



At-Tahur Limited

SEPTEMBER 30,  
**2021**

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](mailto:info@at-tahur.com)  
Web: [www.at-tahur.com](http://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"), reviewed financial statements of At-Tahur Limited for the period ended September 30, 2021. Your Company continued its journey of success and is poised for growth.

The financial performance for the quarter ended is summarized below:

Description	QUARTER ENDED		
	July - Sep 2021 PKR million	July - Sep 2020 PKR million	Change (YOY) PKR million
Sales	693.68	540.57	153.11
Gross Profit	471.59	258.42	213.17
% of sales	67.98%	47.81%	
Operating Profit	253.07	70.66	182.41
% of sales	36.48%	13.07%	
Net Profit before tax	231.96	59.59	172.37
% of sales	33.44%	11.02%	
Net Profit after tax	221.31	51.48	169.83
% of sales	31.90%	9.52%	
Earnings per share	1.25	0.32	

### 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

#### b. Other Non-Executive Directors:

- 1. Mr. Shabbi Zahid Ali

#### c. Executive Director:

- 1. Mr. Rasikh Elahi

## AT-TAHUR LIMITED

### 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 uncertain economic conditions, the Company is focusing on meeting customer needs through portfolio innovation and optimization of value chain/supply chain to ensure sustainable profitable growth. The company is working on new value-added products along with untapped market regions.

We are grateful to our customers for their continued patronage of our products and wish to acknowledge the efforts of the entire At-Tahur team, including our staff, vendors, dealers and all business partners for their untiring efforts in these challenging times and look forward to their continued support.



**Rasikh Elahi**  
Chief Executive  
October 28, 2021



**Shabbi Zahid Ali**  
Director

الطہور لیمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2021 کو ختم ہونے والی سہ ماہی کے مالی حسابات پیش کرنا میرے لیے باعث مسرت ہے۔ آپ کی کمپنی نے کامیابی کا سفر جاری رکھا ہوا ہے اور ترقی کے راستہ پر گامزن ہے۔

پہلی سہ ماہی کے لئے مالیاتی کارکردگی ذیل میں دی گئی ہے:

سہ ماہی (ملین روپے)			
تبدیلی (YOY)	30 ستمبر 2020	30 ستمبر 2021	
153.11	540.57	693.68	آمدنی
213.17	258.42	471.59	مجموعی منافع مارجن
	47.81	67.98	فروخت کا فیصد
182.41	70.66	253.07	آپریٹنگ منافع مارجن
	13.07	36.48	فروخت کا فیصد
172.37	59.59	231.96	
	11.02	33.44	بعد ٹیکس خالص منافع
169.83	51.48	221.31	فروخت کا فیصد
	9.52	31.09	فی شیئر آمدنی
	0.32	1.20	

بورڈ اور اس کی کمیٹیز

ڈائریکٹرز کی کل تعداد حسب ذیل ہے:

- a. مرد 06  
b. خواتین 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 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 کمپنی پائیدار منافع بخش نمو کو یقینی بنانے کے لیے پورٹ فولیو میں جدت طرازی اور ویلیو چین کی اصلاح کے ذریعے صارفین کی ضروریات کو پورا کرنے پر توجہ دے رہی ہے۔ کمپنی نئی ویلیو ایڈڈ مصنوعات پر کام کر رہی ہے اور نئی مارکیٹ کو بھی ٹارگٹ کر رہی ہے۔

ہم اپنے صارفین کی طرف سے اپنی مصنوعات کی مسلسل سرپرستی کے لیے ان کے مشکور ہیں۔ اور اس مشکل وقت میں اپنے عملے ڈیلرز اور تمام کاروباری شراکت داروں اور پوری الطہور کی ٹیم کی کاوشوں کے مشکور ہیں اور مستقبل میں بھی یہی امید رکھتے ہیں۔



شبی زاہد علی  
ڈائریکٹر



بورڈ آف ڈائریکٹرز کی جانب سے  
راسخ الہی  
چیف ایگزیکٹو ڈائریکٹر  
28 اکتوبر 2021ء

## STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	NOTE	30 September 2021 Rupees	30 June 2021 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Authorized share capital</b>			
200,000,000 (2021: 200,000,000) 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		1,774,670,700	1,774,670,700
Reserves		<u>1,106,993,314</u>	<u>885,680,269</u>
<b>Total equity</b>		<b>2,881,664,014</b>	<b>2,660,350,969</b>
<b>LIABILITIES</b>			
<b>NON-CURRENT LIABILITIES</b>			
Employees' retirement benefit		94,555,479	87,923,340
Lease liabilities		95,640,474	99,697,421
Long term financing	4	356,897,483	317,970,905
Deferred income - Government grant		<u>11,199,210</u>	<u>11,788,706</u>
		558,292,646	517,380,372
<b>CURRENT LIABILITIES</b>			
Trade and other payables		277,155,212	395,971,277
Short term borrowings		362,321,797	275,353,193
Accrued mark-up / profit		20,768,362	12,782,755
Current portion of non-current liabilities		87,548,478	77,741,268
Unclaimed dividend		<u>35,123</u>	<u>43,152</u>
		747,828,972	761,891,645
<b>Total liabilities</b>		<b>1,306,121,618</b>	<b>1,279,272,017</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	5		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>4,187,785,632</b></u>	<u><b>3,939,622,986</b></u>

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



CHIEF EXECUTIVE



DIRECTOR

	NOTE	30 September 2021 Rupees	30 June 2021 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,470,644,770	1,389,142,377
Right-of-use assets		94,519,446	100,125,822
Biological assets	7	1,875,103,078	1,657,574,595
Long term security deposits		25,780,359	24,911,609
Deferred income tax asset		<u>19,258,286</u>	<u>19,258,286</u>
		3,485,305,939	3,191,012,689
<b>CURRENT ASSETS</b>			
Stores		30,044,547	36,306,621
Inventories		273,129,356	343,239,717
Biological assets		1,738,293	2,533,952
Trade debts		117,234,460	98,465,275
Short term investment		78,922	-
Short term advances and prepayments		43,236,758	43,200,188
Short term deposits and other receivables		85,100,662	64,751,860
Advance income tax - net of provision for taxation		44,314,860	45,880,670
Cash and bank balances		<u>107,601,835</u>	<u>114,232,014</u>
		702,479,693	748,610,297
<b>TOTAL ASSETS</b>		<u><b>4,187,785,632</b></u>	<u><b>3,939,622,986</b></u>



CHIEF FINANCIAL OFFICER

**STATEMENT OF PROFIT OR LOSS  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	NOTE	30 SEPTEMBER 2021 Rupees	30 SEPTEMBER 2020 Rupees
REVENUE FROM CONTRACTS WITH CUSTOMERS		693,675,374	540,572,170
GAIN ARISING ON INITIAL RECOGNITION OF MILK AT FAIR VALUE LESS COSTS TO SELL AT THE TIME OF MILKING		414,129,150	296,336,299
GAINS ARISING FROM CHANGES IN FAIR VALUE LESS COSTS TO SELL OF DAIRY LIVESTOCK	7.1	309,665,246	139,425,892
		1,417,469,770	976,334,361
OPERATING COSTS	8	(945,878,669)	(717,919,292)
		471,591,101	258,415,069
ADMINISTRATIVE AND GENERAL EXPENSES		(53,606,266)	(44,075,187)
SELLING AND MARKETING EXPENSES		(75,351,807)	(63,987,457)
OTHER EXPENSES		(91,309,014)	(79,778,788)
		(220,267,087)	(187,841,432)
		251,324,014	70,573,637
OTHER INCOME		1,744,913	83,463
PROFIT FROM OPERATIONS		253,068,927	70,657,100
FINANCE COST		(21,112,778)	(11,069,806)
PROFIT BEFORE TAXATION		231,956,149	59,587,294
TAXATION		(10,643,104)	(8,109,834)
PROFIT AFTER TAXATION		221,313,045	51,477,460
EARNINGS PER SHARE - BASIC AND DILUTED (RUPEES)		1.25	0.32

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER




**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	<b>30 SEPTEMBER 2021 Rupees</b>	<b>30 SEPTEMBER 2020 Rupees</b>
PROFIT AFTER TAXATION	221,313,045	51,477,460
OTHER COMPREHENSIVE (LOSS) / INCOME		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified to profit or loss:		
Remeasurement of defined benefit plan - net of tax	-	-
Other comprehensive (loss) / income for the year - net of tax	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>221,313,045</u>	<u>51,477,460</u>

