

**HALF YEARLY REPORT
FOR THE PERIOD ENDED
DECEMBER 31, 2022
(Un-Audited)**



NAGINA COTTON MILLS LTD.



NAGINA COTTON MILLS LTD.

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NAGINA COTTON MILLS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Shahzada Ellahi Shaikh	Non-Executive Director/ Chairman
Mr. Naweed Akhter Sharif	Independent Non-Executive Director
Mr. Shafiq ur Rehman	Independent Non-Executive Director
Ms. Tosheeba Sarwar	Independent Non-Executive Director
Mr. Hasan Ahmad	Non-Executive Director
Mr. Shafqat Ellahi Shaikh	Non-Executive Director
Mr. Raza Ellahi Shaikh	Non-Executive Director
Mr. Haroon Shahzada Ellahi Shaikh	Non-Executive Director
Mr. Shaukat Ellahi Shaikh	Executive Director
Mr. Amin Ellahi Shaikh	Executive Director

MANAGING DIRECTOR (Chief Executive)

Mr. Amin Ellahi Shaikh

AUDIT COMMITTEE

Mr. Shafiq ur Rehman	Chairman
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Syed Mohsin Gilani	Secretary

HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE

Mr. Shafiq ur Rehman	Chairman
Mr. Amin Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

EXECUTIVE COMMITTEE

Mr. Amin Ellahi Shaikh	Chairman
Mr. Shaukat Ellahi Shaikh	Member
Mr. Raza Ellahi Shaikh	Member
Mr. Haroon Shahzada Ellahi Shaikh	Member
Mr. Muhammad Azam	Secretary

CORPORATE SECRETARY

Mr. Syed Mohsin Gilani

CHIEF FINANCIAL OFFICER (CFO)

Mr. Tariq Zafar Bajwa

HEAD OF INTERNAL AUDIT

Mr. Kashif Saleem

AUDITORS

Messrs Yousuf Adil
Chartered Accountants

LEGAL ADVISOR

Makhdoom & Makhdoom Advocates

LEAD BANKERS

Allied Bank Ltd.
Askari Bank Ltd.
Bank Alfalah Ltd.
Faysal Bank Ltd.
Habib Bank Ltd.
Habib Metropolitan Bank Ltd.
JS Bank LTD.
Meezan Bank Ltd.
Industrial Development Bank of Pakistan
MCB Bank Ltd.
National Bank of Pakistan
Pakistan Kuwait Investment Co. (Pvt) Ltd.
Samba Bank Ltd.
Standard Chartered Bank (Pakistan) Ltd.
The Bank of Punjab
United Bank Ltd.

REGISTERED OFFICE

2nd Floor, Shaikh Sultan Trust Bldg. No.2
26, Civil Lines, Beaumont Road, Karachi - 75530

REGIONAL OFFICE

Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore - 54660

WEB REFERENCE

www.nagina.com

SHARE REGISTRAR

M/s Hameed Majeed Associates (Pvt.) Ltd.
5th Floor, Karachi Chambers,
Hasrat Mohani Road, Karachi.
Phone # 021-32412754, 32424826 Fax # 021-3242835

MILLS

Aminabad, A-16, S.I.T.E.,
National Highway, Kotri



NAGINA COTTON MILLS LTD.

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed interim financial information of the company for the half year ended on December 31, 2022 duly reviewed by the auditors. The comparative figures for the corresponding half year ended on December 31, 2021 are included for comparison, except in statement of financial position where figures are for the year ended on June 30, 2022.

Company Performance

Alhamdulillah, despite all odds, your company has earned after tax profit of Rs. 456,132,834 compared to Rs. 689,293,562 during the same period of last year (SPLY). Earning per share (EPS) for the half year is Rs. 24.39 compared to Rs. 36.86 for the SPLY.

Sales volume decreased during the period. However, due to increase in unit price, sales revenue increased to Rs. 6,114,469,369 during the period under review as compared to Rs. 5,006,270,004 during the SPLY. Cost of sales increased from 77.91% of sales during SPLY to 86.36% of sales during the period under review. The major reasons for increase are surge in raw material, labour and energy costs. Higher input costs resulted in a drop in Gross profit (GP) from 22.09% of sales during SPLY to 13.64% of sales during the period under review.

Operating expenses increased from 4.84% of sales during SPLY to 4.97% of sales during the period under review. Finance cost increased from 2.06% of sales during the SPLY to 2.15% of sales during the period under review. The increase in financial cost is mainly due to discontinuation of LTFF loans by State Bank of Pakistan (SBP) which has forced the company to borrow at commercial rates of the banks. Rising interest rates has also resulted in higher financial cost on working capital lines.

According to the figures issued by the Pakistan Cotton Ginners Association, for the crop year 2022-23, Kapas, (seed cotton) arrivals upto February 01, 2023, at the Ginneries totaled 4.763 million bales compared to 7.421 million bales for similar period of financial year 2021-22 showing decrease in arrival of 35.81%.

