



SHAMS TEXTILE MILLS LIMITED

9 MONTHS REPORT

March 31, 2022
(Un-Audited)



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COMPANY INFORMATION

Board of Directors

Muhammad Anwar	(Chairman)
Adil Bashir	
Asif Bashir	
Khurram Mazhar Karim	
Muhammad Shafiq Gill	(Nominee: NIT)
Shahid Arshad	
Minail Mishal Adamjee	

Chief Executive Officer

Khalid Bashir

Chief Financial Officer

Tariq Javed

Company Secretary

Muhammad Haroon Arif

Audit Committee

Shahid Arshad	(Chairman)
Khurram Mazhar Karim	(Member)
Asif Bashir	(Member)

Human Resource Nomination & Remuneration Committee

Minail Mishal Adamjee	(Chairman)
Asif Bashir	(Member)
Khurram Mazhar Karim	(Member)

Risk Committee

Asif Bashir	(Chairman)
Shahid Arshad	(Member)
Khurram Mazhar Karim	(Member)

Share Registrar

Corptec Associates (Pvt) Ltd.
503-E, Johar Town, Lahore.

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers

MCB Bank Limited
National Bank of Pakistan
The Bank of Punjab
United Bank Limited

Registered Office

7-B-III, Aziz Avenue, Gulberg-V, Lahore
Ph: +92-423-576 0379, 576 0382
Fax: +92-423-576 0376
Email: info@shams.com.pk
Web: www.shams.com.pk

Project Locations

Kotla Kahloon, District Nankana Sahib, Punjab
3-KM, Faisalabad Road, Chiniot, Punjab

DIRECTORS' REPORT

The Board of Directors is pleased to present a review and report on the performance of the Company for the nine months period ended March 31, 2022.

General Review

The performance of your company during the period under review has been much below expectations. Due to financial constraints your company could not cover its raw material requirement when market conditions were favorable and had to make purchases when prices had risen abnormally. We were also not able to dispose off finished goods stocks resulting in large inventories and resultant increase in financial charges. All this affected the profitability of the Company.

Financial summary of the current quarter is as follow:

	NINE MONTHS ENDED	
	31 March 2022	31 March 2021
	(Rupees in thousands)	
SALES	6,992,475	5,161,049
COST OF SALES	(6,484,542)	(4,685,050)
GROSS PROFIT	507,933	475,999
DISTRIBUTION COST	(55,450)	(51,777)
ADMINISTRATIVE EXPENSES	(72,029)	(58,649)
OTHER EXPENSES	(22,250)	(26,076)
	(149,729)	(136,502)
	358,204	339,497
OTHER INCOME	15,423	11,459
PROFIT FROM OPERATIONS	373,627	350,956
FINANCE COST	(73,414)	(48,930)
PROFIT BEFORE TAXATION	300,213	302,026
TAXATION	(86,846)	(75,026)
PROFIT AFTER TAXATION	213,367	227,000

Future Prospects:

The cotton crop this year was extremely low resulting in higher prices. The quantity has also below required standard. The industry has had to resort to heavy import to meet their requirement for raw material. Synthetic Fibers also traded much higher. However, better end product prices to some extent compensated for this high raw material cost. The Company faced many other operational challenges which were overcome by the management. Your Company is taking step to mitigate the effect of these adverse factors. It is difficult to predict the company's performance for the last quarter of the current financial year. However, the Company is making extra efforts to give reasonable results.

ACKNOWLEDGEMENTS:

We would like to thank the Board of Directors for their guidance at all times to all employees and shareholders for their cooperation. For and on behalf of Board of Directors

For and On behalf of Board of Directors



Khalid Bashir
Chief Executive

27 April 2022
Lahore



Asif Bashir
Director

ڈائریکٹر رپورٹ

بورڈ آف ڈائریکٹر 31 مارچ 2022 کو ختم ہونے والے سہ ماہی کے لیے کمپنی کی کارکردگی کے بارے میں جائزہ لینے اور رپورٹ پیش کرنے پر خوش ہیں۔

عمومی جائزہ:

