



UNITY FOODS LIMITED
— food for life! —

FARM TO FORK

1st Quarterly Report 2021-22
(UNAUDITED)





UNITY FOODS LIMITED

— food for life! —

**Condensed Interim Financial
Statements (Unaudited)**

**For the Quarter Ended
September 30, 2021**

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COMPANY INFORMATION

Board of Directors	Mr. Sulaiman Sadruddin Mehdi Mr. Muhammad Farrukh Mr. Abdul Majeed Ghaziani Mr. Muneer S. Godil Mr. Saad Amanullah Khan Ms. Lie Hong Hwa Ms. Tayyaba Rasheed	Chairman- Independent Chief Executive Non- Executive Independent Independent Non-Executive Independent	Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Faysal Bank Limited JS Bank Limited
Audit Committee	Mr. Saad Amanullah Khan Mr. Abdul Majeed Ghaziani Mr. Muneer S. Godil Ms. Tayyaba Rasheed	Chairman	Legal Advisor Mohsin Tayebaly & Co. 1st Floor, Dime Centre, BC-4, Block-9 Kehkashan, Clifton, Karachi -75500 Phone # +92-21-111-682-529
Human Resources & Remuneration Committee	Ms. Tayyaba Rasheed Mr. Saad Amanullah Khan Mr. Muneer S. Godil Mr. Abdul Majeed Ghaziani	Chairperson	Share Registrar F.D. Share Registrar (Pvt.) Ltd 17th Floor, Saima Trade Tower A, I.I Chundrigar Road, Karachi Phone # +92-21-32271905-6
Investment Committee	Mr. Sulaiman Sadruddin Mehdi Ms. Tayyaba Rasheed Mr. Abdul Majeed Ghaziani	Chairman	Registered Office Unity Tower, 8-C, P.E.C.H.S. Block-6, Karachi 75400.
Chief Financial Officer	Mr. Jalees Edhi		Phone No. +92 21 34373605-607, 34388666, 34387666 Fax No. +92 21 34373608 Email info@unityfoods.pk Website www.unityfoods.pk Business Import of Oil Seeds, Solvent Extraction, Refining and Marketing of Edible Oil and Processing of By-products.
Company Secretary	Syed Muhammad Tariq Nabeel Jafri		Status of Company Public Listed Company (PLC) Company Registration number K-0023133 National Tax Number 0698412-6 Contact Person Syed Muhammad Tariq Nabeel Jafri Phone No. +92-21-34373605-607 Email info@unityfoods.pk
External Auditor	KPMG Taseer Hadi & Co. Chartered Accountants Sheikh Sultan Trust Building no. 2 Beaumont Road Karachi 75530		Factories Solvent Extraction Plant, Chemical Refinery and Pellitising Mills N-25 & N-27 /B Site Area, Kotri District Hyderabad
Head of Internal Audit	Chaudhary Waqas Shoukat		Oil Refinery A-48, (Chemical Area), Eastern Industrial Zone, Port Qasim Authority, Karachi
Bankers	Al Baraka Bank (Pakistan) Limited Habib Metropolitan Bank Limited Habib Bank Limited Bank Al –Habib Limited MCB Bank Limited Meezan Bank Limited Bank Al Falah Limited Dubai Islamic Bank Limited Askari Bank Limited United Bank Limited Bank Islami Pakistan Limited Bank of Punjab Samba Bank Limited		Soap Plant C-375, C-376, C-377, C-382, C-383, C-384 Hub Industrial Trading Estate, District Lasbella Hub Balochistan

VISION

To be a reliable and sustainable supplier to the nation's food security system, by way of developing and implementing efficient farm to fork supply chain across the country.

MISSION

Enhance food security in Pakistan by developing sustainable and efficient farm to fork food supply chain system.

CORE VALUES

Our values define who we are and the way we work.

- Our values - defining who we are and the way we work, comprise of Integrity, Excellence, Innovation, Teamwork, Passion, Ownership and safety
- We value honesty, trustworthiness and high ethical standards
- We strive for excellent performance in everything we do, and value innovative efforts, ideas, and methods to continually improve our business processes
- We work as one team and are passionate towards delivering our corporate goal
- We pay careful consideration to the health and safety of our team members at the workplace



OUR RECIPE FOR UNITY FOODS

Unity Foods Limited aims to provide food for life. We transform crops into products that serve the vital global needs of the food sector in this ever-growing world. We have diversified our business portfolio to operate in an assorted agro product mix for a global breadbasket, handling various agro commodities to connect them from farm to the dining table.

Our products include Edible Oil, Flour, Lentils & Pulses, Sugar, Industrial Fats, and various Feed ingredients for the poultry and livestock sector. Along with innovation, we provide customized solutions to industries handling food and feed products to help them enhance their performance and profitability.



Directors' Review Report

On behalf of the Board of Directors of Unity Foods Limited (the Company) we are pleased to present the Directors' Review Report for the first quarter ended September 30, 2021.

During the quarter, the Company's unconsolidated topline stood at PKR 16.6 billion which is an impressive growth of over 36.3% over three months ended September 30, 2020. Despite turbulent times, your Company continues to excel and grow and has been successful in achieving a gross profit of PKR 1.2 billion. However, owing to unprecedented and unpredictable rupee devaluation during the quarter, our bottom-line has been adversely affected by PKR 683.8 million which comprises of PKR 292.7 million realized exchange loss whereas the remaining PKR 391.1 million represents unrealized exchange loss. As a result, the Company has incurred a net loss of PKR 28.7 million for the period. The unrealized loss corresponds to inventory held by the Company at cost having higher Net Realizable Value (NRV) on the balance sheet date. The impact of such losses, till the time of realization, may vary (positively or negatively) in line with exchange rate movement.

Your Company is cognizant of this inherent and exogenous risk and is in discussions with its suppliers and lenders to evaluate potential structures under which its FCY exposure will be limited and resultantly reduce profit volatility owing to exchange fluctuations.

During the quarter, Sunridge Foods (Pvt) Ltd., the 100% owned subsidiary of Unity Foods, posted sales of PKR 1.7 billion with gross profit of PKR 196 million and a net loss of PKR 5.5 million. Sales grew over 4 times compared to the quarter ended September 2020 owing largely to rapid expansion of our brand, higher volumes and rising local prices. Sunridge's selling and distribution expenses have also increased by over 400% largely on account of brand building activities that will have a positive impact on the market share going forward.

On a consolidated basis, our sales stood at around PKR 18.2 billion.