Future Outlook

We are passing through very testing economic times. The product margins are stressed in local as well as in global markets. Yet another local cotton crop failure has forced spinning mills to import expensive cotton from international markets. Declining rupee against the USD is pushing up the cost of imports. Government is about to enter into much needed IMF agreement. Consequent to the agreement, we foresee surge in cost of energy, interest costs, taxes etc. The second half of the current financial year looks to be difficult which may result in losses.

Customers are complaining of sudden drop in demand for finished goods putting downward pressure on yarn prices. The Russia/Ukraine conflict is also casting its shadow. Unfortunately, all these factors have further intensified and depressed the outlook for the foreseeable future.

The State Bank of Pakistan (SBP) policy rate of 17% is significantly affecting demand for textiles and also raising the financial costs of the company. Another rise in policy rate is feared under IMF requirements. Long-term borrowing costs have also been raised by the SBP on the long-term financing facility (LTFF). Disbursements of LTFF loans are delayed without any clarity causing further rise in financial costs.

Due to international and domestic dynamics, the Pakistani economy is facing significant challenges. The economy of Pakistan remains unstable because of political uncertainty, devastating floods, Rupee devaluation, declining foreign exchange reserves and very high inflation. Given the low reserves position, the Government is expected to take difficult but necessary measures and reforms required by the International Monetary Fund (IMF) including increase of utility prices and additional taxes to bridge fiscal deficits. As a result, the input cost, both raw materials and utilities may rise further.

Your company remains cognizant of the present business challenges and is continually assessing its strategy to meet the customer's demand while improving productivity through innovation, efficiency and effective cost control initiatives. The expansion project of the company is on track. It is expected that 10,800 spindles will become operational by the end of June 2023. The new capacity will help to reduce overhead costs. Management has been successfully procuring raw materials at competitive rates which is a major reason for maintaining the profitability of the company.

It is hoped that the Government will bring in business friendly policies such as uninterrupted energy supplies in cost effective manner, refund of outstanding sales tax and income tax, controlling the inflation rate and reducing the financial costs. Government policies should encourage the completion of the value chain in the textile sector so that the country can export finished products.

Acknowledgement

Continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their gratitude to the bankers for their continued support to the Company.

On behalf of the Board.

Haroon Shahzada Ellahi Shaikh
Director

Amin Ellahi Shaikh
Chief Executive Officer

February 23, 2023



ڈائریکٹرز کا جائزہ

مجلسِ نظامہ 31 دسمبر 2022ء کو اختتام پہلی ششماہی کے لئے باقاعدہ آڈیٹرز کی جائزہ شدہ کمپنی کی غیر نظر ثانی شدہ محمد عبوری مالیاتی معلومات پیش کرتے ہوئے خوشی محسوس کر رہے ہیں۔ 31 دسمبر 2021ء کو ختم ہونے والی سہ ماہی کے تقابلی اعداد و شمار بھی موازنہ کے لئے شامل کئے گئے ہیں، ماسوائے سٹیٹمنٹ آف فنانشل پوزیشن کے جہاں تقابلی اعداد و شمار 30 جون 2022ء کو اختتام سال کے لئے ہیں۔

کمپنی کی کارکردگی

الحمد للہ، تمام تر مشکلات کے باوجود، آپ کی کمپنی نے گزشتہ سال کی اسی مدت کے دوران 689,293,562 روپے کے مقابلے میں زبرد جائزہ سہ ماہی کے دوران 456,132,834 روپے بعد از ٹیکس منافع کمایا۔ ششماہی کی فی شیئر آمدنی (EPS) گزشتہ سال کی اسی مدت کے دوران 36.86 روپے کے مقابلے میں 24.39 روپے ہے۔

مدت کے دوران فروخت حجم کم ہو گیا۔ تاہم، یونٹ قیمت میں اضافہ کی وجہ سے، زبرد جائزہ مدت میں فروخت آمدنی گزشتہ سال کی اسی مدت کے دوران 5,006,270,004 روپے کے مقابلے میں 6,114,469,369 روپے رہی۔ فروخت کی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کے 77.91 فیصد سے بڑھ کر زبرد جائزہ مدت کے دوران فروخت کے 86.36 فیصد تک زیادہ ہوئی ہے۔ فروخت کی لاگت میں اضافہ بنیادی طور پر خام مال، لیبر اور توانائی کی قیمتوں میں اضافہ کی وجہ سے ہوا ہے۔ پیداواری لاگت میں اضافہ کے نتیجے میں مجموعی منافع (GP) گزشتہ سال کی اسی مدت کے دوران فروخت کے 22.09 فیصد سے کم ہو کر زبرد جائزہ مدت کے دوران فروخت کا 13.64 فیصد تک ہوا۔

مجموعی کاروباری اخراجات گزشتہ سال کی اسی مدت کے دوران فروخت کے 4.84 فیصد سے بڑھ کر زبرد جائزہ مدت کے دوران فروخت کے 4.97 فیصد تک ہوئے۔ مالی لاگت گزشتہ سال کی اسی مدت کے دوران فروخت کی 2.06 فیصد سے بڑھ کر زبرد جائزہ مدت کے دوران فروخت کی 2.15 فیصد ہو گئی۔ مالیاتی لاگت میں بنیادی طور پر اضافہ اسٹیٹ بینک آف پاکستان (SBP) کی جانب سے LTFF قرضوں کی بندش کی وجہ سے ہوا ہے جس نے کمپنی کو بینکوں کے تجارتی زرخوں پر قرض لینے پر مجبور کیا ہے۔ بڑھتی ہوئی شرح سود کے نتیجے میں ورکنگ کپٹل لائٹوں پر بھی مالی لاگت بڑھ گئی ہے۔