زیر جائزہ مدت کے دوران آپ کی کمپنی کی کارکردگی توقعات سے بہت کم رہی ہے مالی مجبور یوں کی وجہ سے آپ کی کمپنی اپنی خام مال کی ضروریات کو پورا نہیں کر سکی جبکہ مارکیٹ کے حالات سازگار تھے اور قیمتوں میں غیر معمولی اضافہ ہونے پر خریداری کرنا پڑی۔ ہم تیار مال کو بھی فروخت کرنے کے قابل نہیں تھے جس کے نتیجے میں بہت زیادہ مقدار میں تیار مال اکٹھا ہو گیا اور مالی اخراجات میں اضافہ ہوا۔ ان سب نے کمپنی کے منافع کو متاثر کیا۔ موجودہ مدت کا مالی خلاصہ مندرجہ ذیل ہے۔

(مبلغ ملین میں)	31 مارچ 2022ء	31 مارچ 2021ء
فروخت	6,992,475	5,161,049
فروخت کی لاگت	(6,484,542)	(4,685,050)
خام منافع	507,933	475,999
تقسیم کی لاگت	(55,450)	(51,777)
انتظامی اخراجات	(72,029)	(58,649)
دیگر اخراجات	(22,250)	(26,076)
	(149,729)	(136,502)
دیگر آمدنی	358,204	339,497
آپریٹنگ سے نفع	373,627	350,956
مالیاتی اخراجات	(73,414)	(48,930)
فیکسیشن سے پہلے نفع	300,213	302,026
فیکسیشن	(86,846)	(75,026)
فیکسیشن کے بعد نفع	213,367	227,000

مستقبل کی امکانات:

اس سال کپاس کی فصل انتہائی کم تھی جس کی نتیجے میں قیمتیں زیادہ تھیں۔ مقدار بھی ضروری معیار کے مطابق نہیں تھی۔ اس صنعت کو خام مال کی ضرورت پوری کرنے کے لیے بھاری در آمد کا سہارا لینا پڑا۔ مصنوعی ریشوں میں بھی بہت کاروبار ہوا۔ تاہم کسی حد تک پیداوار کی بہتر قیمتوں نے خام مال کی اونچی قیمت کی تلافی کی ہے۔ کمپنی کو بہت سے دوسرے انتظامی چیلنجوں کا سامنا کرنا پڑا جن پر انتظامیہ نے قابو پا لیا۔ آپ کی کمپنی ان منفی عوامل کے اثرات کو کم کرنے کے لیے اقدامات کر رہی ہے۔ مجودہ مالی سال کی آخری سہ ماہی میں کمپنی کی کارکردگی کا اندازہ لگانا مشکل ہے۔ تاہم کمپنی معقول نتائج دینے کے لیے اضافی کوششیں کر رہی ہے۔

اظہار تشکر:

ہم اس موقع پر اپنے تمام حصص داروں، شراکت داروں کے تعاون اور اپنے ملازمین کے کام کرنے کو سرہاتے ہیں۔ ہم بورڈ آف ڈائریکٹر کا ان کی رہنمائی اور ان کے مشوروں کا شکریہ ادا کرتے ہیں۔

آصف بشیر
ڈائریکٹر

خالد بشیر
چیف ایگزیکٹو
127 اپریل 2022

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION As At 31 March 2022

	Un Audited 31 March 2022 Note	Audited 30 June 2021 (Rupees in thousands)
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 (30 June 2021: 25,000,000) ordinary shares of Rupees 10 each	250,000	250,000
Issued, subscribed and paid-up share capital		
8,640,000 (30 June 2021: 8,640,000) ordinary shares of Rupees 10 each	86,400	86,400
Reserves	729,036	713,784
Accumulated loss	291,497	95,410
Total equity	1,106,933	895,594
LIABILITIES		
NON-CURRENT LIABILITIES		
Gas infrastructure development cess (GIDC) payable	-	3,648
	-	3,648
CURRENT LIABILITIES		
Trade and other payables	1,844,745	1,067,130
Accrued mark-up	26,037	7,391
Short term borrowings	817,071	549,008
Current portion of non-current liabilities	37,940	46,187
Unclaimed dividend	4,627	4,334
	2,730,420	1,674,050
Total liabilities	2,730,420	1,677,698
CONTINGENCIES AND COMMITMENTS	4	-
TOTAL EQUITY AND LIABILITIES	3,837,353	2,573,292

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

		Un Audited 31 March 2022 (Rupees in thousands)	Audited 30 June 2021
	Note		
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	726,875	758,780
Long term investments		61,876	46,623
Long term security deposits		7,736	1,576
Deferred income tax asset		-	-
		796,487	806,979
CURRENT ASSETS			
Stores and spare parts		84,333	64,636
Stock-in-trade		1,925,824	908,546
Trade debts		974,059	735,048
Advances		8,836	7,326
Short term prepayment		1,439	-
Other receivables		38,127	29,929
Taxation - net		5,058	3,243
Cash and bank balances		3,190	17,585
		3,040,866	1,766,313
TOTAL ASSETS		3,837,353	2,573,292