KEY FINANCIAL HIGHLIGHTS (Consolidated)	1QFY22	1QFY21	FY21	FY20
Net Sales	18,241	12,580	68,831	30,480
Gross Profits	1,421	1,098	5,651	2,100
Operating Profits	933	814	4,004	1,122
Net Profit/ (Loss)	(34)	635	3,338	214
Earnings/ (Loss) per Share	(0.03)	0.98	3.61	0.36
Total Assets	46,517	26,877	44,186	19,541
Total Equity	13,154	10,955	13,188	5,893

Risks and Uncertainties

The new financial year has brought exceptional challenges to the global economy as commodity and energy price surge remain relentless as we report. This, coupled with devaluation, as explained above, has sprouted new challenges for the Company. While our Industrial and Commercial Sales continue to provide a natural hedge to the business, the management remains vigilant and is actively managing the business to keep adverse impacts to a minimum.

Future Outlook

The Company is now focusing on consolidating in the markets where it has achieved optimal product penetration. It will continue to build relations with both its suppliers and distributors for smooth and efficient supply chain management, while continuing to increase its market share with respect to consumer packs.

The Company will also continue to develop its client base in the Industrial and Commercial segment from where it can derive steady cashflows. With Covid vaccination program moving forward smoothly in the country, the Company expects HORECA sector to achieve full strength and complement the already supportive demand.

Appointment of Auditor

The Board has recommended appointment of KPMG Taseer Hadi & Co., Chartered Accountants as external auditor of the Company for the financial year ending June 30, 2022.

Commitments and Contingencies

There have been no major changes in commitments affecting financial position of the Company's affairs between the balance sheet date and the date of this report.

Acknowledgements

Alhamdulillah, we are humbled and grateful to our various stakeholders including the shareholders, bankers and others in the faith imposed in the Company that helped our growth over last four years. We thank them for their relentless support, as without this it would not have been possible to achieve these successes in such a short span of time. We look forward to this unwavering support and confidence from our stakeholders to help the Company grow further and expand our product portfolio.

We also acknowledge the efforts and hard work of our committed human resource for the extraordinary efforts they have put in to bring to fruition the outstanding results. We expect continued efforts from our employees to attain higher goals going forward.

For and on behalf of the Board,



Muhammad Farrukh
Chief Executive



Abdul Majeed Ghaziani
Director

Karachi
October 27, 2021





مستقبل کے خدو خال

کمپنی اب ان مارکیٹس میں مضبوطی پر توجہ مرکوز کر رہی ہے جہاں اس نے مصنوعات کی زیادہ سے زیادہ رسائی حاصل کی ہے۔ یہ اپنے سپلائرز اور ڈسٹری بیوٹرز دونوں کے ساتھ ہموار اور موثر سپلائی چین مینجمنٹ کے لیے تعلقات استوار کرتی رہے گی جبکہ صارفین کے حوالے سے اپنے مارکیٹ شیئر کو بڑھاتی رہے گی۔

کمپنی اپنے کلائنٹ بیس کو انڈسٹریل/کمرشل سیکشن میں بھی ترقی دیتی رہے گی جہاں سے وہ مستحکم کیش فلو حاصل کر سکتی ہے۔ ملک میں کوویڈ ویکسینیشن پروگرام آسانی سے آگے بڑھنے کے ساتھ، کمپنی توقع کرتی ہے کہ HORECA سیکٹر مکمل طور پر متحرک ہوگا اور پہلے سے موجود طلب کو بڑھائے گا۔

آڈیٹرز کی تقرری

بورڈ نے 30 جون 2022 کو ختم ہونے والے مالی سال کے لیے کے پی ایم جی تاثیر ہادی اینڈ کمپنی چارٹرڈ اکاؤنٹنٹس کو بطور بیرونی آڈیٹرز تقرری کے لیے تجویز دی ہے۔

وعدے اور ہنگامی حالات

بیلنس شیٹ کی تاریخ اور اس رپورٹ کی تاریخ کے مابین کمپنی کے امور کی مالی حیثیت کو متاثر کرنے والے وعدوں میں کوئی بڑی تبدیلی نہیں آئی ہے۔

اظہار تشکر

الحمد للہ، ہم اپنے تمام اسٹیک ہولڈرز بشمول شیئر ہولڈرز، بینکرز اور دیگر کاشکریہ ادا کرتے ہیں جنہوں نے گزشتہ چار سالوں کے دوران ہونے والی ترقی میں مدد فراہم کی۔ ہم ان کی مسلسل مدد کے لیے مشکور ہیں کیونکہ ان کی مدد کے بغیر اس قابل مدت میں ان کامیابیوں کا حصول ممکن نہیں تھا۔ ہم کمپنی کو مزید ترقی دینے اور اس کی پروڈکٹ کے پورٹ فولیو میں توسیع کے لیے آئندہ بھی ان اسٹیک ہولڈرز سے اسی طرح معاونت و راہنمائی کی توقع رکھتے ہیں۔

ہم اس دوران اپنے پر خلوص اور صلاحیتوں سے بھرپور انسانی وسائل کے بہت شکرگزار ہیں جنہوں نے اپنی لگن اور انتھک محنت کے ساتھ ادارے کے غیر معمولی نتائج کے حصول میں اہم کردار ادا کیا۔ ہم امید کرتے ہیں کہ آپ آگے بڑھتے ہوئے نئی منازل کے حصول کے لیے اسی طرح جانفشانی سے محنت کرتے رہیں گے۔

عبدالمجید غازیانی
ڈائریکٹر

محمد فرخ
چیف ایگزیکٹو

حسب الحکم بورڈ

کراچی:

12 اکتوبر 2021





ڈائریکٹرز کی جانب سے جائزہ

ہم یونٹی فوڈز لمیٹڈ (کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے نہایت مسرت کے ساتھ 30 ستمبر 2021 کو ختم ہونے والی کمپنی کی پہلی سہ ماہی کی ڈائریکٹرز جائزہ رپورٹ پیش کر رہے ہیں۔

اس سہ ماہی کے دوران، کمپنی کی ٹاپ لائن فروخت 16.6 بلین روپے رہی جو کہ گزشتہ سال 30 ستمبر 2020 کو ختم ہونے والی تین ماہ کی سہ ماہی کے مقابلے میں 36.3 فیصد زائد رہی ہیں۔ مشکل حالات کے باوجود، آپ کی کمپنی نے ترقی اور بہتری کا سلسلہ جاری رکھا۔ تاہم روپے کی قدر میں بے مثال اور غیر متوقع کمی کی وجہ سے کمپنی کے نقد منافع پر 683.8 ملین روپے کے منفی اثرات مرتب ہوئے۔ جن میں 292.7 ملین روپے کا موجودہ کرنسی تبادلے کا نقصان اور 391.1 ملین روپے کا ممکنہ کرنسی تبادلے کا نقصان شامل ہے۔ اس کے نتیجے میں اس سہ ماہی کے دوران کمپنی کو تقریباً 28.7 ملین روپے کا نقد نقصان ہوا۔ ممکنہ کرنسی تبادلے کا نقصان کمپنی میں ہیلنس شیٹ کی تاریخ کے وقت موجود خام مال کی قیمت سے مطابقت رکھتا ہے۔ جس کی موجودہ ویلیو قیمت خرید سے زائد ہے، اس نقصان کا حقیقی تعین اس وقت ہوگا جب یہ خام مال فروخت کیا جائے گا۔ اور نقصان اُس وقت کی کرنسی کی شرح تبادلہ پر منحصر ہے۔

