



At-Tahur Limited

MARCH 31,
2022

Quarterly Un Audited Accounts





Company Information

Board of Directors

Mr. Ijaz Nisar	(Chairman)
Mr. Rasikh Elahi	(Chief Executive Officer)
Mr. Amar Zafar Khan	
Mr. Aurangzeb Firoz	
Dr. Farzana Firoz	
Mr. Shabbi Zahid Ali	
Syed Kashif ul Hassan Shah	

Audit Committee

Mr. Aurangzeb Firoz	(Chairman)
Mr. Amar Zafar Khan	(Member)
Mr. Shabbi Zahid Ali	(Member)

HR & R Committee

Mr. Ijaz Nisar	(Chairman)
Mr. Rasikh Elahi	(Member)
Mr. Shabbi Zahid Ali	(Member)

Company Secretary & Chief Financial Officer

Mr. Humza Chaudhry

Head of Internal Audit

Mr. Usman Yousaf

Share Registrar

Corplink (Pvt.) Ltd.

Wings Arcade, 1- K Commercial, Model Town, Lahore

Auditors

Riaz Ahmad & Company

Chartered Accountants

Bankers

Al-Baraka Bank (Pakistan) Limited
Askari Bank Limited
Allied Bank Limited
Bank Islamic Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Habib Metropolitan Bank Limited
JS Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Silk Bank Limited

Registered Office

182 Abu Bakar Block,
New Garden Town, Lahore
Ph: +92-42- 111 666 647
Fax: +92-423-5845525
Email: info@at-tahur.com
Web: www.at-tahur.com

Project Locations

Kotli Rai Abubakar, Distirct Kasur

AT-TAHUR LIMITED

DIRECTORS' REPORT

It gives me immense pleasure to present on behalf of the Board of Directors of **At-Tahur Limited**, (hereinafter referred to as "the Company"), financial statements of At-Tahur Limited for the nine months ended March 31, 2022. Your Company continued its journey of success and is poised for growth.

Covid-19 has impacted and irreversibly changed the economic environment. Cost push inflation has created multiple challenges for all economic sections and dairy isn't an exception. In spite of the challenges, At-Tahur displayed its resilience and adaptability to the adverse environment by posting PAT of Rs 536.78 million (195.84% higher YOY).

Farm milk production showed stellar growth on account of our timely expansion of farm animals and the ancillary infrastructure. Moreover, the company increased its SKU offerings comprising of value added downstream dairy products.

Company maintained its singular focus on operational efficiencies contributing significantly to company's profitability.

The financial performance for the nine months ended is summarized below:

Description	NINE MONTHS ENDED			QUARTER ENDED		
	July – Mar 2022 PKR million	July – Mar 2021 PKR million	Change	Jan – Mar 2022 PKR million	Jan – Mar 2021 PKR million	Change
Sales	2,325.01	1,848.25	25.80%	844.63	674.11	25.30%
Gross Profit	1,340.91	739.86	81.24%	418.16	265.55	57.47%
% of sales	57.67	40.03		49.51	39.39	
Operating Profit	640.69	244.34	162.21%	160.36	128.17	25.12%
% of sales	27.56	13.22		18.99	19.01	
Net Profit after tax	536.78	181.45	195.84%	126.27	104.28	21.09%
% of sales	23.09	9.82		14.95	15.47	
Earnings per share	2.70	1.02		0.64	0.59	

BOARD & ITS COMMITTEES:

The total number of directors are 7 as per following:

- a. Male 06
- b. Female 01

The Composition of Board of Directors is as follows:

a. Independent Directors:

1. Mr. Ijaz Nisar (Justice Rtd.)
2. Mr. Aurangzeb Firoz
3. Mr. Amar Zafar Khan
4. Dr. Farzana Firoz
5. Syed Kashif ul Hassan Shah

AT-TAHUR LIMITED

b. Other Non-Executive Directors:

1. Mr. Shabbi Zahid Ali

c. Executive Director:

1. Mr. Rasikh Elahi

AUDIT COMMITTEE

In Compliance of Listing Companies (Code of Corporate Governance) Regulation, 2019 the names of members of Audit Committee members are as under:

Sr. No.	Name of Directors
---------	-------------------

- | | |
|---|----------------------|
| 1 | Mr. Aurangzeb Firoz |
| 2 | Mr. Amar Zafar Khan |
| 3 | Mr. Shabbi Zahid Ali |