Chief Executive



Director



Chief Financial Officer

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (Un-Audited)

For The Nine Months Ended 31 March 2022

	Note	NINE MONTHS ENDED		QUARTER ENDED	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
(Rupees in thousands)					
SALES		6,992,475	5,161,049	2,184,170	2,141,168
COST OF SALES	6	(6,484,542)	(4,685,050)	(2,110,954)	(1,846,788)
GROSS PROFIT		507,933	475,999	73,216	294,380
DISTRIBUTION COST		(55,450)	(51,777)	(17,686)	(24,048)
ADMINISTRATIVE EXPENSES		(72,029)	(58,649)	(25,134)	(20,845)
OTHER EXPENSES		(22,250)	(26,076)	2,743	(18,228)
		(149,729)	(136,502)	(40,077)	(63,121)
		358,204	339,497	33,139	231,259
OTHER INCOME		15,423	11,459	9,221	568
PROFIT FROM OPERATIONS		373,627	350,956	42,360	231,827
FINANCE COST		(73,414)	(48,930)	(28,596)	(15,535)
PROFIT BEFORE TAXATION		300,213	302,026	13,764	216,292
TAXATION		(86,846)	(75,026)	(29,253)	(30,673)
PROFIT / (LOSS) AFTER TAXATION		213,367	227,000	(15,489)	185,619
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)		24.70	26.27	(1.79)	21.48

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(Un-audited)

For The Nine Months Ended 31 March 2022

	NINE MONTHS ENDED		QUARTER ENDED	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
	(Rupees in thousands)			
PROFIT/(LOSS) AFTER TAXATION	213,367	227,000	(15,489)	186,619
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:				
(Deficit) / Surplus arising on remeasurement of investments at fair value through other comprehensive income	15,252	(1,729)	(1,362)	(1,943)
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Other comprehensive income for the period	15,252	(1,729)	(1,362)	(1,943)
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	228,619	225,271	(16,851)	183,676

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive



Director



Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For The Nine Months Ended 31 March 2022

	SHARE CAPITAL	Reserves						ACCUMULATED LOSS	TOTAL EQUITY
		Capital			Revenue		TOTAL RESERVE		
		Premium on issue of right shares	Fair value reserve FVTOCI Investments	Sub total	General reserve				
(Rupees in thousands)									
Balance as at 30 June 2020 (Audited) Profit for the nine months ended 31 March 2021 Other comprehensive loss for nine months ended 31 March 2021 Total comprehensive income for the nine months ended 31 March 2021	86,400	86,400	26,905	113,305	600,000	713,305	(266,089)	533,616	
	-	-	-	-	-	-	227,000	227,000	
	-	-	(1,729)	(1,729)	-	(1,729)	-	(1,729)	
	-	-	(1,729)	(1,729)	-	(1,729)	227,000	225,271	
Balance as at 31 March 2021 (Un-audited) Profit for the three months ended 30 June 2021 Other comprehensive income for the nine months ended 30 June 2021 Total comprehensive income for the three months ended 30 June 2021	86,400	86,400	25,176	111,576	600,000	711,576	(39,089)	758,887	
	-	-	-	-	-	-	134,499	134,499	
	-	-	2,208	2,208	-	2,208	-	2,208	
	-	-	2,208	2,208	-	2,208	134,499	136,707	
Balance as at 30 June 2021 (Audited) Transaction with owners - Dividend for the year ended 30 June 2021 @ Rupees 2.0 per share Profit for the nine months ended 31 March 2022 Other comprehensive income for the nine months ended 31 March 2022 Total comprehensive Income for the nine months ended 31 March 2022	86,400	86,400	27,384	113,784	600,000	713,784	95,410	895,594	
	-	-	-	-	-	-	(17,280)	(17,280)	
	-	-	-	-	-	-	213,367	213,367	
	-	-	15,252	15,252	-	15,252	-	15,252	
Balance as at 31 March 2022 (Un-audited)	-	-	15,252	15,252	-	15,252	213,367	228,619	
	86,400	86,400	42,636	129,036	600,000	729,036	291,497	1,106,933	

The annexed notes form an integral part of this condensed interim financial information.