کمپنی اس بیرونی اور بنیادی رسک سے پوری طرح آگاہ ہے اور مال مہیا کرنے والوں اور قرض مہیا کرنے والوں سے رابطے میں ہے تاکہ ایسا نظام ترتیب دیا جاسکے، جس کے تحت غیر ملکی کرنسی پر انحصار کم کیا جاسکے اور نتیجے کے طور پر کرنسی کی شرح میں اتار چڑھاؤ کی وجہ سے منافع میں کمی پیشی کو محدود کیا جاسکے۔

اس سہ ماہی کے دوران، سن رج فوڈز (پرائیوٹ) لمیٹڈ، جو کہ یونٹی فوڈز کی 100 فیصد ملکیتی کمپنی ہے، اُس نے 1.70 بلین روپے کی فروخت اور 196 ملین روپے کا مجموعی منافع (Gross Profit) حاصل کیا جبکہ 5.5 ملین روپے کا نقد نقصان رپورٹ کیا۔ برانڈ میں توسیع، زیادہ حجم اور مقامی سطح پر قیمتوں میں اضافے کے سبب گزشتہ سال ستمبر 2020 کو ختم ہونے والی سہ ماہی کے مقابلے میں مجموعی فروخت میں 4 گنا اضافہ ہوا۔ برانڈ کی آگاہی کے لیے کی جانے والی سرگرمیوں کے سبب کمپنی کے فروخت اور تقسیم کاری کے اخراجات میں 400 فیصد اضافہ ہوا، توقع ہے کہ کمپنی کے مارکیٹ کے حصے پر اس کے مثبت اثرات مرتب ہوں گے۔

بحیثیت مجموعی، ہماری ٹاپ لائن سیکلز 18.2 بلین روپے پر موجود ہیں؛

FY20	FY21	1QFY21	1QFY22	اہم مالیاتی سرخیاں (منظم)
30,480	68,831	12,580	18,241	خالص فروخت
2,100	5,651	1,098	1,421	مجموعی منافع
1,122	4,004	814	933	آپریٹنگ منافع
214	3,338	635	(34)	خالص آمدنی / (نقصان)
0.36	3.61	0.98	(0.03)	آمدنی / (نقصان) فی حصص
19,541	44,186	26,877	46,517	نوٹس اثاثہ جات
5,893	13,188	10,955	13,154	نوٹس ایکویٹی

اندیشے اور غیر یقینی صورتحال

نیامالی سال عالمی معیشت کے لیے غیر معمولی چیلنجز لایا ہے جو کہ اجناس اور توانائی کی قیمتوں میں اضافے سے ظاہر ہے اور جس میں ہماری اس رپورٹ کی تیاری کے وقت تک کوئی تبدیلی نہیں آئی ہے۔ اس کے ساتھ روپے کی قدر میں کمی نے، جس کا اوپر تفصیل کے ساتھ ذکر کیا گیا ہے، کمپنی کے لیے نئے چیلنجز کھڑے کیے ہیں۔ اگرچہ ہماری صنعتی اور تجارتی فروخت کاروبار کو ایک قدرتی تحفظ فراہم کرتی ہے تاہم منجنت کاروبار کو نہایت زریک سوچ کے ساتھ چلا رہی ہے تاکہ منفی اثرات کو کم سے کم سطح پر رکھا جاسکے۔

Condensed Interim Unconsolidated Statement of Financial Position

As at September 30, 2021

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		------(Rupees)-----	
ASSETS			
Non-current assets			
Property, plant and equipment	5	7,723,537,767	7,759,129,877
Right-of-use assets		168,384,865	192,881,614
Intangible assets		8,671,574	9,321,846
Long term deposits		21,930,527	20,938,286
Long term investment	6	827,640,674	827,640,674
		8,750,165,407	8,809,912,297
Current assets			
Stock-in-trade		10,709,188,746	10,752,535,480
Stores and spares		55,065,111	38,402,176
Trade debts		11,915,699,553	12,290,844,147
Advances, deposits and prepayments		139,167,209	117,644,803
Other receivables		43,103,216	85,642,353
Sales tax receivable		393,287,611	400,635,324
Taxation - net of provision		3,208,787,813	2,865,729,672
Short term investments	7	9,372,073,045	6,858,985,954
Cash and bank balances		525,503,286	318,042,746
		36,361,875,590	33,728,462,655
Total assets		45,112,040,997	42,538,374,952
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		9,940,500,000	9,940,500,000
Unappropriated profit		3,410,114,476	3,438,779,398
		13,350,614,476	13,379,279,398
Non-current liabilities			
Long term loans	8	177,568,468	163,358,284
Lease liabilities		82,178,906	107,744,457
Deferred government grants		27,242,936	10,853,424
Deferred tax - net		107,059,198	64,772,714
		394,049,508	346,728,879
Current liabilities			
Current portion of long term loans		193,011,955	183,805,051
Current portion of lease liabilities		103,974,051	98,031,835
Current portion of deferred government grants		15,433,146	16,074,244
Trade and other payables		13,581,808,448	13,631,498,677
Accrued mark-up		260,010,816	188,730,879
Short term borrowings		17,212,469,590	14,693,556,982
Unclaimed dividend		669,007	669,007
		31,367,377,013	28,812,366,675
Contingencies and commitments	9		
Total equity and liabilities		45,112,040,997	42,538,374,952

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



Director



Chief Executive



Chief Financial Officer

Condensed Interim Unconsolidated Statement of Profit or Loss (Unaudited)

For the Quarter Ended September 30, 2021

	Note	September 30, 2021 ------(Rupees)-----	September 30, 2020
Net sales	10	16,586,501,751	12,169,277,409
Cost of sales		(15,361,549,244)	(11,167,087,618)
Gross profit		1,224,952,507	1,002,189,791
Selling and distribution expenses		(163,770,955)	(172,711,704)
Administrative expenses		(117,489,032)	(70,315,669)
Other operating (expenses) / income	11	(687,838,143)	12,020,506
		(969,098,130)	(231,006,867)
Other income		152,867,892	16,932,265
		408,722,269	788,115,189
Finance cost		(357,606,161)	(146,470,386)
Profit before taxation		51,116,108	641,644,803
Taxation			
Current		(37,494,546)	(23,613,864)
Deferred		(42,286,484)	(27,232,414)
		(79,781,030)	(50,846,278)
(Loss) / profit after taxation		(28,664,922)	590,798,525
Basic and diluted (loss) / earnings per share	12	(0.03)	0.93