HUMAN RESOURCE & REMUNERATION COMMITTEE

In Compliance of Listing Companies (Code of Corporate Governance) Regulation, 2019 the names of members of Human Resource & Remuneration Committee members are as under:

Sr. No.	Name of Directors
---------	-------------------

- | | |
|---|----------------------|
| 1 | Mr. Ijaz Nisar |
| 2 | Mr. Shabbi Zahid Ali |
| 3 | Mr. Rasikh Elahi |

DIRECTORS' REMUNERATION

The Board of Directors has approved Directors' Remuneration Policy. The features of the policy are as follows:

- The Company shall not pay remuneration to its non-executive directors including independent directors except for meeting fee for attending Board meetings;
- The Company will reimburse or incur expenses of travelling and accommodation of Directors for attending Board meetings;
- The Directors' Remuneration policy will be reviewed and approved by the Board of Directors from time to time.

Moreover, the Board acknowledge the valuable contributions being made by the Non-Executive directors, and currently a meeting fee is being offered for attendance and participation in Board meeting, while this does not reflect compensation of their contributions and just represents a token of appreciation.

Future Outlook:

Despite the tough economic environment, the management remains fully committed and optimistic about the future potential of the business and will continue to delight consumers and fulfil their needs with high quality products and consumer centric innovation & renovation of portfolio while remaining focused on optimization of the value chain.



Rasikh Elahi
Chief Executive
April 26, 2022



Shabbi Zahid Ali
Director

ڈائریکٹرز رپورٹ

میں بورڈ آف ڈائریکٹرز کی جانب سے 31 مارچ 2022 کو ختم ہونے والے نو ماہی کے مالی جائزہ کی رپورٹ پیش کرتے ہوئے خوشی محسوس کرتا ہوں۔ آپ کی کمپنی نے کامیابی کا سفر جاری رکھا ہے اور مزید ترقی کی طرف کوشاں ہے۔

کوویڈ 19 نے معاشی ماحول کو بے حد متاثر اور تبدیل کر دیا ہے۔ قیمتوں میں اضافہ کے رجحان نے معاشی طبقات کے لیے بیشمار چیلنجز پیدا کر دیتے ہیں۔ اور دودھ کی صنعت بھی اس سے متشنیٰ نہیں ہے۔ چیلنجز کے باوجود اظہور لمیٹیڈ نے خالص منافع 536.78 ملین روپے کمایا جو کہ گزشتہ سال کے مقابلے میں 195.84 فیصد زیادہ ہے۔

فارم کے دودھ میں اضافہ، بروقت جانوروں کی تعداد میں اضافے اور ذیلی انفراسٹرکچر کی بہتری کی وجہ سے ہوا، مزید برآں کمپنی نے اپنے ایس کے یو میں اضافہ کیا ویلیو ایڈڈ پروڈاکٹ کو شامل کر کے۔

کمپنی نے اپنے آپریشنز پر مکمل فوکس کیا جسکی وجہ سے کمپنی کے منافع میں خاطر خواہ اضافہ ہوا۔

نو ماہی مالیاتی کارکردگی ذیل میں دی گئی ہے:

نوماہی (ملین روپے)			سہ ماہی (ملین روپے)		
تبدیلی	جولائی 2022	جولائی 2021	تبدیلی	جنوری 2022	جنوری 2021
آمدنی	2325.01	1,848	25.80%	844.63	674.11
مجموعی منافع مارجن	1340.91	739.86	81.24%	418.16	265.55
فروخت کا فیصد	57.67	40.03		49.51	39.39
آپریٹنگ منافع مارجن	640.69	244.34	162.21%	160.36	128.17
فروخت کا فیصد	27.56	13.22		18.99	19.01
بعد ٹیکس خالص منافع	536.78	181.45	195.84%	126.27	104.28
فروخت کا فیصد	23.09	9.82		14.95	15.47
فی شیئر آمدنی	2.70	1.02		0.64	0.59