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

  
\_\_\_\_\_  
CHIEF EXECUTIVE

  
\_\_\_\_\_  
DIRECTOR

  
\_\_\_\_\_  
CHIEF FINANCIAL OFFICER

**STATEMENT OF CHANGES IN EQUITY  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	SHARE CAPITAL	RESERVES			TOTAL
		CAPITAL RESERVE	REVENUE RESERVE	TOTAL RESERVES	
		SHARE PREMIUM	UN- APPROPRIATE D PROFIT		
-----Rupees-----					
Balance as at 30 June 2020	1,613,337,000	209,471,586	582,158,310	791,629,896	2,404,966,896
Profit for the three months	-	-	51,477,460	51,477,460	51,477,460
Other comprehensive loss for the three months	-	-	-	-	-
Total comprehensive income for the three months	-	-	51,477,460	51,477,460	51,477,460
Balance as at 30 September 2020	1,613,337,000	209,471,586	633,635,770	843,107,356	2,456,444,356
Transactions with owners:					
Issue of 01 bonus share for every 10 ordinary shares for the year ended 30 June 2020	161,333,700	(161,333,700)	-	(161,333,700)	-
Profit for the nine months	-	-	210,792,175	210,792,175	210,792,175
Other comprehensive income for the nine months	-	-	(6,885,562)	(6,885,562)	(6,885,562)
Total comprehensive income for the year	-	-	203,906,613	203,906,613	203,906,613
Balance as at 30 June 2021	1,774,670,700	48,137,886	837,542,383	885,680,269	2,660,350,969
Profit for the three months	-	-	221,313,045	221,313,045	221,313,045
Other comprehensive loss for the three months	-	-	-	-	-
Total comprehensive income for the three months	-	-	221,313,045	221,313,045	221,313,045
Balance as at 30 September 2021	1,774,670,700	48,137,886	1,058,855,428	1,106,993,314	2,881,664,014

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



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER

**STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

	<b>30 SEPTEMBER 2021 Rupees</b>	<b>30 SEPTEMBER 2020 Rupees</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
<b>Profit before taxation</b>	231,956,149	59,587,294
<b>Adjustments for non-cash charges and other items:</b>		
Depreciation on operating fixed assets	25,875,747	20,452,072
Gains arising from changes in fair value less costs to sell of dairy livestock	(309,665,246)	(139,425,892)
Loss on sale of operating fixed asset	97,296	-
Loss on sale of dairy livestock - net	32,456,522	29,100,403
Loss due to death of dairy livestock	56,424,905	45,768,936
Allowance for expected credit losses	2,040,253	4,909,449
Return on bank deposits	(25,204)	(36,433)
Provision for employees' retirement benefit	6,632,139	5,086,810
Finance cost	21,112,778	11,069,806
	<u>(165,050,810)</u>	<u>(23,074,849)</u>
	66,905,339	36,512,445
<b>Cash generated from operating activities before working capital changes</b>		
<b>(Increase) / decrease in current assets:</b>		
- Stores	6,262,074	2,176,061
- Inventories	70,110,361	(6,972,154)
- Trade debts	(20,809,438)	(3,442,685)
- Short term advances and prepayments	(36,570)	7,702,510
- Short term deposits and other receivables	(20,348,802)	(461,900)
	35,177,625	(998,168)
<b>Decrease in trade and other payables</b>	(118,816,065)	(36,794,830)
<b>Cash used in operations</b>	<u>(16,733,101)</u>	<u>(1,280,553)</u>
Finance cost paid	(13,127,171)	(13,854,212)
Income tax paid	(9,077,295)	(2,544,193)
Net increase in security deposits	(868,750)	(2,320,360)
<b>Net cash used in operating activities</b>	<u>(39,806,317)</u>	<u>(19,999,318)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure on property, plant and equipment	(101,992,104)	(48,979,453)
Purchase of dairy livestock	(10,069,000)	-
Proceeds from sale of operating fixed assets	123,044	-
Short term investments made	(78,922)	-
Short term investments disposed off	-	4,619,240
Proceeds from sale of dairy livestock	14,119,996	11,503,552
Return on bank deposits	25,204	36,463
<b>Net cash used in investing activities</b>	<u>(97,871,782)</u>	<u>(32,820,198)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Short term borrowings - net	86,968,604	34,162,509
Repayment of lease liabilities	(2,829,392)	11,421,648
Long term financing - net	46,916,737	(7,000)
Dividend paid	(8,029)	-
<b>Net cash from financing activities</b>	<u>131,047,920</u>	<u>45,577,157</u>
<b>Net decrease in cash and cash equivalents</b>	<u>(6,630,179)</u>	<u>(7,242,359)</u>
<b>Cash and cash equivalents at the beginning of the period</b>	114,232,014	73,240,178
<b>Cash and cash equivalents at the end of the period</b>	<u>107,601,835</u>	<u>65,997,819</u>