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



Director



Chief Executive



Chief Financial Officer



Unconsolidated Statement of Comprehensive Income (Unaudited)

For the Quarter Ended September 30, 2021

	September 30, 2021	September 30, 2020
	------(Rupees)-----	
(Loss) / profit after taxation	(28,664,922)	590,798,525
Other comprehensive income	-	-
Total comprehensive (loss) / income	(28,664,922)	590,798,525

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

Director

Chief Executive

Chief Financial Officer



Unconsolidated Statement of Cash Flows (Unaudited)

For the Quarter Ended September 30, 2021

	Note	September 30, 2021	September 30, 2020
		------(Rupees)-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operating activities	13	653,980,083	(2,310,616,223)
Taxes paid		(380,552,687)	(83,984,843)
Long term deposits paid		(992,241)	-
Net cash generated from / (used in) operating activities		272,435,155	(2,394,601,066)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(35,373,745)	(114,996,474)
Short term investments		(2,506,958,469)	(2,970,000,000)
Profit received on short term investments		222,259,361	2,523,863
Net cash used in investing activities		(2,320,072,853)	(3,082,472,611)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings - net		2,667,720,832	2,759,775,452
Long term loan received		88,413,516	130,808,750
Long term loan repaid		(49,119,730)	-
Rentals paid against right-of-use assets		(28,103,833)	(8,090,850)
Lease liabilities - net		-	4,972,003
Finance cost paid		(275,004,323)	(114,768,460)
Proceeds from issuance of right shares		-	4,500,000,000
Transaction cost paid on issuance of right shares		-	(72,601,151)
Net cash generated from financing activities		2,403,906,462	7,200,095,744
Net increase in cash and cash equivalents		356,268,764	1,723,022,067
Cash and cash equivalents at the beginning of the period		(938,797,367)	(102,132,974)
Cash and cash equivalents at the end of the period	13.1	(582,528,603)	1,620,889,093

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



Director



Chief Executive



Chief Financial Officer

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the Quarter Ended September 30, 2021

	Share capital	Unappropriated profit ----- (Rupees)-----	Total
Balance as at June 30, 2020 (audited)	5,440,500,000	409,190,974	5,849,690,974
Transactions with owners recorded directly in equity			
Issuance of right shares	4,500,000,000	-	4,500,000,000
Transaction cost incurred on issuance of right shares	-	(72,601,151)	(72,601,151)
Total comprehensive income for the quarter ended September 30, 2020	-	590,798,525	590,798,525
Balance as at September 30, 2020 (Unaudited)	<u>9,940,500,000</u>	<u>927,388,348</u>	<u>10,867,888,348</u>
Balance as at June 30, 2021 (audited)	9,940,500,000	3,438,779,398	13,379,279,398
Total comprehensive loss for the quarter ended September 30, 2021	-	(28,664,922)	(28,664,922)
Balance as at September 30, 2021 (Unaudited)	<u>9,940,500,000</u>	<u>3,410,114,476</u>	<u>13,350,614,476</u>

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



Director



Chief Executive



Chief Financial Officer

Notes to the Unconsolidated Financial Statements (Unaudited)

For the Quarter Ended September 30, 2021

1 THE COMPANY AND ITS OPERATIONS

1.1 Unity Foods Limited (“the Company”) was incorporated in Pakistan in 1991 as a Private Limited Company under the Companies Ordinance, 1984 (now the Companies Act, 2017) and subsequently converted into a Public Limited Company on June 16, 1991. Shares of the Company are listed in Pakistan Stock Exchange since February 01, 1994. The principal business activity of the Company has been changed from yarn manufacturing to edible oil extraction, refining and related businesses.

1.2 Geographical locations and addresses of business units including plants of the Company are as under:

Addresses	Purpose
Karachi, Sindh	
- Unity Tower, Plot No. 8-C, Block-6, P.E.C.H.S.	Registered Office of the Company
- Plot No. A-48, Industrial Zone, Port Qasim	Oil Refinery
- Plot No. D-51 & D52 Industrial Zone, Port Qasim	For Capacity Expansion
- Plot No. W2/1/67 & 68 Industrial Zone, Port Qasim	For Capacity Expansion
Kotri, District Hyderabad, Sindh	
- Plot No. N-25 & N-27/B, SITE Area	Edible Oil Extraction Plant, Refinery and Pellitising Mills
Hub, Balochistan	
- Plot No. C-375, C-376, C-377, C-382, C-383 and C-384 Hub Industrial Estate, Lasbella	Soap plant

1.3 The Company has the following subsidiary:

Name	Percentage of shareholding
Sunridge Foods (Private) Limited	100%

2 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements of the Company for the three months period ended September 30, 2021 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) -34 “Interim Financial Reporting” and provisions issued under the Companies Act, 2017. In case where the requirements differ, the provisions of and the directives issued under the Companies Act, 2017 have been followed.

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

3 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

3.1 The preparation of these condensed interim unconsolidated financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing these condensed interim unconsolidated financial statements, the significant judgments made by the management in applying the Company’s accounting policies and key sources of estimations and uncertainties were the same as those that were applied to the annual audited unconsolidated financial statements for the year ended June 30, 2021.

3.2 The Company’s financial risk management objectives and policies are consistent with those disclosed in the annual audited unconsolidated financial statements for the year ended June 30, 2021.





4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are consistent with those applied in the preparation of the audited unconsolidated financial statements for the year ended June 30, 2021.

4.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period:

Certain standards, amendments and interpretations to accounting standards are effective for accounting periods beginning on July 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 unconsolidated financial statements.

4.2 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 July 01, 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 unconsolidated financial statements.

