7	4,937,740	3,269,026
Current maturity of long-term financing	6	647,703	676,024
Current maturity of Government grant		36,740	34,811
Unclaimed dividend		10,660	10,660
		7,843,795	5,908,590
<b>CONTINGENCIES AND COMMITMENTS</b>	8		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>17,031,522</b>	<b>14,921,657</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Amer Faruque**  
 Chief Executive

  
**Shehryar Faruque**  
 Director

  
**Syed Waqar Haider Kazmi**  
 Chief Financial Officer

# Condensed Interim Statement of Profit or Loss (Unaudited)

For the Period Ended September 30, 2022

	Note	September 30, 2022	September 30, 2021
(Rupees in '000)			
<b>Turnover - net</b>		3,802,803	3,096,070
Cost of sales		(3,200,707)	(2,530,663)
<b>Gross profit</b>		602,096	565,407
Distribution costs		(62,491)	(47,361)
Administrative expenses		(42,646)	(30,104)
Other expenses		(15,856)	(28,224)
		(120,993)	(105,689)
Other income		9,989	9,755
<b>Operating profit</b>		491,092	469,473
Finance costs	9	(250,469)	(92,512)
<b>Profit before taxation</b>		240,623	376,961
<b>Taxation</b>			
Current		(78,170)	(73,881)
Deferred		(443)	(30,572)
	10	(78,613)	(104,453)
<b>Net profit for the period</b>		162,010	272,508
<b>Earnings per share - basic and diluted</b>	11	Rs. 3.81	Rs. 6.41

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



**Amer Faruque**  
Chief Executive



**Shehryar Faruque**  
Director



**Syed Waqar Haider Kazmi**  
Chief Financial Officer

# Condensed Interim Statement of Comprehensive Income (Unaudited)

For the Period Ended September 30, 2022

	September 30, 2022	September 30, 2021
	(Rupees in '000)	
<b>Net profit for the period</b>	162,010	272,508
<b>Other comprehensive income that may not be reclassified subsequently to the statement of profit or loss</b>		
Unrealized gain / (loss) on re-measurement of equity investment at fair value through other comprehensive income	120,033	(200,375)
<b>Total comprehensive income for the period</b>	<b>282,043</b>	<b>72,133</b>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



**Amer Faruque**  
Chief Executive



**Shehryar Faruque**  
Director



**Syed Waqar Haider Kazmi**  
Chief Financial Officer

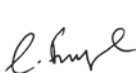


# Condensed Interim Statement of Cash Flows (Unaudited)

For the Period Ended September 30, 2022

Note	September 30, 2022	September 30, 2021
(Rupees in '000)		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
	240,623	376,961
<b>Profit before taxation</b>		
<b>Adjustments for:</b>		
Depreciation	95,093	79,517
Amortization	176	222
Gain on disposal of operating property, plant and equipment	(443)	(132)
Government grant amortized	(7,085)	(2,908)
Finance costs	250,469	92,512
Exchange gain	-	(3,998)
	338,210	165,213
	578,833	542,174
<b>(Increase) / decrease in current assets:</b>		
Stores, spare parts and loose tools	(3,357)	(15,756)
Stock-in-trade	(1,553,361)	(609,561)
Trade debts	(352,383)	(26,672)
Loans and advances	(14,415)	3,191
Trade deposits and short-term prepayments	(40,538)	(43,860)
Other receivables	97,672	61,631
	(1,866,382)	(631,027)
	(1,287,549)	(88,853)
<b>Increase in current liabilities:</b>		
Trade and other payables	246,548	622,272
<b>Cash (used in) / generated from operations</b>	(1,041,001)	533,419
Income tax paid	(50,141)	(76,698)
<b>Net cash (used in) / generated from operating activities</b>	(1,091,142)	456,721
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred - net of borrowing cost	(243,632)	(113,408)
Proceeds from disposal of operating property, plant and equipment	981	219
<b>Net cash used in investing activities</b>	(242,651)	(113,189)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term financing	(127,133)	(254,898)
Short-term borrowings - net	1,668,714	20,453
Finance costs paid	(206,509)	(105,932)
Dividends paid	-	(682)
<b>Net cash generated from / (used in) financing activities</b>	1,335,072	(341,059)
<b>Net increase in cash and cash equivalents</b>	1,279	2,473
<b>Cash and cash equivalents at the beginning of the period</b>	29,125	22,468
<b>Cash and cash equivalents at the end of the period</b>	30,404	24,941

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.