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

  
 CHIEF EXECUTIVE

  
 DIRECTOR

  
 CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2021**

**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.

		30 September 2021 (Unaudited) Rupees	30 June 2021 (Audited) Rupees
<b>4</b>	<b>LONG TERM FINANCING</b>		
	Long term financing	426,326,692	377,888,223
	Less: Current portion shown under current liabilities	(69,429,209)	(59,917,318)
		<u>356,897,483</u>	<u>317,970,905</u>
<b>5</b>	<b>CONTINGENCIES AND COMMITMENTS</b>		
<b>5.1</b>	<b>Contingencies</b>		
<b>5.1.1</b>	There is no significant change in the status of contingencies as disclosed in the preceding audited annual financial statements of the Company for the year ended 30 June 2021.		
<b>5.2</b>	<b>Commitments</b>		
<b>5.2.1</b>	Letters of credit of the Company are of Rupees 53.20 million ( 30 June 2021: Rupees 134.76 million).		
<b>5.2.2</b>	The Company has obtained vehicles under ijarah arrangements from Askari Bank Limited for a period of five years. The total future monthly Ujrah payments under Ijarah are as follows:		
		<b>30 September 2021 (Unaudited) Rupees</b>	<b>30 June 2021 (Audited) Rupees</b>
	Not later than one year	11,322,042	2,382,969
	Later than one year and not later than five years	35,890,132	8,728,255
		<u>47,212,174</u>	<u>11,111,224</u>
		<b>30 September 2021 (Unaudited) Rupees</b>	<b>30 June 2021 (Audited) Rupees</b>
<b>6</b>	<b>PROPERTY, PLANT AND EQUIPMENT</b>		
	Operating fixed assets	1,303,087,396	1,312,073,285
	Capital work-in-progress (Note 6.2)	167,557,374	77,069,092
		<u>1,470,644,770</u>	<u>1,389,142,377</u>
<b>6.1</b>	<b>Operating fixed assets - owned</b>		
	Opening net book value	1,312,073,285	999,929,988
	Add: Cost of additions during the period (Note 6.1.1)	11,465,781	409,242,220
	Add: Book value of assets transfer from leased asset during the period	-	2,086,487
	Less: Book value of deletions during the period	(182,297)	(26,432,760)
	Less: Depreciation charged during the period	(20,269,373)	(72,752,650)
	Closing net book value	<u>1,303,087,396</u>	<u>1,312,073,285</u>
<b>6.1.1</b>	<b>Cost of additions during the period</b>		
	Land	-	84,283,085
	Buildings on freehold land	-	115,869,231
	Plant and machinery	6,775,463	193,195,912
	Electric installations	3,031,787	12,963,844
	Office equipment	-	84,200
	Vehicles	1,427,031	1,505,998
	Furniture	-	697,650
	Computers	231,500	642,300
		<u>11,465,781</u>	<u>409,242,220</u>
<b>6.2</b>	<b>Capital work-in-progress</b>		
	Building on freehold land	158,820,919	27,234,005
	Plant and machinery	-	11,834,717
	Advance against plant and machinery	2,158,470	34,429,997
	Advance against contractor for civil works	4,898,778	1,891,166
	Advances against electric installation	1,679,207	1,679,207
		<u>167,557,374</u>	<u>77,069,092</u>

	30 September 2021 (Unaudited) Rupees	30 June 2021 (Audited) Rupees
<b>7 BIOLOGICAL ASSETS</b>		
Dairy livestock:		
Mature	1,297,031,244	1,098,430,809
Immature	579,810,127	561,677,738
	<u>1,876,841,371</u>	<u>1,660,108,547</u>
Non-current	1,875,103,078	1,657,574,595
Current	1,738,293	2,533,952
	<u>1,876,841,371</u>	<u>1,660,108,547</u>
	<b>30 September 2021 (Unaudited) Rupees</b>	<b>30 June 2021 (Audited) Rupees</b>