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		------(Rupees)-----	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	5,662,395,342	5,704,554,574
Capital work-in-progress (CWIP)	5.2	2,061,142,425	2,054,575,303
		7,723,537,767	7,759,129,877
5.1 Operating fixed assets			
Written down value (WDV) - opening		5,704,554,574	2,733,661,828
Additions during the period / year- (at cost)			
- Lease hold land		-	624,293,130
- Building		-	1,324,946,795
- Plant and machinery		16,445,808	1,068,790,021
- Furniture, fixture and office equipment		4,249,021	16,812,819
- Computer and auxilliary equipment		8,111,794	12,426,645
- Motor vehicles		-	89,948,077
		28,806,623	3,137,217,487
Disposals during the period / year - (WDV)			
- Plant and machinery		-	(5,225,419)
- Furniture, fixture and office equipment		-	(377,910)
- Motor vehicles		-	(3,361,332)
		-	(8,964,661)
Depreciation charged during the period/ year		(70,965,855)	(157,360,080)
Written down value (WDV) - closing		5,662,395,342	5,704,554,574
5.2 Capital work-in-progress (CWIP)			
Opening balance		2,054,575,303	597,263,138
Additions during the period/ year		6,567,122	4,471,388,499
Transferred / adjustments during the period/ year		-	(3,014,076,334)
Closing balance		2,061,142,425	2,054,575,303

	Note	September 30, 2021 (Unaudited) ------(Rupees)-----	June 30, 2021 (Audited)
6 LONG TERM INVESTMENT			
Unquoted - at cost			
Wholly Owned Subsidiary			
Investment in Sunridge Foods (Private) Limited	6.1	827,640,674	827,640,674
6.1 The Company holds 100% shares of Sunridge Foods (Private) Limited.			
7 SHORT TERM INVESTMENTS			
At fair value through profit or loss			
Mutual funds	7.1	3,032,073,045	1,618,985,954
At amortized cost			
Term deposit receipts	7.2	6,340,000,000	5,240,000,000
		9,372,073,045	6,858,985,954
7.1 This represents HBL Cash Fund Units redeemable along with dividend units at closing price of previous day NAV. Units amounting to Rs. 3,031.90 million (June 30, 2021: 1,618.82 million) is pledged as security against a loan of Rs. 2,980 million (June 30, 2021: 1,603.70 million) from Habib Bank Limited.			
7.2 This carries profit at 6.5% - 7.2% (June 30, 2021: 6.5%) having maturity upto one year.			

	Note	September 30, 2021 (Unaudited) ------(Rupees)-----	June 30, 2021 (Audited)
8 LONG TERM LOANS			
Financing under SBP Scheme - non-shariah arrangements		236,928,430	281,530,016
Financing under ITERF Scheme - shariah arrangement	8.1	133,651,993	65,633,319
		370,580,423	347,163,335
Current portion shown under current liabilities		(193,011,955)	(183,805,051)
		177,568,468	163,358,284
8.1 There is no material change in the terms and conditions of long term loans as disclosed in the annual audited unconsolidated financial statements for the year ended June 30, 2021.			

9 CONTINGENCIES AND COMMITMENTS

There are no significant changes in the status of contingencies and commitments as reported in note 23 to the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2021, except as disclosed below in note 9.1 and 9.2.

9.1 Contingencies

In respect of the GIDC matter, as mentioned in note 23.1.1 of the annual audited unconsolidated financial statements for the year ended June 30, 2021, during the period, the Honorable Supreme Court of Pakistan (SCP) passed an interim order dated September 01, 2021, whereby granting an interim relief to the petitioners and directed that the impugned judgement of High Court of Sindh dated June 4, 2021 and recovery of the impugned levy shall remain suspended. The SCP further directed that the petitioners shall keep the bank guarantees valid and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future consignments of imported goods till final judgement is passed by the SCP.



9.2 Commitments

Commitments under letter of credit for raw materials as at September 30, 2021 amounted to Rs. 3,303.15 million (June 30, 2021: Rs. 6,093.50 million).

	September 30, 2021	September 30, 2020
	------(Rupees)-----	
10 NET SALES		
Local sales	16,586,501,751	11,859,201,913
Export sales	-	310,075,496
	<u>16,586,501,751</u>	<u>12,169,277,409</u>
11 OTHER OPERATING (EXPENSES) / INCOME		
Exchange (loss) / gain	(683,806,198)	57,600,273
Worker's welfare fund	(1,043,186)	(12,839,371)
Worker's profit participation fund	(2,988,759)	(32,740,396)
	<u>(687,838,143)</u>	<u>12,020,506</u>
12 EARNINGS PER SHARE		
(Loss) / profit after taxation	<u>(28,664,922)</u>	<u>590,798,525</u>
	------(Number of shares)-----	
Weighted average number of ordinary shares outstanding during the quarter	<u>994,050,000</u>	<u>636,984,783</u>
	------(Rupees)-----	
Basic and diluted (loss) / earnings per share	<u>(0.03)</u>	<u>0.93</u>
13 CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	51,116,108	641,644,803
Adjustments for non-cash items:		
Depreciation on operating fixed assets	70,965,855	33,057,390
Depreciation on right-of-use assets	27,051,303	7,376,617
Amortization on intangible assets	650,272	602,930
Amortization on deferred government grant	(5,524,241)	(5,696,669)
Exchange (gain)/ loss - unrealized	391,073,263	(22,789,021)
Gain on revaluation of mutual fund units - unrealized	(6,128,622)	-
Income from short term investment	(94,416,883)	(11,167,106)
Finance cost	357,606,161	146,470,386
	792,393,216	789,499,330
Changes in working capital		
(Increase)/ decrease in current assets:		
Stock-in-trade	43,346,734	31,226,178
Stores and spares	(16,662,935)	(1,989,464)
Trade debts	375,144,594	(2,346,286,330)
Advances, deposits and prepayments	(21,522,406)	(7,357,555)
Other receivables	(85,303,341)	1,688,942
Sales tax receivable	7,347,713	(135,801,354)
	302,350,359	(2,458,519,583)
Increase/ (decrease) in current liabilities:		
Trade and other payables	(440,763,492)	(640,400,574)
Sales tax payable	-	(1,195,396)
	(440,763,492)	(641,595,970)
Cash generated from / (used in) operating activities	653,980,083	(2,310,616,223)
13.1 Cash and cash equivalents comprise of:		
Cash and bank balances	525,503,286	1,620,889,093
Short term borrowings - running finance (secured)	(1,108,031,889)	-
	<u>(582,528,603)</u>	<u>1,620,889,093</u>

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of the Subsidiary, associated companies, directors of the Company, companies in which the Company's Directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. All transaction with related parties are under agreed terms/ contractual arrangements.

Transactions with related parties other than those disclosed elsewhere are as follows:

Transactions with related parties (Unaudited)

Name of related party	Nature of relationship	Nature of transaction	For the quarter ended	
			September 30, 2021 ------(Rupees)-----	September 30, 2020
Sunridge Foods (Private) Limited	Subsidiary	Purchases	42,231,438	-
		Payments	40,000,000	-
Unity Feeds (Private) Limited	Common directorship	Sales	81,640,763	29,789,940
		Sale proceeds	70,918,693	-
Provident fund	Staff retirement benefit fund	Contribution paid	8,013,511	5,505,654
Directors and executives	Key management personnel	Remuneration paid	34,958,969	11,378,821

Balances with related parties

Name of related party	Nature of relationship	Nature of balance	Balance as at	
			September 30, 2021 (Unaudited) ------(Rupees)-----	June 30, 2021 (Audited)
Sunridge Foods (Private) Limited	Subsidiary	Trade creditor	13,970,217	11,738,779
Unity Feeds (Private) Limited	Common directorship	Trade debtor	81,640,763	70,918,693
Provident fund	Staff retirement benefit fund	Net contribution payable	2,566,762	2,239,746

15 CORRESPONDING FIGURES

Certain corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions, the effect of which is immaterial.