Sanjay Singh
Chief Executive

Sanjay Singh
Director

Sanjay Singh
Chief Financial Officer

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CASH FLOW (Un-Audited)
For The Nine Months Ended 31 March 2022

		Nine Months Ended	
		31 March	31 March
		2022	2021
	Note	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	7	(67,473)	(203,132)
Finance cost paid		(56,548)	(41,621)
Income tax paid		(88,661)	(42,958)
GIDC paid		(13,161)	-
Worker profit participation fund paid		(25,066)	-
Net cash used in operating activities		(250,909)	(287,711)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(17,613)	(34,214)
Dividend received		180	167
Proceeds from sale of property, plant and equipment		2,871	1,211
Net cash used in investing activities		(14,562)	(32,836)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		268,063	316,754
Dividend paid		(16,987)	(90)
Net cash from financing activities		251,076	316,664
Net (decrease) in cash and cash equivalents		(14,395)	(3,883)
Cash and cash equivalents at the beginning of the period		17,585	7,074
Cash and cash equivalents at the end of the period		3,190	3,191

The annexed notes form an integral part of this condensed interim financial information.


Chief Executive


Director


Chief Financial Officer

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2022

1. THE COMPANY AND ITS OPERATIONS

Shams Textile Mills Limited ("the Company") is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now the Companies Act, 2017) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 7-B-III, Aziz Avenue, Gulberg V, Lahore. The Company is engaged in the business of manufacturing, sale and trading of yarn.

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 annual audited financial statements of the Company for the year ended 30 June 2021. These condensed interim financial statements are unaudited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2019 and Section 237 of the Companies Act, 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these unconsolidated condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

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

4. CONTINGENCIES AND COMMITMENTS

There is no significant change in the status of contingencies as disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

Commitments

- i) Letters of credit for other than capital expenditures amounted to Rupees 52.947 million (30 June 2021: Rupees 238.451 million).

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)
For The Nine Months Ended 31 March 2022

	Audited 31 March 2022	Audited 30 June 2021		
	(Rupees in thousands)			
5. PROPERTY, PLANT AND EQUIPMENT				
Operating fixed assets (Note 5.1)	724,275	748,210		
Capital work-in-progress (Note 5.2)	2,600	10,570		
	726,875	758,780		
5.1 Operating fixed assets				
Opening book value	748,210	780,355		
Add: Cost of additions during the period / year (Note 5.1.1)	25,583	37,060		
Less: Book value of deletions during the period / year (Note 5.1.2)	(750)	(1,554)		
Less: Depreciation charged during the period / year	(48,768)	(67,651)		
	724,275	748,210		
5.1.1 Cost of additions				
Residential and other buildings on freehold land	6,543	7,318		
Plant and machinery	10,349	29,654		
Vehicles	8,691	88		
	25,583	37,060		
5.1.2 Book value of deletions				
Plant and machinery	-	(1,543)		
Vehicles	(750)	(11)		
	(750)	(1,554)		
5.2 Capital work-in-progress				
Building	-	5,000		
Advance against purchase of vehicle	2,600	5,570		
	2,600	10,570		
Un-Audited				
	Nine Months Ended	Quarter Ended		
	31 March	31 March	31 March	
	2022	2022	2021	
	(Rupees in thousands)			
6 COST OF SALES				
Raw materials consumed	6,110,177	3,949,892	2,175,717	1,566,929
Salaries, wages and other benefits	400,180	326,727	125,814	118,613
Stores and spare parts consumed	105,561	101,417	33,335	35,946
Packing materials consumed	86,189	73,783	26,699	27,211
Repair and maintenance	10,695	12,910	3,267	6,294
Fuel and power	554,687	421,433	219,629	133,106
Insurance	5,059	4,394	1,907	1,519
Other factory overheads	5,857	4,623	1,901	1,843
Depreciation	44,378	46,137	14,937	15,535
	7,322,783	4,941,316	2,603,206	1,906,996
Work-in-process:				
Opening stock	60,331	44,886	82,171	48,343
Closing stock	(85,774)	(51,778)	(85,774)	(51,778)
	(25,443)	(6,892)	(3,603)	(3,435)
Cost of goods manufactured	7,297,340	4,934,424	2,599,603	1,903,561
Finished goods:				
Opening stock	606,424	416,975	930,573	609,576
Closing stock	(1,419,222)	(666,349)	(1,419,222)	(666,349)
	(812,798)	(249,374)	(488,649)	(56,773)
	6,484,542	4,685,050	2,110,954	1,846,788