پاکستان کالٹن جنرل ایسوسی ایشن کی طرف سے فصل سال 2022-23 کے لئے جاری کردہ اعداد و شمار کے مطابق یکم فروری 2023 تک جزیر میں کپاس، (بیج کپاس) کی بیجنگ مالی سال 2021-22 کی اسی مدت تک کل 7.421 ملین گانٹھوں کے مقابلے میں 4.763 ملین گانٹھیں ہوئی جو کہ 35.81 فیصد کی خاطر کم رہی ہے۔

مستقبل کا نقطہ نظر

ہم بہت ہی آزمائشی معاشی دور سے گزر رہے ہیں۔ مقامی اور عالمی منڈیوں میں مصنوعات کے مارجن کم ہو گئے ہیں۔ مقامی کپاس کی فصل کی ایک اور ناکامی نے اسپننگ ملوں کو بین الاقوامی منڈیوں سے منگنی کپاس درآمد کرنے پر مجبور کر دیا ہے۔ امریکی ڈالر کے مقابلے میں روپیہ کی قدر میں کمی درآمدات کی لاگت کو بڑھا رہی ہے۔ حکومت آئی ایم ایف سے استعجالی ضروری معاہدہ کرنے والی ہے۔ معاہدے کے نتیجے میں، ہم توانائی کی لاگت، سود کے اخراجات، ٹیکس وغیرہ میں اضافے کی پیش گوئی کرتے ہیں۔ موجودہ مالی سال کی دوسری ششماہی مشکل دکھائی دے رہی ہے جو کہ نقصان پر منتج ہو سکتی ہے۔

صارفین تیار سامان کی طلب میں اچانک کمی کی شکایت کر رہے ہیں جس سے یارن کی قیمتوں پر دباؤ پڑتا ہے۔ روس/یوکرین تنازعہ بھی اپنے سائے ڈال رہا ہے۔ بد قسمتی سے، ان تمام عوامل نے مستقبل قریب کے نقطہ نظر کو مزید شدید اور افسردہ کر دیا ہے۔

اسٹیٹ بینک آف پاکستان (SBP) کی 17 فیصد پالیسی شرح ٹیکسٹائل کی طلب کو نمایاں طور پر متاثر اور کمپنی کے مالی اخراجات میں بھی اضافہ کر رہی ہے۔ آئی ایم ایف کے تقاضوں کے تحت پالیسی شرح میں مزید اضافے کا خدشہ ہے۔ طویل المدتی مالیاتی سہولت (LTFF) پر SBP کی طرف سے طویل مدتی قرض کے اخراجات بھی بڑھا دیئے گئے ہیں۔ LTFF قرضوں کی تقسیم بغیر کسی وضاحت کے تاخیر کا شکار ہے جس کی وجہ سے مالی اخراجات میں مزید اضافہ ہو جائے گا۔



NAGINA COTTON MILLS LTD.

بین الاقوامی اور ملکی محرکات کی وجہ سے پاکستانی معیشت کو اہم چیلنجز کا سامنا ہے۔ پاکستان کی معیشت سیاسی غیر یقینی صورتحال، تباہ کن سیلاب، روپے کی قدر میں کمی، زرمبادلہ کے گرتے ہوئے ذخائر اور بہت زیادہ افراط زر کی وجہ سے غیر مستحکم ہے۔ کم ذخائر کی پوزیشن کے پیش نظر، توقع کی جاتی ہے کہ حکومت مشکل لیکن ضروری اقدامات اور اصلاحات جو بین الاقوامی مالیاتی فنڈ (IMF) کی طرف سے درکار ہیں، بشمول یوٹیلیٹی کی قیمتوں میں اضافہ اور مالیاتی خسارے کو پورا کرنے کے لیے اضافی ٹیکس لگائے۔ جس کے نتیجے میں پیداواری لاگت، خام مال اور یوٹیلیٹیز دونوں میں مزید اضافہ ہو سکتا ہے۔

آپ کی کمپنی موجودہ کاروباری چیلنجوں سے بخوبی واقف ہے اور جدت، کارکردگی اور لاگت پر قابو پانے کے موثر اقدامات کے ذریعے پیداواری صلاحیت کو بہتر بناتے ہوئے صارف کی طلب کو پورا کرنے کے لیے اپنی حکمت عملی کا مسلسل جائزہ لے رہی ہے۔ کمپنی کا توسیعی منصوبہ جاری ہے۔ توقع ہے کہ 10,800 سپنڈلز جون 2023 کے اختتام تک آپریشنل ہو جائیں گے۔ نئی صلاحیت اور رہیڈ لاگت کو کم کرنے میں مدد ملے گی۔ انتظامیہ سابق نفعوں پر خام مال کی کامیابی سے خریداری کر رہی ہے جو کمپنی کا منافع برقرار رکھنے کی بڑی وجہ ہے۔