بورڈ اور اس کی کمیٹیز

ڈائریکٹرز کی کل تعداد حسب ذیل ہے:

a.	مرد	06
b.	خاتون	01

بورڈ آف ڈائریکٹرز کی ترکیب حسب ذیل ہے:

a. آزاد ڈائریکٹرز

1. محترم اعجاز نثار (جسٹس ریٹائرڈ)
2. محترم اورنگزیب فیروز
3. محترم عامر ظفر خان
4. ڈاکٹر فرزانه فیروز
5. سید کاشف الحسن شاہ

b. نان ایگزیکٹو ڈائریکٹر

1. محترم شبی زاہد علی

c. ایگزیکٹو ڈائریکٹر

1. محترم راسخ الہی

آڈٹ کمیٹی

کوڈ آف کارپوریٹ گورننس 2019 کی تعمیل میں بورڈ آف ڈائریکٹرز نے آڈٹ کمیٹی تشکیل دی ہے۔ جس کے ارکان کے نام درج ذیل ہیں۔

نمبر شمار	نام ڈائریکٹر
1.	محترم اورنگزیب فیروز
2.	محترم عمار ظفر خان
3.	محترم شبی زاہد علی

بیومن ریسورس اینڈ ریمونریشن کمیٹی

کوڈ آف کارپوریٹ گورننس 2019 کی تعمیل میں بورڈ آف ڈائریکٹرز نے بیومن ریسورس اینڈ ریمونریشن کمیٹی تشکیل دی ہے۔ جس کے ارکان کے نام درج ذیل ہیں۔

نمبر شمار	نام ڈائریکٹر
1.	محترم اعجاز ناصر
2.	محترم شبی زاہد علی
3.	محترم راسخ الہی

ڈائریکٹرز کامشاہیرہ

بورڈ آف ڈائریکٹرز نے ڈائریکٹرز کا مشاہیرہ طے کرنے کی پالیسی مرتب کی ہے۔ پالیسی کی خصوصیات حسب ذیل ہیں:

1. کمپنی اپنے نان ایگزیکٹو اور آزاد ڈائریکٹرز کو بورڈ اجلاس میں شرکت کے لئے اجلاس فیس کے علاوہ مشاہیرہ ادا نہیں کرے گی۔
2. بورڈ اجلاس میں شرکت کی غرض سے ڈائریکٹرز کی جانب سے رہائش اور سفر پر برداشت کئے جانے والے اخراجات کمپنی ادا کرے گی۔
3. ڈائریکٹرز کی مشاہیرہ پالیسی پر ہمہ وقت نظر ثانی کی جائے گی اور بورڈ آف ڈائریکٹرز اس کی منظوری دیں گے۔

مزید برآں بورڈ نان ایگزیکٹو ڈائریکٹرز کی گراں قدر خدمات کو تسلیم کرتا ہے اور حال میں بورڈ اجلاس میں حاضری اور شرکت کے لئے اجلاس فیس ادا کی جائے گی جب کہ یہ ان کے معاوضہ کی عکاسی نہیں کرتا بلکہ یہ ان کی خدمات کا اعتراف ہے۔

مستقبل پر نظر

غیر یقینی معاشی حالات کے باوجود انتظامیہ کاروبار کے مستقبل کے بارے میں پوری پر اُمید اور پر عزم ہے اور اپنے گاہکوں کو خوش رکھے گی۔ اُن کی ضروریات کو اعلیٰ معیار کی چیزوں اور اپنی مصنوعات میں جدت اور بہتری لاکر اور اس کے ساتھ ویلیو چین کو بہتر بنائے گی۔



شبی زاہد علی
ڈائریکٹر

بورڈ آف ڈائریکٹرز کی جانب سے
راسخ الہی
چیف ایگزیکٹو ڈائریکٹر
26 اپریل 2022

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

	NOTE	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
200,000,000 (30 June 2021: 2,000,000,000) ordinary shares of Rupees 10 each		<u>2,000,000,000</u>	<u>2,000,000,000</u>
Issued, subscribed and paid-up share capital			
198,763,118 (30 June 2021: 177,467,070) ordinary Shares of Rupees 10 each		1,987,631,184	1,774,670,700
Reserves		<u>1,209,504,059</u>	<u>885,680,269</u>
Total equity		3,197,135,243	2,660,350,969
LIABILITIES			
NON-CURRENT LIABILITIES			
Employees' retirement benefit		107,819,757	87,923,340
Lease liabilities	4	87,727,233	99,697,421
Long term financing	5	470,040,662	317,970,905
Deferred income - Govement grant		<u>23,654,262</u>	<u>11,788,706</u>
		689,241,914	517,380,372
CURRENT LIABILITIES			
Trade and other payables		356,633,074	395,971,277
Short term borrowings		386,174,011	275,353,193
Accrued mark-up / profit		31,326,156	12,782,755
Current portion of non-current liabilities		104,186,767	77,741,268
Unclaimed dividend		<u>35,123</u>	<u>43,152</u>
		878,355,131	761,891,645
Total liabilities		1,567,597,045	1,279,272,017
CONTINGENCIES AND COMMITMENTS			
	6		
TOTAL EQUITY AND LIABILITIES		<u>4,764,732,288</u>	<u>3,939,622,986</u>