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)
For The Nine Months Ended 31 March 2022

	Un-audited Nine Months Ended	
	31 March 2022	31 March 2021
	(Rupees in thousands)	
7 CASH USED IN OPERATIONS		
Profit / (loss) before taxation	300,213	302,026
Adjustments for non-cash charges and other items:		
Depreciation	48,768	50,272
Gain on sale of property, plant and equipment	(2,121)	(839)
Finance cost	73,414	48,930
Dividend income	(180)	(167)
Exchange gain	(298)	-
Provision for Worker profit participation fund	16,123	-
Provision for worker welfare fund	6,127	-
Working capital changes (Note 8.1)	(509,519)	(603,354)
	(67,473)	(203,132)
7.1 Working capital changes		
(Increase) / decrease in current assets:		
- Stores and spare parts	(19,698)	(7,206)
- Stock-in-trade	(1,017,278)	(700,052)
- Trade debts	(239,011)	(536,699)
- Advances	(1,510)	(9,317)
- Short term prepayment	(1,439)	(1,628)
- Other receivables	(8,198)	(1,942)
	(1,287,134)	(1,256,844)
Increase in trade and other payables	777,615	653,490
	(509,519)	(603,354)

8. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL STATEMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 March 2022	Level 1	Level 2	Level 3	Total
---	---------	---------	---------	-------

Rupees in thousands

Financial assets

Investments at fair value through
other comprehensive income

61,876 - - 61,876

Total financial assets

61,876 - - 61,876

Recurring fair value measurements At 30 June 2021	Level 1	Level 2	Level 3	Total
--	---------	---------	---------	-------

Rupees in thousands

Financial assets

Investments at fair value through
other comprehensive income

46,623 - - 46,623

Total financial assets

46,623 - - 46,623

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2022

There were no transfers between levels 1 and 2 for recurring fair value measurements during the period. Further, there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii. Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments was use of quoted market prices.

9. TRANSACTION WITH RELATED PARTIES

Related parties of the Company comprise associated undertakings, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i.	Transactions	Un-Audited			
		Nine Months Ended		Quarter ended	
		31 March 2022	31 March 2021	31 March 2022	31 March 2021
(Rupees in thousands)					
Associated companies					
	Sale of goods and services	76,429	74,016	996	45,637
	Purchase of goods and services	10,550	3,197	6,489	102
	Insurance premium	8,049	8,173	224	561
	Rent expense	1,800	1,800	600	600
	Dividend paid	5,863	-	-	-
Other related parties					
	Company's contribution to employees' provident fund trust	6,304	5,629	2,337	1,965
	Remuneration of chief executive, directors and executives	28,778	25,460	9,822	8,487
ii.	Period end balances	As at 31 March 2022 (Un-audited)			
		Associated Companies	Other related Parties	Total	
		(Rupees in thousands)			
	Trade and other payables	1,966	246,376	248,342	
	Trade debts	1,845	-	1,845	
	Long term investments	4,065	-	4,065	
As at 30 June 2021 (Audited)					
		Associated Companies	Other related Parties	Total	
(Rupees in thousands)					
	Trade and other payables	352	173,007	173,359	
	Long term investments	4,065	-	4,065	
	Trade debts	8,754	-	8,754	

**SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL STATEMENTS (Un-Audited)**
For The Nine Months Ended 31 March 2022

10. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2021.

11. DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX

	Un-audited 31 March 2022	Audited 30 June 2021
	(Rupees in thousands)	
Shariah compliant bank deposits / bank balances		
Bank balances	390	3
	Un-audited Nine Months Ended 31 March 2022	31 March 2021
	(Rupees in thousands)	
Profit earned from shariah compliant bank deposits / bank balances		
Profit on deposits with banks	-	-
Revenue earned from shariah compliant business	6,992,475	5,161,049
Exchange gain / (loss)	298	(3,692)
Profits earned or interest paid on any conventional loan / advance		
Interest paid on loans	71,524	42,958
Profit earned on deposits with banks	0.40	5
Relationship with shariah compliant banks		
Name	Relationship	
BankIslami Pakistan Limited	Bank balance	
National Bank Islami	Bank balance	

12. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 27 April, 2022.


13. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim statement of financial position and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

14. GENERAL

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


Chief Executive


Director


Chief Financial Officer

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7-B-3, Aziz Avenue, Gulberg 5
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T: 92 (42) 3576 0381
F: 92 (42) 3576 0376
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www.shams.com.pk

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