امید ہے کہ حکومت کاروبار دوست پالیسیاں لائے گی جیسے کہ موثر انداز میں کم لاگت توانائی کی بلا تعلق فراہمی، بقایا سٹیل ٹیکس اور اکٹم ٹیکس کی واپسی تاکہ مہنگائی کی شرح کو کنٹرول اور مالیاتی اخراجات کو کم کیا جاسکے۔ حکومتی پالیسیوں کو ٹیکسٹائل سیکٹر میں ویلیو چین کی تکمیل کی حوصلہ افزائی کرنی چاہیے تاکہ ملک تیار مصنوعات برآمد کر سکے۔

اظہار تشکر

کمپنی کے عملے اور کارکنوں کی مسلسل محنت اور جذبہ اور تمام سطحوں پر اچھے انسانی تعلقات کا اعتراف کرتے ہیں۔ ڈائریکٹرز کمپنی کی مسلسل حمایت پر بینکوں کا بھی شکریہ ادا کرتے ہیں۔

منجانب بورڈ


امین الہی شاہ
چیف ایگزیکٹو آفیسر


بارون شہزادہ الہی شاہ
ڈائریکٹر

23 فروری 2023ء

INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Nagina Cotton Mills Limited

Report on review of Condensed Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Nagina Cotton Mills Limited** (the Company) as at December 31, 2022, and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows and notes to the condensed interim financial statements for the half year then ended (here-in-after to referred to as the condensed interim financial statements). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial statements are not prepared, in all material respects, in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures for quarter ended December 31, 2022 and December 31, 2021 in the condensed interim financial statements have not been reviewed, and we do not express a conclusion on them.

The engagement partner on the review resulting in this independent auditor's review report is Shafqat Ali.


Chartered Accountants

Place: Karachi
Date: February 27, 2023

UDIN: RR202210186ns4Y70ChQ



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2022

	(Un-Audited) December 31, 2022	(Audited) June 30, 2022
Note	----- (Rupees) -----	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 50,000,000 (June 30, 2022: 50,000,000) ordinary shares of Rs. 10 each	<u>500,000,000</u>	<u>500,000,000</u>
Issued, subscribed and paid-up capital	187,000,000	187,000,000
Capital reserves	158,492,231	183,610,023
Revenue reserve - Unappropriated profit	<u>4,212,840,385</u>	<u>3,936,891,002</u>
TOTAL EQUITY	4,558,332,616	4,307,501,025
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term finances	<u>3,449,489,680</u>	<u>3,249,245,045</u>
Deferred liabilities	<u>154,960,177</u>	<u>142,842,944</u>
	3,604,449,857	3,392,087,989
CURRENT LIABILITIES		
Current portion of long-term finances	<u>313,579,459</u>	<u>351,968,150</u>
Current portion of deferred government grant	-	307,915
Trade and other payables	<u>1,852,789,420</u>	<u>1,398,165,143</u>
Unclaimed dividend	<u>11,020,961</u>	<u>9,436,616</u>
Accrued interest / mark-up	<u>23,462,086</u>	<u>40,338,482</u>
Short-term borrowings	<u>1,430,947,431</u>	<u>672,233,101</u>
	<u>3,631,799,357</u>	<u>2,472,449,407</u>
TOTAL LIABILITIES	7,236,249,214	5,864,537,396
CONTINGENCIES AND COMMITMENTS		
	<u>11,794,581,830</u>	<u>10,172,038,421</u>
TOTAL EQUITY AND LIABILITIES	11,794,581,830	10,172,038,421

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

February 23, 2023


Haroon Shahzada Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer



NAGINA COTTON MILLS LTD.

		(Un-Audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees) -----	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	9	5,007,642,573	4,229,339,533
Investment properties		13,172,520	13,278,175
Long-term deposits		1,021,858	1,021,858
		<u>5,021,836,951</u>	<u>4,243,639,566</u>
CURRENT ASSETS			
Stores and spares		89,052,835	63,813,650
Stock-in-trade		2,828,463,276	2,984,868,230
Trade receivables		1,602,891,458	973,508,462
Loans and advances		447,908,361	212,340,489
Prepayments		17,090,333	4,376,643
Other receivables		123,923,863	39,437,876
Sales tax refundable		254,633,648	194,894,402
Other financial assets	10	1,096,209,063	1,379,084,228
Cash and bank balances		312,572,042	76,074,875
		<u>6,772,744,879</u>	<u>5,928,398,855</u>
TOTAL ASSETS		<u><u>11,794,581,830</u></u>	<u><u>10,172,038,421</u></u>