16 GENERAL

Figures have been rounded-off to the nearest rupee unless otherwise stated.

17 DATE OF AUTHORIZATION FOR ISSUE

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



Director



Chief Executive



Chief Financial Officer

Condensed Interim Consolidated Statement of Financial Position

As at September 30, 2021

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		------(Rupees)-----	
ASSETS			
Non-current assets			
Property, plant and equipment	5	8,809,069,398	8,663,518,821
Right-of-use assets		173,242,877	198,043,252
Intangible assets		290,178,405	290,842,478
Long term deposits		27,793,073	25,780,830
		9,300,283,753	9,178,185,381
Current assets			
Stock-in-trade		11,093,027,794	11,767,752,193
Stores and spares		55,065,111	38,402,176
Trade debts		12,341,925,500	12,508,420,427
Advances, deposits and prepayments		149,458,670	139,027,298
Other receivables		43,904,760	86,420,577
Sales tax receivable		393,287,611	400,635,324
Taxation - net of provision		3,227,766,833	2,877,586,894
Short term investments	6	9,372,073,045	6,858,985,954
Cash and bank balances		540,682,742	330,464,916
		37,217,192,066	35,007,695,759
Total assets		46,517,475,819	44,185,881,140
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		9,940,500,000	9,940,500,000
Unappropriated profit		3,213,727,449	3,247,910,090
		13,154,227,449	13,188,410,090
Non-current liabilities			
Long term loans	7	177,568,468	171,547,909
Lease liabilities		87,394,758	113,215,439
Staff Retirement Benefits		6,233,100	5,513,100
Deferred government grants		27,242,936	11,172,954
Deferred tax - net		36,278,497	1,110,446
		334,717,759	302,559,848
Current liabilities			
Current portion of long term loans		213,775,861	199,367,074
Current portion of lease liabilities		104,942,949	98,927,742
Current portion of deferred government grants		16,700,845	17,341,943
Trade and other payables		13,807,987,728	13,982,556,582
Accrued mark-up		260,010,816	214,320,052
Short term borrowings		18,595,954,209	16,136,556,982
Contract liabilities		28,489,196	45,171,820
Unclaimed dividend		669,007	669,007
		33,028,530,611	30,694,911,202
Contingencies and commitments	8	-	-
Total equity and liabilities		46,517,475,819	44,185,881,140

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Director



Chief Executive



Chief Financial Officer

Condensed Interim Consolidated Statement of Profit or Loss (Unaudited)

For the Quarter Ended September 30, 2021

	Note	September 30, 2021 ------(Rupees)-----	September 30, 2020
Net sales	9	18,241,318,941	12,580,304,091
Cost of sales		(16,820,236,136)	(11,482,541,991)
Gross profit		1,421,082,805	1,097,762,100
Selling and distribution expenses		(363,066,026)	(209,073,921)
Administrative expenses		(125,392,790)	(74,935,770)
Other operating (expenses) / income	10	(687,888,769)	8,810,115
		(1,176,347,585)	(275,199,576)
Other income		194,854,485	17,404,732
		439,589,705	839,967,256
Finance cost		(398,997,642)	(153,717,840)
Profit before taxation		40,592,063	686,249,416
Taxation			
Current		(39,707,781)	(24,303,400)
Deferred		(35,066,923)	(27,232,414)
		(74,774,704)	(51,535,814)
(Loss) / profit after taxation		(34,182,641)	634,713,602
(Loss) / profit attributable to:			
Owners of the Holding Company		(34,182,641)	621,099,928
Non-controlling interest		-	13,613,674
		(34,182,641)	634,713,602
Basic and diluted (loss) / earnings per share	11	(0.03)	0.98

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Director



Chief Executive



Chief Financial Officer



Consolidated Statement of Comprehensive Income (Unaudited)

For the Quarter Ended September 30, 2021

	September 30, 2021	September 30, 2020
	------(Rupees)-----	
(Loss) / profit after taxation	(34,182,641)	634,713,602
Other comprehensive income	-	-
Remeasurement gain on staff retirement benefits	-	210,388
Total comprehensive (loss) / income	(34,182,641)	634,923,990
Total comprehensive (loss) / income for the period attributable to:		
Owners of the Holding Company	(34,182,641)	621,245,096
Non-controlling interest	-	13,678,894
	(34,182,641)	634,923,990

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.

Director

Chief Executive

Chief Financial Officer

Consolidated Statement of Cash Flows (Unaudited)

For the Quarter Ended September 30, 2021

	Note	September 30, 2021 ------(Rupees)-----	September 30, 2020
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operating activities	12	984,648,344	(2,334,250,255)
Taxes paid		(388,674,014)	(84,320,367)
Staff gratuity paid		-	(657,100)
Long term deposits paid		(992,241)	-
Net cash generated from / (used in) operating activities		594,982,089	(2,419,227,722)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of property, plant and equipment		(224,384,897)	(566,815,339)
Short term investments		(2,506,958,469)	(2,970,000,000)
Long term deposits paid		-	(200,000)
Profit received on short term investments		222,259,361	2,523,863
Net cash used in investing activities		(2,509,084,005)	(3,534,491,476)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from short term borrowings - net		2,580,329,764	2,759,775,452
Long term loan received		88,413,516	141,945,893
Long term loan repaid		(53,220,052)	-
Rentals paid against right-of-use assets		(28,103,833)	(8,090,850)
Lease liabilities - net		(182,139)	4,832,572
Loan repaid to related party		-	(75,490,811)
Finance cost paid		(309,500,358)	(122,467,453)
Proceeds from issuance of right shares		-	4,500,000,000
Transaction cost paid on issuance of right shares		-	(72,601,151)
Net cash generated from financing activities		2,277,736,898	7,127,903,652
Net increase in cash and cash equivalents		363,634,982	1,174,184,454
Cash and cash equivalents at the beginning of the period		(2,369,375,197)	(181,559,891)
Cash and cash equivalents at the end of the period	12.1	(2,005,740,215)	992,624,563