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR

	NOTE	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	1,503,570,704	1,389,142,377
Right-of-use assets	8	84,688,789	100,125,822
Biological assets	9	2,249,880,719	1,657,574,595
Long term security deposits		31,104,469	24,911,609
Deferred income tax asset - net		<u>19,258,286</u>	<u>19,258,286</u>
		3,888,502,967	3,191,012,689
CURRENT ASSETS			
Stores		45,962,755	36,306,621
Inventories		269,118,167	343,239,717
Biological assets	9	8,929,805	2,533,952
Trade debts		147,813,878	98,465,275
Short term advances and prepayments		65,812,377	43,200,188
Short term deposits and other receivables		161,707,438	64,751,860
Advance income tax - net of provision for taxation		45,089,984	45,880,670
Cash and bank balances		<u>131,794,917</u>	<u>114,232,014</u>
		876,229,321	748,610,297
TOTAL ASSETS		<u>4,764,732,288</u>	<u>3,939,622,986</u>



CHIEF FINANCIAL OFFICER

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	Rupees	Rupees	Rupees
REVENUE FROM CONTRACTS WITH CUSTOMERS	2,325,009,907	1,848,250,082	844,628,003	674,105,706
GAIN ARISING ON INITIAL RECOGNITION OF MILK AT FAIR VALUE LESS COSTS TO SELL AT THE TIME OF MILKING	1,540,394,303	1,135,922,043	584,772,424	439,562,540
GAINS ARISING FROM CHANGES IN FAIR VALUE LESS COSTS TO SELL OF DAIRY LIVESTOCK	694,960,762	259,244,087	144,744,533	53,246,447
	4,560,364,972	3,243,416,212	1,574,144,960	1,166,914,693
OPERATING COSTS	10 (3,219,457,991)	(2,503,556,409)	(1,155,983,203)	(901,361,263)
	1,340,906,981	739,859,803	418,161,757	265,553,430
ADMINISTRATIVE AND GENERAL EXPENSES	(210,264,283)	(137,386,348)	(98,994,297)	(47,982,568)
SELLING AND MARKETING EXPENSES	(250,252,543)	(200,138,519)	(89,424,210)	(69,277,836)
OTHER EXPENSES	(249,238,075)	(159,682,243)	(74,753,429)	(20,480,623)
	(709,754,901)	(497,207,110)	(263,171,936)	(137,741,027)
	631,152,080	242,652,693	154,989,821	127,812,403
OTHER INCOME	9,540,238	1,689,496	5,370,848	352,679
PROFIT FROM OPERATIONS	640,692,318	244,342,189	160,360,669	128,165,082
FINANCE COST	(68,187,631)	(34,600,160)	(21,451,229)	(10,586,767)
PROFIT BEFORE TAXATION	572,504,687	209,742,029	138,909,440	117,578,315
TAXATION	(35,720,413)	(28,296,980)	(12,638,481)	(13,300,956)
PROFIT AFTER TAXATION	536,784,274	181,445,049	126,270,959	104,277,359
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)	2.70	1.02	0.64	0.59

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

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	Rupees	Rupees	Rupees
PROFIT AFTER TAXATION	536,784,274	181,445,049	126,270,959	104,277,359
OTHER COMPREHENSIVE INCOME				
Items that may be reclassified subsequently to profit or loss	-	-	-	-
Items that will not be reclassified to profit or loss:	-	-	-	-
Other comprehensive income for the period	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	536,784,274	181,445,049	126,270,959	104,277,359

The annexed notes form an integral part of these condensed interim financial statements.