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


Amin Ellahi Shaikh
Chief Executive Officer



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

		Half year ended		Quarter ended	
		December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
Note ----- (Rupees) ----- (Rupees) -----					
Revenue from contracts with customers	11	6,114,469,369	5,006,270,004	2,899,167,809	2,744,455,738
Cost of goods sold	12	(5,280,180,900)	(3,900,302,566)	(2,611,103,678)	(2,135,904,211)
Gross profit		834,288,469	1,105,967,438	288,064,131	608,551,527
Distribution cost		(131,376,818)	(93,505,501)	(47,013,547)	(53,495,459)
Administrative expenses		(96,897,082)	(83,806,380)	(46,225,502)	(44,054,151)
Other expenses		(75,567,431)	(64,848,987)	(47,237,311)	(31,563,581)
		(303,841,331)	(242,160,868)	(140,476,360)	(129,113,191)
		530,447,138	863,806,570	147,587,771	479,438,336
Other income		147,181,130	41,579,705	82,244,246	13,652,523
Operating profit		677,628,268	905,386,275	229,832,017	493,090,859
Finance cost		(131,217,257)	(103,154,552)	(65,672,349)	(67,211,240)
Profit before taxation		546,411,011	802,231,723	164,159,668	425,879,619
Provision for taxation	13	(90,278,177)	(112,938,161)	(48,708,959)	(38,535,277)
Profit after taxation		456,132,834	689,293,562	115,450,709	387,344,342
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Fair value (loss) / gain on investment in equity instruments designated at fair value through other comprehensive income (FVTOCI)-net	10.3	(18,301,243)	14,011,657	(22,385,081)	14,158,011
Other comprehensive (loss) / income for the period		(18,301,243)	14,011,657	(22,385,081)	14,158,011
Total comprehensive income for the period		437,831,591	703,305,219	93,065,628	401,502,353
Earnings per share - basic and diluted		24.39	36.86	6.17	20.71

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


Haroon Shahzada Ellahi Shaikh
Director


Tariq Zafar Bajwa
Chief Financial Officer


Amin Ellahi Shaikh
Chief Executive Officer

February 23, 2023



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

	Half year ended	
	December 31, 2022	December 31, 2021
	----- (Rupees) -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	546,411,011	802,231,723
Adjustments for:		
Depreciation on property, plant and equipment	181,063,138	138,282,162
Depreciation on investment properties	105,655	111,216
Provision for gratuity	19,647,656	14,336,679
Gain on disposal of property, plant and equipment	(1,873,839)	(3,142,562)
Unrealized gain on revaluation of foreign currency account	(664,668)	(160,470)
Unrealized loss on revaluation of foreign currency short term finance	32,650,918	-
Unrealized gain on other financial assets at FVTPL	(1,370,970)	-
Finance cost	131,217,257	103,154,552
Other income	(119,114,148)	(36,518,392)
Write off of trade receivables	-	5,392,500
	788,072,010	1,023,687,408
Changes in working capital		
Decrease / (Increase) in current assets		
Stores and spares	(25,239,185)	(22,078,407)
Stock-in-trade	156,404,954	(2,912,900,658)
Trade receivables	(629,382,996)	(543,413,933)
Loans and advances	(229,042,978)	88,631,337
Prepayments	(12,713,690)	(9,722,241)
Other receivables	(83,593,322)	(16,351,429)
Sales tax refundable	(59,739,246)	(592,703,901)
	(883,306,463)	(4,008,539,232)
Increase in current liabilities		
Trade and other payables	454,624,277	256,311,366
	(428,682,186)	(3,752,227,866)
Cash generated from / (used in) operations	359,389,824	(2,728,540,458)
Payments made:		
Employees retirement benefits	(7,530,423)	(6,994,053)
Finance cost	(148,093,653)	(62,609,464)
Income tax	(97,695,736)	(71,284,326)
Net cash generated from / (used in) operating activities	106,070,012	(2,869,428,301)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(961,787,339)	(1,094,947,422)
Proceeds from disposal of property, plant and equipment	4,295,000	6,168,678
Purchase of other financial assets	(3,521,866,716)	(559,145,270)
Proceeds from sale of other financial assets	3,787,811,608	1,332,404,029
Other income	119,114,148	36,518,392
Net cash used in investing activities	(572,433,299)	(279,001,593)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	353,391,421	853,386,568
Repayment of long term finances	(191,843,392)	(118,449,836)
Net increase in short term borrowings excluding running finances	128,048,317	771,880,470
Dividend paid	(185,415,655)	(46,391,279)
Net cash generated from financing activities	104,180,691	1,460,425,923
Net decrease in cash and cash equivalents (A+B+C)	(362,182,596)	(1,688,003,971)
Cash and cash equivalents at beginning of the period		
Cash and bank balances	76,074,875	196,886,310
Short term running finances	(77,515,493)	(149,816,295)
	(1,440,618)	47,070,015
Cash and cash equivalents at end of the period	(363,623,214)	(1,640,933,956)
Cash and cash equivalents at end of the period		
Cash and bank balances	312,572,042	39,737,918
Short term running finances	(676,195,256)	(1,680,671,874)
	(363,623,214)	(1,640,933,956)