**7.1 Reconciliation of carrying amount of dairy livestock:**

Carrying amount at the beginning of the period	1,660,108,547	1,476,864,226
Purchases during the period	10,069,000	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	299,679,302	334,459,776
	309,665,247	360,585,057
Decrease due to deaths	(56,424,905)	(89,300,880)
Decrease due to sales	(46,576,518)	(178,779,333)
Carrying amount at the end of the period, which approximates the fair value less costs to sell	<u>1,876,841,371</u>	<u>1,660,108,547</u>

7.2 As at 30 September 2021, the Company held 2,489 (30 June 2021: 2,282) mature assets able to produce milk and 1,959 (30 June 2021: 1,834) immature assets that are being raised to produce milk in the future. During the period, the Company produced approximately 4,601,435 (30 September 2020: 4,097,004) gross litres of milk from these biological assets. As at 30 September 2021, the Company also held 79 (30 June 2021: 75) immature male calves.

7.3 The valuation of dairy livestock as at 30 June 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 30 June 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 and Australia, have been used as basis of valuation by the independent valuers. The cost of transportation to Pakistan is also considered.

	QUARTER ENDED	
	30 September 2021 (Unaudited) Rupees	30 September 2020 (Unaudited) Rupees
<b>8 OPERATING COSTS</b>		
Raw milk consumed	418,428,162	300,744,039
Forage consumed	290,204,465	225,211,913
Packing materials consumed	69,345,468	60,805,956
Stores consumed	415,046	796,272
Salaries, wages and other benefits	28,862,539	23,198,783
Oil and lubricants	33,026,865	36,674,148
Utilities	22,695,225	12,023,290
Insurance	456,993	313,321
Repair and maintenance	18,758,227	11,053,884
Artificial insemination supplies consumed	1,936,690	1,190,858
Dairy livestock medication consumed	17,353,442	13,219,663
Dairy supplies consumed	11,581,794	12,093,421
Chemicals consumed	3,480,955	3,099,935
Vehicles' running	4,178,732	1,071,029
Depreciation	15,740,388	13,498,368
Rent, rates and taxes	1,827,187	2,501,903
Miscellaneous	1,437,410	2,570,816
	<u>939,729,588</u>	<u>720,067,599</u>
Finished / manufactured goods		
Opening inventory	14,435,762	5,134,274
Closing inventory	(8,286,681)	(7,282,581)
	<u>6,149,081</u>	<u>(2,148,307)</u>
	<u>945,878,669</u>	<u>717,919,292</u>

**9. 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 to 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 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, trading and available-for-sale 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.

**10. 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 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 30 September 2021	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Biological assets	-	1,876,841,371	-	1,876,841,371
<b>Total non-financial assets</b>	-	1,876,841,371	-	1,876,841,371

At 30 June 2021	Level 1	Level 2	Level 3	Total
----- Rupees -----				
Biological assets	-	1,660,108,547	-	1,660,108,547
<b>Total non-financial assets</b>	-	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, independent valuers to determine the fair value of the Company's biological assets at the end of every year. As at 30 June 2021, the fair value of the biological assets was determined by M/s Happy Cattle Dairy Farm (Private) Limited, M/s Sadruddin Associate (Private) Limited and M/s Andersen Consulting (Private) Limited.

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

**11 TRANSACTIONS WITH RELATED PARTIES**

The Company carries out transactions with related parties in the normal course of business. Detail of transactions and balances with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	<b>30 September 2021 (Unaudited) Rupees</b>	<b>30 September 2020 (Unaudited) Rupees</b>
<b>Associated company</b>		
Purchase of goods	-	1,001,120

**12 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.

**13 SEGMENT INFORMATION**

These financial statements has been prepared on the basis of single reportable segment. All of the sales of the Company relates to customers in Pakistan. All non-current assets of the Company as at reporting date were located in Pakistan.

**14 DATE OF APPROVAL**

These financial statements were approved on October 28, 2021 by Board of Directors of the Company.

**15 CORRESPONDING FIGURES**

Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.



CHIEF EXECUTIVE



DIRECTOR



CHIEF FINANCIAL OFFICER





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