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Director



Chief Executive



Chief Financial Officer

Consolidated Statement of Changes in Equity

For the Quarter Ended September 30, 2021

	Attributable to equity holders of the Holding Company				Total Equity
	Share capital	Unappropriated profit	Total Reserves	Non - Controlling Interest	
	----- (Rupees) -----				
Balance as at June 30, 2020 (audited)	5,440,500,000	412,785,010	5,853,285,010	39,934,537	5,893,219,547
Transactions with owners recorded directly in equity					
Issuance of right shares	4,500,000,000	-	4,500,000,000	-	4,500,000,000
Transaction cost incurred on issuance of right shares	-	(72,601,151)	(72,601,151)	-	(72,601,151)
Total comprehensive income for the quarter ended September 30, 2020	-	621,245,096	621,245,096	13,678,894	634,923,990
Balance as at September 30, 2020 (Unaudited)	9,940,500,000	961,428,955	10,901,928,955	53,613,431	10,955,542,386
Balance as at June 30, 2021 (audited)	9,940,500,000	3,247,910,090	13,188,410,090	-	13,188,410,090
Total comprehensive income for the quarter ended September 30, 2021	-	(34,182,641)	(34,182,641)	-	(34,182,641)
Balance as at September 30, 2021 (Unaudited)	9,940,500,000	3,213,727,449	13,154,227,449	-	13,154,227,449

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Director



Chief Executive



Chief Financial Officer

Notes to the Consolidated Financial Statements (Unaudited)

For the Quarter Ended September 30, 2021

1 THE GROUP AND ITS OPERATIONS

The Group consists of Unity Foods Limited (“the Holding Company”) and its subsidiary company namely Sunridge Foods (Private) Limited (“the Subsidiary Company”). Brief profiles of the Holding Company and the Subsidiary are as follows:

1.1 Unity Foods Limited

Unity Foods Limited was incorporated in Pakistan in 1991 as a Private Limited Company under the Companies Ordinance, 1984 (now the Companies Act, 2017) and subsequently converted into a Public Limited Company on June 16, 1991. Shares of the Holding Company are listed in Pakistan Stock Exchange since February 01, 1994. The principal business activity of the Holding Company has been changed from yarn manufacturing to edible oil extraction, refining and related businesses.

1.2 Sunridge Foods (Private) Limited

Sunridge Foods (Private) Limited was incorporated in Pakistan as a private limited company on March 16, 2015 under the Companies Ordinance, 1984 (now the Companies Act, 2017). The principal activity of the Subsidiary Company is processing of food items.

1.3 Geographical locations and addresses of business units including plants of the Group are as under:

Addresses	Purpose
Karachi, Sindh	
- Unity Tower, Plot No. 8-C, Block-6, P.E.C.H.S.	Registered Office of the Holding Company
- 4th floor, 73-C, Jami Commercial Street No. 8, DHA Phase VII	Registered Office of the Subsidiary Company
- Plot No. A-48, Industrial Zone, Port Qasim	Oil Refinery of the Holding Company
- C6, North west zone, Port Qasim	Pesa Flour Plant of the Subsidiary Company
- Plot No. D-51 & D52 Industrial Zone, Port Qasim	For Capacity Expansion of Holding Company
- Plot No. W2/1/67 & 68 Industrial Zone, Port Qasim	For Capacity Expansion of Holding Company
- Industrial Plot no. H/14, Site Super Highway, Phase II, Karachi	Flour Mill of the Subsidiary Company
Kotri, District Hyderabad, Sindh	
- Plot No. N-25 & N-27/B, SITE Area	Edible Oil Extraction Plant, Refinery and Pellitising Mills of the Holding Company
Hub, Balochistan	
- Plot No. C-375, C-376, C-377, C-382, C-383 and C-384 Hub Industrial Estate, Lasbella	Soap plant - of the Holding Company

2 STATEMENT OF COMPLIANCE

These condensed interim consolidated financial statements of the Group for the three months period ended September 30, 2021 have been prepared in accordance with the requirements of the International Accounting Standard (IAS) -34 “Interim Financial Reporting” and provisions issued under the Companies Act, 2017. In case where the requirements differ, the provisions of and the directives issued under the Companies Act, 2017 have been followed.

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

3 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

3.1

The preparation of these condensed interim consolidated financial statements in conformity with approved accounting standards require management to make estimates, assumptions and use judgements that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations



of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing these condensed interim consolidated financial statements, the significant judgments made by the management in applying the Group's accounting policies and key sources of estimations and uncertainties were the same as those that were applied to the annual audited consolidated financial statements for the year ended June 30, 2021.

3.2 The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements for the year ended June 30, 2021.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

4.1 Standards, interpretations and amendments to published approved accounting standards that are effective in the current period:

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

4.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Group:

There are certain standards, amendments to the accounting standards and interpretations that are mandatory for the Group's accounting periods beginning on or after July 01, 2022 but are considered not to be relevant or to have any significant effect on the Group's operations and are, therefore, not detailed in these condensed interim consolidated financial statements.

	Note	September 30, 2021 (Unaudited)	June 30, 2021 (Audited)
		------(Rupees)-----	
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	5.1 6,478,921,200	6,318,337,713
	Capital work-in-progress (CWIP)	5.2 2,330,148,197	2,345,181,108
		8,809,069,398	8,663,518,821
5.1	Operating fixed assets		
	Written down value (WDV) - opening	6,318,337,713	3,005,956,547
	Additions during the period/ year- (at cost)		
	- Lease hold land	206,002,010	745,670,130
	- Building	-	1,402,878,506
	- Plant and machinery	20,257,613	1,227,782,586
	- Furniture, fixture and office equipment	5,046,391	17,200,292
	- Computer and auxilliary equipment	8,111,794	14,890,851
	- Motor vehicles	-	95,990,682
		239,417,808	3,504,413,047
	Disposals during the period/ year- (WDV)		
	- Plant and machinery	-	(5,225,419)
	- Furniture, fixture and office equipment	-	(377,910)
	- Motor vehicles	-	(5,560,352)
		-	(11,163,681)
	Depreciation charged during the period/ year	(78,834,321)	(180,868,200)
	Written down value (WDV) - closing	6,478,921,200	6,318,337,713



5.2 Capital work-in-progress (CWIP)	Note	September 30, 2021 (Unaudited) ------(Rupees)-----	June 30, 2021 (Audited)
Opening balance		2,345,181,108	610,192,212
Additions during the period/ year		190,969,099	5,074,677,739
Transferred / adjustments during the period/ year		(206,002,010)	(3,339,688,843)
Closing balance		<u>2,330,148,197</u>	<u>2,345,181,108</u>

6 SHORT TERM INVESTMENTS

At fair value through profit or loss

Mutual funds	6.1	3,032,073,045	1,618,985,954
At amortized cost			
Term deposit receipts	6.2	6,340,000,000	5,240,000,000
		<u>9,372,073,045</u>	<u>6,858,985,954</u>

6.1 This represents HBL Cash Fund Units redeemable along with dividend units at closing price of previous day NAV . Units amounting to Rs. 3,031.90 million (June 30, 2021: 1,618.82 million) is pledged as security by the Holding Company against a loan of Rs. 2,980 million (June 30, 2021: 1,603.70 million) from Habib Bank Limited.