**Amer Faruque**  
Chief Executive



**Shehryar Faruque**  
Director




**Syed Waqar Haider Kazmi**  
Chief Financial Officer

# Condensed Interim Statement of Changes in Equity (Unaudited)


For the Period Ended September 30, 2022

Issued, Subscribed and Paid-up Capital	Reserves						Total Reserves	Total
	Capital Reserves	Revenue Reserves		Other Components of Equity				
	Share premium	General reserves	Unappropriated profit	Actuarial gain on gratuity fund - net of deferred tax	Unrealized (loss) / gain on equity investments			
(Rupees in '000)								
<b>Balance as at July 01, 2021</b>	425,069	998,628	180,000	3,676,676	14,989	744,478	5,614,771	6,039,840
Net Profit for the period	-	-	-	272,508	-	-	272,508	272,508
Other comprehensive income for the period	-	-	-	-	-	(200,375)	(200,375)	(200,375)
Total comprehensive income for the period	-	-	-	272,508	-	(200,375)	72,133	72,133
<b>Balance as at September 30, 2021</b>	425,069	998,628	180,000	3,949,184	14,989	544,103	5,686,904	6,111,973
<b>Balance as at July 1, 2022</b>	425,069	998,628	180,000	4,349,650	7,070	295,140	5,830,488	6,255,557
Net profit for the period	-	-	-	162,010	-	-	162,010	162,010
Other comprehensive income for the period	-	-	-	-	-	120,033	120,033	120,033
Total comprehensive income for the period	-	-	-	162,010	-	120,033	282,043	282,043
<b>Balance as at September 30, 2022</b>	425,069	998,628	180,000	4,511,660	7,070	415,173	6,112,531	6,537,600

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Amer Faruque**  
 Chief Executive

  
**Shehryar Faruque**  
 Director

  
**Syed Waqar Haider Kazmi**  
 Chief Financial Officer

# Notes to the Condensed Interim Financial Statements (Unaudited)

For the Period Ended September 30, 2022

## 1. CORPORATE INFORMATION

**1.1** Cherat Packaging Limited (the Company) was incorporated in Pakistan as a public company limited by shares in the year 1989. Its main business activities are manufacturing, marketing and sale of paper sacks, polypropylene bags and flexible packaging material. The Company is listed on Pakistan Stock Exchange. The registered office of the Company is situated at 1st Floor, Betani Arcade, Jamrud Road, Peshawar, Pakistan.

## 2. BASIS OF PREPARATION

**2.1** These 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 Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards 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 with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

**2.2** These 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 Company's annual financial statements for the year ended June 30, 2022

## 3. ACCOUNTING POLICIES

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

## 4. PROPERTY, PLANT AND EQUIPMENT

Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Opening net book value (NBV)	5,425,194	4,757,442
Additions during the period / year (cost)	32,437	1,037,122
	5,457,631	5,794,564
Depreciation charged during the period / year	(95,093)	(354,931)
Disposals during the period / year (NBV)	(538)	(14,439)
Closing (NBV)	5,362,000	5,425,194
Capital work-in-progress	344,022	130,452
	<u>5,706,022</u>	<u>5,555,646</u>

Note	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
<b>4.1 Additions during the period / year</b>		
Building on leasehold land	-	90,346
Plant and machinery	-	685,007
Power and other installations	-	150,928
Furniture and fittings	1,092	15,834
Vehicles	28,284	73,311
Equipment	1,699	12,109
Computers	1,362	9,587
	<b>32,437</b>	<b>1,037,122</b>
<b>4.2 Capital work-in-progress</b>		
Building on leasehold land	6,557	6,443
Plant and machinery	204,954	28,119
Power and other installations	300	459
Vehicles	28,646	11,187
Equipment	102,698	83,943
Computers	867	301
	<b>344,022</b>	<b>130,452</b>
<b>5. LONG-TERM INVESTMENTS</b>		
<b>Investment in related party</b>		
<b>At fair value through other comprehensive income</b>		
Cherat Cement Company Limited		
5,327,698 (June 30, 2022: 5,327,698)		
Ordinary shares of Rs. 10/- each	615,722	495,689
<b>Investment Joint venture</b>		
UniEnergy Limited	4,729	4,729
	<b>620,451</b>	<b>500,418</b>
<b>6. LONG-TERM FINANCING – secured</b>		
<b>Islamic banks</b>		
Fixed Assets Refinance Loan - Polypropylene Line - III	90,000	135,000
Fixed Assets Refinance Loan - Kraftpaper Line - V	240,000	300,000
Islamic Finance Facility for Renewable Energy	77,196	80,268
Fixed Assets Refinance Loan - Rotogravure printing Line - II Project	117,207	-
6.1	<b>524,403</b>	<b>515,268</b>