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			TOTAL
		CAPITAL RESERVE	REVENUE RESERVE	TOTAL RESERVES	
		SHARE PREMIUM	UN-APPROPRIATED PROFIT		
		-----Rupees-----			
Balance as at 30 June 2020 - audited	1,613,337,000	209,471,586	582,158,310	791,629,896	2,404,966,896
Transactions with owners:					
Issue of bonus shares @ 10%	161,333,700	(161,333,700)	-	(161,333,700)	-
Profit for the nine months ended 31 March 2021	-	-	181,445,049	181,445,049	181,445,049
Other comprehensive income for the nine months ended 31 March 2021	-	-	-	-	-
Total comprehensive income for the nine months ended 31 March 2021	-	-	181,445,049	181,445,049	181,445,049
Balance as at 31 March 2021 - un-audited	1,774,670,700	48,137,886	763,603,359	811,741,245	2,586,411,945
Profit for the three months ended 30 June 2021	-	-	80,824,586	80,824,586	80,824,586
Other comprehensive loss for the three months ended 30 June 2021	-	-	(6,885,562)	(6,885,562)	(6,885,562)
Total comprehensive income for the three months ended 30 June 2021	-	-	73,939,024	73,939,024	73,939,024
Balance as at 30 June 2021	1,774,670,700	48,137,886	837,542,383	885,680,269	2,660,350,969
Transaction with owners:					
Issue of bonus shares @ 12%	212,960,484	(48,137,886)	(164,822,598)	(212,960,484)	-
Profit for the nine months ended 31 March 2022	-	-	536,784,274	536,784,274	536,784,274
Other comprehensive income for the nine months ended 31 March 2022	-	-	-	-	-
Total comprehensive income for the nine months ended 31 March 2022	-	-	536,784,274	536,784,274	536,784,274
Balance as at 31 March 2022 - un-audited	1,987,631,184	-	1,209,504,059	1,209,504,059	3,197,135,243

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS ENDED 31 MARCH 2022

	NOTE	31 March 2022 Rupees	31 March 2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	11	143,448,674	314,377,090
Finance cost paid		(49,644,230)	(37,451,179)
Income tax paid		(34,929,727)	(9,802,158)
Net increase in security deposits		(6,192,860)	(5,612,160)
Net cash generated from operating activities		52,681,857	261,511,593
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(183,267,277)	(361,044,527)
Right-of-use assets			(16,256,756)
Purchase of dairy livestock		(192,964,080)	(9,963,000)
Proceeds from sale of operating fixed assets		-	27,026,500
Short term investments disposed of		-	-
Proceeds from sale of dairy livestock		46,810,700	40,254,532
Return on bank deposits		1,336,798	56,727
Net cash used in investing activities		(328,083,859)	(319,926,524)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		110,820,817	(69,669,184)
Repayment of lease liabilities		(10,797,718)	10,548,393
Long term financing obtained		242,815,239	174,372,919
Long term financing repaid		(49,865,402)	(5,016,228)
Dividend paid		(8,029)	(28,217)
Net cash from financing activities		292,964,907	110,207,683
Net decrease in cash and cash equivalents		17,562,903	51,792,752
Cash and cash equivalents at the beginning of the year		114,232,014	73,240,178
Cash and cash equivalents at the end of the year		131,794,917	125,032,930

The annexed notes form an integral part of these condensed interim financial statements.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**ELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE HALF YEAR ENDED 31 MARCH 2022**

1. THE COMPANY AND ITS OPERATIONS

- 1.1** At-Tahur Limited ("the Company") is a public limited Company incorporated in Pakistan on 16 March 2007 under the Companies Ordinance, 1984 (Now Companies Act, 2017). The Company was incorporated as a private limited Company and subsequently converted into a public limited Company with effect from 28 September 2015. On 23 July 2018, the Company was formally listed on Pakistan Stock Exchange Limited. The principal activity of the Company is to run dairy farm for the production and processing of milk and dairy products. The registered office of the Company is situated at 182-Abu Bakar Block, New Garden Town, Lahore.

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 2020. These condensed interim financial statements are un-audited, 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 condensed interim financial statements are the same as applied in the preparation of the preceding annual audited published financial statements of the Company for the year ended 30 June 2021.

3.1 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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 annual audited published financial statements of the Company for the year ended 30 June 2021.