6.2 This carries profit at 6.5% - 7.2% (June 30, 2021: 6.5%) having maturity upto one year.

7 LONG TERM LOANS	Note	September 30, 2021 (Unaudited) ------(Rupees)-----	June 30, 2021 (Audited)
Financing under SBP Scheme - non-shariah arrangements		257,692,336	305,281,664
Financing under ITERF Scheme - shariah arrangement	7.1	133,651,993	65,633,319
		<u>391,344,329</u>	370,914,983
Current portion shown under current liabilities		(213,775,861)	(199,367,074)
		<u>177,568,468</u>	<u>171,547,909</u>

7.1 There is no material change in the terms and conditions of long term loans as disclosed in the annual audited consolidated financial statements for the year ended June 30, 2021.

8 CONTINGENCIES AND COMMITMENTS

There are no significant changes in the status of contingencies and commitments as reported in note 25 to the annual audited consolidated financial statements of the Group for the year ended June 30, 2021, except as disclosed in note 8.1 and 8.2 below.

8.1 Contingencies

In respect of the GIDC matter, as mentioned in note 25.1.1 of the annual audited unconsolidated financial statements for the year ended June 30, 2021, during the period, the Honorable Supreme Court of Pakistan (SCP) passed an interim order dated September 01, 2021, whereby granting an interim relief to the petitioners and directed that the impugned judgement of High Court of Sindh dated June 4, 2021 and recovery of the impugned levy shall remain suspended. The SCP further directed that the petitioners shall keep the bank guarantees valid and enforceable and shall furnish fresh bank guarantees equivalent to the amount of levy claimed by the respondents against release of all future consignments of imported goods till final judgement is passed by the SCP.

8.2 Commitments

Commitments under letter of credit for raw materials as at September 30, 2021 amounted to Rs. 3,303.15 million (June 30, 2021: Rs. 6,093.50 million).



	September 30, 2021	September 30, 2020
9 NET SALES	------(Rupees)-----	
Local sales	17,405,882,093	12,270,228,595
Export sales	835,436,848	310,075,496
	18,241,318,941	12,580,304,091
10 OTHER OPERATING (EXPENSES) / INCOME		
Exchange (loss) / gain	(683,806,198)	57,600,273
Worker's welfare fund	(1,043,186)	(13,735,671)
Worker's profit participation fund	(2,988,759)	(35,025,961)
Others	(50,626)	(28,526)
	(687,888,769)	8,810,115
11 EARNINGS PER SHARE		
(Loss) / profit after taxation	(34,182,641)	621,099,928
	------(Number of shares)-----	
Weighted average number of ordinary shares outstanding during the quarter	994,050,000	636,984,783
	------(Rupees)-----	
Basic and diluted (loss) / earnings per share	(0.03)	0.98
12 CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	40,592,063	686,249,416
Adjustments for non-cash items:		
Depreciation on operating fixed assets	78,834,321	37,207,306
Depreciation on right-of-use assets	27,354,929	7,680,243
Amortization on intangible assets	664,072	602,930
Amortization on deferred government grant	(5,843,771)	(6,046,586)
Exchange loss / (gain) - unrealized	391,073,263	(22,789,022)
Gain on revaluation of mutual fund units - unrealized	(6,128,622)	-
Expected credit loss	-	28,526
Provision for staff gratuity	720,000	1,416,051
Profit on short term investment	(94,416,883)	(11,167,106)
Liability written back	(5,664,364)	
Finance cost	398,997,642	153,717,840
	826,182,650	846,899,598
Changes in working capital		
(Increase)/ decrease in current assets:		
Stock-in-trade	674,724,399	278,330,179
Stores and spares	(16,662,935)	(1,989,464)
Trade debts	164,263,489	(2,421,553,255)
Advances, deposits and prepayments	(11,451,372)	(12,341,725)
Other receivables	(85,326,661)	1,583,599
Sales tax receivable	7,347,713	(135,801,354)
	732,894,633	(2,291,772,020)
Increase/ (decrease) in current liabilities:		
Trade and other payables	(557,746,315)	(887,676,909)
Sales tax payable	-	(1,195,396)
Contract liabilities	(16,682,624)	(505,528)
	(574,428,939)	(889,377,833)
Cash generated from / used in operating activities	984,648,344	(2,334,250,255)



September 30, 2021 September 30, 2020
------(Rupees)-----

12.1 Cash and cash equivalents comprise of:

Cash and bank balances	540,682,742	1,661,357,099
Short term borrowings - running finance (secured)	(2,546,422,957)	(668,732,536)
	<u>(2,005,740,215)</u>	<u>992,624,563</u>

13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of the Subsidiary, associated companies, directors of the Holding Company, companies in which the Group's Directors also hold directorship, related group companies, key management personnel and staff retirement benefit funds. All transaction with related parties are under agreed terms/ contractual arrangements.

Transactions with related parties other than those disclosed elsewhere are as follows:

Transactions with related parties (Unaudited)

Name of related party	Nature of relationship	Nature of transaction	For the quarter ended	
			September 30, 2021 ------(Rupees)-----	September 30, 2020
Unity Feeds (Private) Limited	Common directorship	Sales	81,640,763	29,789,940
		Sales proceeds	70,918,693	-
Unity Enterprises (Private) Limited	Common directorship	Loan repaid	-	75,490,811
Provident fund	Staff retirement benefit fund	Contribution paid	8,013,511	5,505,654
Directors and executives	Key management personnel	Remuneration paid	40,735,787	11,378,821

Balances with related parties

Name of related party	Nature of relationship	Nature of balance	Balance as at	
			September 30, 2021 (Unaudited) ------(Rupees)-----	June 30, 2021 (Audited)
Unity Feeds (Private) Limited	Common directorship	Trade debtor	81,640,763	70,918,694
Provident fund	Staff retirement benefit fund	Net contribution payable	2,566,762	2,239,746

14 CORRESPONDING FIGURES

Certain corresponding figures have been rearranged and reclassified, wherever considered necessary, for the purposes of comparison and to reflect the substance of the transactions, the effect of which is immaterial.

15 GENERAL

Figures have been rounded-off to the nearest rupee unless otherwise stated.

16 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue in the Board of Directors meeting held on October 27, 2021.



Director



Chief Executive



Chief Financial Officer

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