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

Haroon Shahzada Ellahi Shaikh
Director

February 23, 2023

Tariq Zafar Bajwa
Chief Financial Officer

Amin Ellahi Shaikh
Chief Executive Officer



NAGINA COTTON MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

Issued, subscribed and paid up capital	Capital reserves				Revenue reserve	Total	
	Amalgamation reserve	Capital redemption reserve	Fair value reserve	Total capital reserves	Unappropriated profit		
----- (Rupees) -----							
Balance as at June 30, 2021 (Audited)	187,000,000	12,104,417	241,860,000	(28,492,720)	225,471,697	2,155,925,123	2,568,396,820
Comprehensive income for the period ended December 31, 2021							
Profit after taxation	-	-	-	-	-	689,293,562	689,293,562
Other comprehensive income							
Deferred tax reversed	-	-	-	-	-	(231,550)	(231,550)
Fair value gain on investments in equity instrument designated at FVTOCI	-	-	-	12,928,449	12,928,449	-	12,928,449
Transfer of realized gain on sale of investments	-	-	-	(21,693,501)	(21,693,501)	21,693,501	-
Deferred tax recognised on investments	-	-	-	1,314,758	1,314,758	-	1,314,758
Total comprehensive (loss) / income for the period	-	-	-	(7,450,294)	(7,450,294)	710,755,513	703,305,219
Transactions with owners:							
Final cash dividend for the year ended June 30, 2021 @ 25% i.e. Rs. 2.5 per ordinary share	-	-	-	-	-	(46,750,000)	(46,750,000)
Balance as at December 31, 2021 (Un-audited)	187,000,000	12,104,417	241,860,000	(35,943,014)	218,021,403	2,819,930,636	3,224,952,039
Comprehensive income							
Profit after taxation	-	-	-	-	-	1,123,268,364	1,123,268,364
Other comprehensive income							
Remeasurement of defined benefit liability	-	-	-	-	-	350,992	350,992
Fair value loss on investment in equity instrument designated at FVTOCI	-	-	-	(34,727,485)	(34,727,485)	-	(34,727,485)
Transfer of realized loss on sale of investments	-	-	-	6,658,990	6,658,990	(6,658,990)	-
Deferred tax reversed	-	-	-	(6,342,885)	(6,342,885)	-	(6,342,885)
Total comprehensive (loss) / income for the period	-	-	-	(34,411,380)	(34,411,380)	1,116,960,366	1,082,548,986
Balance as at June 30, 2022 (Audited)	187,000,000	12,104,417	241,860,000	(70,354,394)	183,610,023	3,936,891,002	4,307,501,025
Comprehensive income for the period ended December 31, 2022							
Profit after taxation	-	-	-	-	-	456,132,834	456,132,834
Other comprehensive income							
Fair value gain on investment in equity instrument designated at FVTOCI	-	-	-	(18,301,243)	(18,301,243)	-	(18,301,243)
Transfer of realized gain on sale of investments	-	-	-	(6,816,549)	(6,816,549)	6,816,549	-
Total comprehensive (loss) / income for the period	-	-	-	(25,117,792)	(25,117,792)	462,949,383	437,813,591
Transactions with owners:							
Final cash dividend for the year ended June 30, 2022 @ 100% i.e. Rs. 10 per ordinary share	-	-	-	-	-	(187,000,000)	(187,000,000)
Balance as at December 31, 2022 (Un-audited)	187,000,000	12,104,417	241,860,000	(95,472,186)	158,492,231	4,212,840,385	4,558,332,616

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


Haroon Shahzada Ellahi Shaikh
 Director

February 23, 2023


Tariq Zafar Bajwa
 Chief Financial Officer


Amin Ellahi Shaikh
 Chief Executive Officer



NAGINA COTTON MILLS LTD.

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2022

1. LEGAL STATUS AND OPERATIONS

Nagina Cotton Mills Limited (the Company) was incorporated in Pakistan on May 16, 1967 as a public limited company under the Companies Act, 1913 (repealed), now Companies Act, 2017 and is listed on Pakistan Stock Exchange Limited. The principal business of the Company is to manufacture and sale of yarn.

Following are the geographical locations and addresses of all business units of the Company:

Head Office:

2nd Floor, Shaikh Sultan Trust Building No.2, 26-Civil Lines, Beaumont Road, Karachi, 75530, Sindh.

Manufacturing facility:

A-16, National Highway, Aminabad, S.I.T.E Kotri, Sindh.

Regional Office:

Nagina House 91 – B-1, M.M. Alam Road, Gulberg-III, Lahore, Punjab.

2. BASIS OF PREPARATION

2.1 Statement of compliance

2.1.1 These unaudited 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.

2.1.2 These condensed interim financial statements are unaudited. However, a limited scope review of these condensed interim financial statements have been performed by the external auditors of the Company and they have issued their review report thereon. These condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.

2.1.3 These condensed interim financial statements do not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2022.

2.1.4 The comparative statement of financial position presented has been extracted from annual audited financial statements for the year ended June 30, 2022, whereas comparative condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, presented in these condensed interim financial statements have been extracted from the unaudited condensed interim financial statements for the half year ended December 31, 2021.

2.2 Basis of measurement

These condensed interim financial statements have been prepared under the historical cost convention modified by:

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is also the Company's functional currency.



NAGINA COTTON MILLS LTD.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2022.