	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
4 LEASE LIABILITIES		
Total lease liabilities	103,816,617	114,614,303
Less: Current portion shown under current liabilities	<u>(16,089,384)</u>	<u>(14,916,882)</u>
	<u>87,727,233</u>	<u>99,697,421</u>

4.1 The interest expense on lease liabilities for the period is Rupees 6.711 million (31 March 2021 : Rupees 3.269 million). The total cash outflow for leases for the period ended 31 March 2022 amounted to Rupees 11.238 million (31 March 2021: Rupees 4.322 million).

4.2 Implicit rates against lease liabilities range from 9.03% to 14.46% (30 June 2021: Rupees 9.96% to 10.35%) per annum.

4.3 Leases from banking companies are secured against the leased assets, specific hypothecation charge over leased assets, demand promissory notes, personal guarantee of chief executive of the Company and security deposits of Rupees 13.722 million (30 June 2021: Rupees 13.722 million).

	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
5 LONG TERM FINANCING		
Opening balance	377,888,223	102,342,196
Add: Loan obtained during the period / year	233,165,676	302,996,919
Less: Effect of discounting during the period / year	<u>(17,472,571)</u>	<u>(16,826,081)</u>
Present value of loan obtained during the period / year	215,693,105	286,170,838
Add: Interest accrued during the period / year	9,649,563	3,949,086
Less: Payments made during the period / year	<u>(49,865,402)</u>	<u>(14,573,897)</u>
Closing balance	553,365,489	377,888,223
Less: Current portion shown under current liabilities	<u>(83,324,827)</u>	<u>(59,917,318)</u>
	<u>470,040,662</u>	<u>317,970,905</u>

6 CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

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 except for the following:

6.1.1 On 29 November 2021, Deputy Commissioner Inland Revenue (DCIR) passed an order under section 170(3) of the Income Tax Ordinance, 2001 whereby income tax refunds amounting to Rupees 3.323 million were rejected for the tax year 2017 on account of excess payments / deductions claimed. The Company has filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] which is pending adjudication.

Further, 04 January 2022, subsequent to the reporting period, DCIR passed an order under section 170(3) of the Income Tax Ordinance, 2001 whereby income tax refunds amounting to Rupees 6.206 million were rejected for the tax year 2020 on account of excess payments / deductions claimed. The Company has filed an appeal before Commissioner Inland Revenue (Appeals) [CIR(A)] which is pending adjudication.

Based on the advice of legal counsel, the management is confident that outcome of the appeal would be in favour of the Company. Hence, no provision against the aforesaid rejections has been made in these condensed interim financial statements.

6.2 Commitments

	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
6.2.1 For capital expenditures	<u>-</u>	<u>82,809,116</u>
6.2.2 Letters of credit for capital expenditures	<u>34,396,320</u>	<u>-</u>
6.2.3 Letters of credit other than for capital expenditures	<u>59,104,070</u>	<u>51,954,620</u>
6.2.4 The Company has obtained vehicle under Ijarah arrangements from Askari Bank Limited for a period of five years. The total future monthly Ujrah payments under Ijarah are as follows:		
	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
Not later than one year	<u>11,645,123</u>	<u>2,382,969</u>
Later than one year	<u>32,601,793</u>	<u>8,728,255</u>