	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
<b>Conventional banks</b>		
Fixed Assets Refinance Loan - Flexible Packaging Line - I		
Tranche 1	840,000	960,000
Tranche 2	480,000	480,000
Temporary Economic Refinance Facility (TERF) - Polypropylene Line - IV	421,096	404,733
	1,741,096	1,844,733
Refinance Scheme for Payment of Wages and Salaries	66,823	97,624
	2,332,322	2,457,625
Current maturity of long-term financing	(647,703)	(676,024)
	1,684,619	1,781,601

**6.1** Represents Diminishing Musharaka obtained from an Islamic bank for the import of Rotogravure printing line II. The approved limit of the loan is Rs. 1,000 million out of which is Rs. 882.79 million remained unutilized till the year end. The loan carries mark-up at the rate of 3 months KIBOR plus 0.2 % per annum. The loan is repayable in 10 equal semi-annual instalments commencing after 30 months from the date of first disbursement i.e. from August 16, 2022. It is secured by way of first pari-passu hypothecation charge of Rs. 1,333 million over plant and machinery of the Company.

## 7. SHORT-TERM BORROWINGS - secured

The Company has facilities obtained from various conventional and islamic banks amounting to Rs. 9,100 million (June 30, 2022: Rs. 7,550 million) out of which Rs. 4,162.26 million (June 30, 2022: Rs. 3,981 million) remain unutilized at the period end.

## 8. CONTINGENCIES AND COMMITMENTS

### 8.1 Contingencies

There are no material changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2022.

### 8.2 Commitments

	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)	
Outstanding letters of guarantee - conventional banks	77,018	77,018
Outstanding letters of credit - conventional and islamic banks	1,973,174	2,125,109
Capital commitments	722,918	747,790

**8.2.1** Includes capital commitments related to import of Plant and Machinery amounting to Rs. 660.81 million (June 30, 2022: Rs. 747.79 million) and capital commitments extended to related parties amounting to Rs. 62.11 million (June 30, 2022: Nil).

## 9. FINANCE COSTS

Includes mark-up on long-term financing amounting to Rs. 81.40 million (September 30, 2021: Rs. 48.36 million), mark-up on short-term borrowings and bank charges amounting to Rs. 169.07 million (September 30, 2021: Rs. 44.15 million).

## 10. TAXATION

Provision for current taxation is based on normal tax at the current rates of taxation after taking into account tax credits, if any. Income subject to final tax has been taxed accordingly.

## 11. EARNINGS PER SHARE

	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)
Net profit for the period (Rupees'000)	162,010	272,508
Weighted average number of ordinary shares in issue during the period	42,506,835	42,506,835
Earnings per share- basic and diluted	Rs. 3.81	Rs. 6.41

## 12. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

These 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 Company's annual financial statements for the year ended June 30, 2022. There have been no changes in any risk management policies since the year end.

The carrying value of all financial and non-financial assets and liabilities measured at other than amortized cost in these condensed interim financial statements approximate their fair values.

## 13. SEGMENT REPORTING

For management purposes, the activities of the Company are organized into two operating segments as shown below. The Company operates in the said reportable operating segments based on the nature of the products, risks and returns, organizational and management structure, and internal financial reporting systems.