3.1 Amendments to published approved accounting standards that are effective

There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2022, however, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

3.2 Amendments to published approved accounting standards that are not yet effective

Certain amendments to the approved accounting standards which are mandatory for the Company's annual accounting periods beginning after July 01, 2023, however, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies, the key source of estimation and uncertainty were the same as those that applied to the annual audited financial statements of the Company for the year ended June 30, 2022.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited financial statements of the Company for the year ended June 30, 2022.

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
6. DEFERRED GOVERNMENT GRANT	Note	----- (Rupees) -----	
Opening balance		307,915	4,496,198
Recognized during the period / year		-	-
Amortization during the period / year		(307,915)	(4,188,283)
		-	307,915
Less: Current portion of deferred grant		-	(307,915)
	6.1	-	-

6.1 Deferred grant relates to the difference between the fair value and actual proceeds of payroll finance obtained under SBP's refinancing scheme for payment of wages and salaries during the current and last year. It is amortised over the period of loan with an amount equal to the difference between the finance cost charged to statement of profit or loss and other comprehensive income and the interest paid at SBP's defined rate as per the scheme. The grant is amortised over the period of loan and amortization is recognised and presented as reduction of related interest expense.

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
7. SHORT-TERM BORROWINGS	Note	----- (Rupees) -----	
- Banking companies - secured			
Term finance	7.1	317,110,309	-
Foreign currency finance	7.2	437,641,866	594,717,608
Running finance	7.3	676,195,256	77,515,493
		1,430,947,431	672,233,101



NAGINA COTTON MILLS LTD.

- 7.1 The Company has availed term finance facility from banks amounting to Rs. 317 million during the period (June 30, 2022: Nil) which carries mark-up at the rate of 16.27% to 16.56% (June 30, 2022 : Nil). This borrowing is secured against first pari passu charge on present and future fixed assets with 25% margin. The amount is repayable after six months from the date of disbursement.
- 7.2 The Company has availed foreign currency finance facility in USD from various banks amounting to Rs.437.64 million during the period (June 30, 2022: Rs. 594.7 million) which carries mark-up at the rate of ranging from 2.60% to 3.85% (June 30,2022: 1.250% to 2.60%) . This borrowing is secured against first pari passu charge on present and future current assets with 25% margin.
- 7.3 The Company can avail foreign currency, term finance and running finance facilities from various banks aggregating to Rs. 5,890 million (June 30, 2022 : Rs. 5,390 million). These borrowings are secured against hypothecation and joint pari passu charge on present and future current assets, demand promissory notes and lien on export orders / contracts. Running finance facilities are subject to variable markup ranging from 1 to 3 month KIBOR plus 0.12% to 1.00% (June 30, 2022 : from 1 to 3 month KIBOR plus 0.12% to 1.00%) per annum payable on quarterly basis.

The aggregate unavailed short-term borrowing facilities available amounted to Rs. 4,459 million (June 30, 2022 : Rs. 4,718 million).

8. CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

There are no major changes in the status of contingencies as reported in the annual audited financial statements for the year ended June 30, 2022, except for the contingencies stated below:

		(Un-audited) December 31, 2022	(Audited) June 30, 2022
	Note	----- (Rupees) -----	
Bank guarantees issued on behalf of the Company	8.1.1	28,253,615	18,602,000
Bank guarantee in favor of Excise and Taxation and others		198,442,448	152,442,448
Revolving Letter of credit Favours SSGC		82,051,880	82,051,880

- 8.1.1 It includes guarantee issued in favor of Hyderabad Electric Supply Cooperation (HESCO) amounting Rs. 24.253 million.

		(Un-audited) December 31, 2022	(Audited) June 30, 2021
	Note	----- (Rupees) -----	
8.2 Commitments			
Machinery		853,337,842	1,452,441,802
Civil work		12,759,819	439,383
Raw material		870,192,220	144,789,689
Stores and spares		107,261,015	20,812,623
Bills discounted		306,921,328	1,309,124,705

Commitments for rentals of assets under short term lease agreements:

Not later than one year	2,544,150	3,257,033
-------------------------	-----------	-----------

9. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets-owned	9.1	3,558,503,251	3,538,963,694
Capital work in progress (CWIP)	9.2	1,449,139,322	690,375,839
		<u>5,007,642,573</u>	<u>4,229,339,533</u>



NAGINA COTTON MILLS LTD.