	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
7 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 7.1)	1,487,823,835	1,312,073,285
Capital work-in-progress (Note 7.2)	15,746,869	77,069,092
	<u>1,503,570,704</u>	<u>1,389,142,377</u>
7.1 Operating fixed assets		
Opening net book value	1,312,073,285	999,929,988
Add: Cost of additions during the period / year (Note 7.1.1)	244,771,796	409,242,220
Less: Book value of deletions during the period / year (Note 7.1.2)	(185,387)	(26,432,760)
Add: Transferred from right-of-use assets	-	2,086,487
Less: Depreciation charged during the period / year	(68,835,859)	(72,752,650)
Closing net book value	<u>1,487,823,835</u>	<u>1,312,073,285</u>
7.1.1 Cost of additions during the period / year		
Freehold Land	-	84,283,085
Buildings on freehold land	105,240,491	115,869,231
Plant and machinery	118,192,913	193,195,912
Electric installations	12,791,774	12,963,844
Office equipment	1,082,207	84,200
Vehicles	6,421,811	1,505,998
Furniture	187,000	697,650
Computers	855,600	642,300
	<u>244,771,796</u>	<u>409,242,220</u>
7.1.2 Book value of deletions during the period / year		
Plant and machinery	-	26,354,407
Vehicles	-	78,353
Electric installations	185,387	-
	<u>185,387</u>	<u>26,432,760</u>
7.2 Capital work-in-progress		
Building on freehold land	-	27,234,005
Plant and machinery	-	11,834,717
Advances against plant and machinery	4,165,342	34,429,997
Advance against electric installations	-	1,679,207
Advances to contractors for civil works	-	1,891,166
Advance against capital expenditure	11,581,527	-
	<u>15,746,869</u>	<u>77,069,092</u>
8. RIGHT-OF-USE ASSETS		
Opening book value	100,125,822	83,545,757
Add: Additions during the period / year (Note 8.1)	-	78,987,884
Less: Book value of assets transferred to fixed assets - owned during the period / year (Note 8.2)	-	(2,086,487)
Less: Depreciation expense for the period / year	(15,437,033)	(24,266,198)
Less: Disposal due to termination of lease	-	(36,055,134)
Closing book value	<u>84,688,789</u>	<u>100,125,822</u>
8.1 Cost of additions during the period / year		
Buildings	-	62,731,128
Vehicles	-	16,256,756
	<u>-</u>	<u>78,987,884</u>
8.2 Book value of assets transferred to fixed assets - owned during the period / year		
Plant and Machinery	-	331,196
Vehicles	-	1,755,291
	<u>-</u>	<u>2,086,487</u>

	Un-audited 31 March 2022 Rupees	Audited 30 June 2021 Rupees
9 BIOLOGICAL ASSETS		
Dairy livestock:		
Mature	1,406,169,354	1,098,430,809
Immature	852,641,170	561,677,738
Advance against purchase of biological assets		-
	<u>2,258,810,524</u>	<u>1,660,108,547</u>
Non-current	2,249,880,719	1,657,574,595
Current	<u>8,929,805</u>	<u>2,533,952</u>
	<u>2,258,810,524</u>	<u>1,660,108,547</u>
9.1 Reconciliation of carrying amount of dairy livestock:		
Carrying amount at the beginning of the period / year	1,660,108,547	1,476,864,226
Purchases during the period / year	192,964,080	90,739,477
Fair value gain due to new births	9,985,945	26,125,281
Gain arising from changes in fair value less costs to sell attributable to physical and price changes	684,974,817	334,459,776
	694,960,762	360,585,057
Loss due to deaths of dairy livestock	(115,130,425)	(89,300,880)
Decrease due to sales of dairy livestock	(174,092,440)	(178,779,333)
Carrying amount at the end of the period / year, which approximates the fair value less costs to sell	<u>2,258,810,524</u>	<u>1,660,108,547</u>
9.2	As at 31 March 2022, the Company held 2,605 (30 June 2021: 2,282) mature assets able to produce milk and 2,432 (30 June 2021: 1,834) immature assets that are being raised to produce milk in the future. During the period ended 31 March 2022, the Company produced approximately 16,855,400 (31 March 2021: 14,214,011) gross liters of milk from these biological assets. As at 31 March 2022, the Company also held 34 (30 June 2021: 75) immature male calves.	
9.3	The valuation of dairy livestock as at 31 December 2021 has been carried out by independent valuers. In this regard, the valuers examined the physical condition of the livestock, assessed the key assumptions and estimates and relied on the representations made by the Company as at 31 December 2021. Further, in the absence of an active market of the Company's dairy livestock in Pakistan, market and replacement values of similar livestock from active markets in Europe, Australia and United States, have been used as basis of valuation by the independent valuers. The cost of transportation to Pakistan is also considered.	
	The Company has an aggregate amount of recognized deferred income tax asset of Rupees 148.155 million (30 June 2019: Rupees 124.563 million) which represents management's best estimate of the probable benefits expected to be realized in future years in the form of reduced tax liability as the Company would be able to set off the profits earned in those years against losses carried forward. The Company has prepared five years financial projections for future taxable profits, which have been approved by the Board of Directors of the Company, to assess the recoverability of deferred income tax assets. The projections involve certain key management assumptions underlying the estimation of future taxable profits. The determination of future taxable profits is most sensitive to certain key assumptions such as recent capital injections, growth of herd, increase in milk yield, etc. Any significant changes in such assumptions may have an effect on the recoverability of deferred income tax asset. Management believes that it is probable that the Company will be able to achieve the profits and, consequently, the deferred income tax asset will be fully realized in future.	