Type of segments	Nature of business
Bags manufacturing division	Kraft paper and polypropylene bags manufacturing
Flexible packaging division	Extrusion, Flexo Graphic and Rotogravure printing

### 13.1 Segment analysis and reconciliation for the period ended September 30, 2022

	Bags Manufacturing Division		Flexible Packaging Division		Total	
	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)
	(Rupees in '000)					
<b>Sales</b>						
External Sales	2,476,771	2,430,733	1,326,032	665,337	3,802,803	3,096,070
Inter-segment sales	-	-	-	-	-	-
<b>Total Revenue</b>	<b>2,476,771</b>	<b>2,430,733</b>	<b>1,326,032</b>	<b>665,337</b>	<b>3,802,803</b>	<b>3,096,070</b>
Depreciation and amortization	56,401	42,456	38,868	37,283	95,269	79,739
Finance costs	28,964	10,709	52,441	33,710	81,405	44,419
<b>Operating profit / (loss) before tax and before unallocated expenses</b>	<b>479,780</b>	<b>554,533</b>	<b>(64,226)</b>	<b>(111,010)</b>	<b>415,554</b>	<b>443,523</b>
<b>Unallocated corporate expenses</b>						
Finance costs	-	-	-	-	(169,064)	(48,093)
Other expenses	-	-	-	-	(15,856)	(28,224)
Other income	-	-	-	-	9,989	9,755
Taxation	-	-	-	-	(78,613)	(104,453)
<b>Net profit for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>162,010</b>	<b>272,508</b>

### 13.2 Reportable Segment assets and liabilities

	Bags Manufacturing Division		Flexible Packaging Division		Total	
	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)	September 30, 2022 (Unaudited)	June 30, 2022 (Audited)
	(Rupees in '000)					
Segment assets	9,570,785	8,221,944	5,941,821	5,297,205	15,512,606	13,519,149
Unallocated assets	-	-	-	-	1,518,916	1,402,508
<b>Total assets</b>	<b>9,570,785</b>	<b>8,221,944</b>	<b>5,941,821</b>	<b>5,297,205</b>	<b>17,031,522</b>	<b>14,921,657</b>
Segment liabilities	1,000,859	1,115,883	1,554,141	1,567,813	2,555,000	2,683,696
Unallocated liabilities	-	-	-	-	7,938,922	5,982,404
<b>Total liabilities</b>	<b>1,000,859</b>	<b>1,115,883</b>	<b>1,554,141</b>	<b>1,567,813</b>	<b>10,493,922</b>	<b>8,666,100</b>

13.2.1 Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Certain assets and liabilities of the Company cannot be allocated to a specific segment. Accordingly, these amounts have been classified as unallocated.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one year.

#### 14. TRANSACTIONS WITH RELATED PARTIES

The related parties of the Company comprise of associated companies, directors, retirement funds, and key management personnel of the Company. Transactions with related parties other than those disclosed elsewhere in the financial statements, are as follows:

Relationship	Nature of transactions	September 30, 2022 (Unaudited)	September 30, 2021 (Unaudited)
		(Rupees in '000)	
Associates	Sale of goods	671,140	641,301
	Purchase of goods	625	4,415
	Purchase of fixed assets	13,673	12,869
	Services received	10,741	14,647
	IT support charges	3,998	3,998
Key management personnel	Remuneration	65,464	54,253
Other related parties	Contribution to staff provident and gratuity funds	5,365	6,207
	Insurance premium	7,683	4,543

In addition, certain actual administrative expenses are being shared amongst the group companies.



## 15. DIVIDEND AND APPROPRIATIONS

Subsequent to year ended June 30, 2022, the Board of Directors in its meeting held on August 24, 2022 has proposed final cash dividend @ Rs. 1.5 per share amounting to Rs. 63.77 million (2021: Rs. 4 per share amounting to Rs. 170.03 million) and bonus shares @ 10% (4,250,683 shares) (2021: Nil) which has been approved by the members at the Annual General Meeting held on October 11, 2022. This is in addition to the interim cash dividend @ Re. 1 per share amounting to Rs. 42.51 million (2021: Re. 1 per share amounting to Rs. 42.51 million) approved by the Board of Directors for the year ended June 30, 2022. Being a non-adjusting subsequent event, it has not been accounted for in these financial statements.

## 16. DATE OF AUTHORIZATION

These condensed interim financial statements were authorized for issue on October 19, 2022 by the Board of Directors of the Company.

## 17. GENERAL

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



**Amer Faruque**  
Chief Executive



**Shehryar Faruque**  
Director



**Syed Waqar Haider Kazmi**  
Chief Financial Officer



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