[illegible]

12 RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS**(i) Fair value hierarchy**

Certain financial assets and financial liabilities are 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 from their carrying amounts. Judgements and estimates are made in determining the fair values of the financial instruments that are recognised 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 classify its financial instruments into the following three levels. However, as at the reporting date, the Company has no such type of financial instruments which are required to be grouped into these levels. These levels are explained as under:

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 maximise 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.

13 RECOGNIZED FAIR VALUE MEASUREMENTS - NON-FINANCIAL ASSETS**(i) Fair value hierarchy**

Judgements and estimates are made for non-financial assets 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 non-financial assets into the following three levels.

At 31 March 2022		Level 1	Level 2	Level 3	Total
----- Rupees -----					
Biological assets		-	2,258,810,524	-	2,258,810,524
Total non-financial assets	#	-	2,258,810,524	-	2,258,810,524

At 30 June 2021		Level 1	Level 2	Level 3	Total
----- Rupees -----					
Biological assets	#	-	1,660,108,547	-	1,660,108,547
Total non-financial assets	#	-	1,660,108,547	-	1,660,108,547

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

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.

(ii) Valuation techniques used to determine level 2 fair values

The fair value of these assets is determined by independent valuers. Fair value of biological assets has been determined using a replacement cost approach, whereby, current cost of similar dairy cattle in the international market has been adjusted for transportation costs to arrive at fair value.

Valuation processes

The Company engages external and independent valuers to determine the fair value of the Company's biological assets at the end of reporting period. As at 31 December 2021, the fair value of the biological assets was determined by M/s Saddruddin Associates (Private) Limited and M/s Anderson Consulting (Private) Limited.

Changes in fair values are analysed between the chief financial officer and the valuer. As part of this discussion the team presents a report that explains the reason for the fair value movements.

14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Details 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	Rupees	Rupees	Rupees
Associated companies				
Purchase of goods	-	7,568,844	-	4,594,834
Other related parties				
Bonus shares issued	161,545,996	122,383,300	-	-
Remuneration of chief executive officer and executives	52,587,893	37,941,087	16,800,435	11,022,733
			Un-audited	Audited
			31 March	30 June
			2022	2021
			Rupees	Rupees

(ii) Period end balances**Bahera (Private) Limited - associated company**

Trade and other payables	617,676	9,117,676
--------------------------	---------	-----------

15 DISCLOSURES BY COMPANY LISTED ON ISLAMIC INDEX**Description****Loan / advances obtained as per Islamic mode:**

Loans	194,491,202	369,529,056
-------	-------------	-------------

Shariah compliant bank deposits / bank balances

Bank balances	35,892,152	63,458,011
---------------	------------	------------

	Un-audited	
	NINE MONTHS ENDED	
	31 March 2022	31 March 2021
	Rupees	Rupees

Profit earned from shariah compliant bank deposits / bank balances

Profit on deposits with banks	38,638	54,328
-------------------------------	--------	--------

Revenue earned from shariah compliant business

	2,325,009,907	1,848,250,082
--	---------------	---------------

Mark-up paid on Islamic mode of financing

	9,407,140	4,132,261
--	-----------	-----------

Profits earned or interest paid on any conventional loan / advance

Interest paid on loans	40,237,090	33,318,918
Mark-up on lease liabilities	6,711,241	3,021,947
Interest on workers' profit participation fund	4,987,093	2,784,460
Profit earned on deposits with banks	1,298,160	3,862

Relationship with shariah compliant banks

Name	Relationship
Bank Islami Pakistan Limited	Bank balance
Dubai Islamic Bank Pakistan Limited	Bank balance
MCB Islamic Bank Limited	Bank balance, long term and short term borrowings
Al Baraka Bank (Pakistan) Limited	Bank balance
HBL Islamic Bank Limited	Bank balance

16 FINANCIAL RISK MANAGEMENT

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

17 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on 26 April 2022.

18 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 the 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.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER



Fresh.Pure.Nourishing



 www.at-tahur.com
 www.prema.pk
 /PremaMilk
 @PremaMilk

Address:
182-Abubakar Block,
New Garden Town, Lahore.

Phone: +92 42 3584-5901-08
Fax: +92 42 358-455-25
E-mail: info@at-tahur.com