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
Note	----- (Rupees) -----	
9.1 Operating fixed assets-owned		
Opening written down value	3,538,963,694	2,636,266,401
Additions / transfers from CWIP during the period / year		
Mills building on leasehold land	973,882	2,706,598
Machinery and equipment	195,872,518	1,206,389,291
Electric installations and equipment	740,000	47,767,891
Office equipment	381,700	625,050
Furniture and fixtures	499,756	554,750
Vehicles	4,556,000	7,402,508
	203,023,856	1,265,446,088
Written down value of operating fixed assets disposed off	(2,421,161)	(41,812,871)
Depreciation charged during the period / year	(181,063,138)	(320,935,924)
Written down value at end of the period / year	3,558,503,251	3,538,963,694
9.2 Capital work in progress		
Opening balance	690,375,839	115,746,835
Additions during the period / year	960,550,523	1,829,490,732
Transfers during the period / year	(201,787,040)	(1,254,861,728)
Closing balance	1,449,139,322	690,375,839
10. OTHER FINANCIAL ASSETS		
Designated at amortised cost		
Term deposits	10.1 31,903,615	-
Designated at fair value through other comprehensive income		
Listed equity securities	163,986,556	187,471,369
Mutual funds units	1,514,866	1,191,612,859
	10.2 & 10.3 165,501,422	1,379,084,228
Designated at fair value through profit or loss		
Mutual funds units	10.4 898,804,025	-
	1,096,209,063	1,379,084,228
10.1	It represents investment in term deposits in Bank of Punjab and Bank Alfalah maturing between January 25, 2023 to December 27, 2023 at the rate of 14.5% to 16.4% per annum.	
10.2 Reconciliation between fair value and cost of investments classified as equity instruments Through other comprehensive income		
Fair value of investments		
- in listed equity securities	163,986,556	187,471,369
- in mutual funds	1,514,866	1,191,612,859
	165,501,422	1,379,084,228
Add: Unrealised loss on remeasurement of investments	10.3 95,472,186	65,326,267
Cost of investments	260,973,608	1,444,410,495



NAGINA COTTON MILLS LTD.

	(Un-audited) December 31, 2022	(Audited) June 30, 2022
	----- (Rupees) -----	
10.3 Unrealised loss on remeasurement of equity instruments Through other comprehensive income		
Opening balance	(70,354,394)	(28,492,720)
Fair value (loss) arises for the period / year	(18,301,243)	(21,799,036)
Transfer of realized gain on sale of investments	(6,816,549)	(15,034,511)
Unrealized fair value loss for the period / year	(25,117,792)	(36,833,547)
	(95,472,186)	(65,326,267)
Deferred tax reversed	-	(5,028,127)
Closing balance	(95,472,186)	(70,354,394)

10.4 Unrealised gain on remeasurement of equity instruments through profit or loss		
Fair value of investments in mutual funds	898,804,025	-
Less: Cost of investments	(897,433,056)	-
Unrealised gain on remeasurement of investments	1,370,970	-

11. REVENUE FROM CONTRACTS WITH CUSTOMERS

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31, 2022	December 31, 2021	December 31, 2022	December 31, 2021
	----- (Rupees) -----			
Export				
Yarn	4,745,632,844	3,006,341,888	2,311,505,244	2,176,599,039
Waste	156,848,212	34,775,910	38,772,366	25,159,885
	4,902,481,056	3,041,117,798	2,350,277,610	2,201,758,924
Local				
Yarn	930,205,677	1,799,378,658	400,798,693	463,080,183
Waste	277,585,036	158,334,508	143,893,906	79,616,631
Raw material	4,197,600	7,439,040	4,197,600	-
	1,211,988,313	1,965,152,206	548,890,199	542,696,814
Total	6,114,469,369	5,006,270,004	2,899,167,809	2,744,455,738

11.1 Exports sales include indirect exports of Rs. 3.163 billion (2021: Rs. 1.910 billion).



NAGINA COTTON MILLS LTD.

12. COST OF GOODS SOLD

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
	----- (Rupees) -----			
Raw material consumed	4,475,849,387	3,340,932,325	2,095,711,629	1,811,482,718
Packing material consumed	60,479,158	47,101,325	26,980,310	24,812,290
Stores and spares consumed	82,296,348	49,469,054	40,941,263	35,088,538
Salaries, wages and benefits	208,379,445	166,559,733	103,007,453	86,797,126
Fuel	209,785,220	174,425,252	104,739,968	88,795,846
Rates and taxes	189,864	266,455	94,932	133,226
Insurance	11,936,138	7,788,613	5,909,661	4,205,779
Repairs and maintenance	5,807,583	4,536,851	2,566,699	2,506,658
Depreciation on property, plant and equipment	175,549,734	132,697,549	89,542,112	69,282,483
Other manufacturing overheads	8,705,028	5,542,890	5,748,977	3,711,678
Manufacturing cost	5,238,977,905	3,929,320,047	2,475,243,004	2,126,816,342
Work-in-process				
At beginning of period	112,471,329	74,953,124	145,476,399	99,610,995
At end of period	(155,625,485)	(103,438,764)	(155,625,486)	(103,438,764)
	(43,154,156)	(28,485,640)	(10,149,087)	(3,827,769)
Cost of goods manufactured	5,195,823,749	3,900,834,407	2,465,093,917	2,122,988,573
Finished goods				
At beginning of period	221,494,535	16,110,880	316,169,075	44,894,463
Purchase of waste	1,802,931	15,203,700	921,200	5,701,800
At end of period	(177,474,398)	(37,680,625)	(177,474,399)	(37,680,625)
	45,823,068	(6,366,045)	139,615,876	12,915,638
Cost of sales of raw material & waste	38,534,083	5,834,204	6,393,885	-
	5,280,180,900	3,900,302,566	2,611,103,678	2,135,904,211

13. PROVISION FOR TAXATION

	Half year ended (Un-audited)		Quarter ended (Un-audited)	
	December 31,	December 31,	December 31,	December 31,
	2022	2021	2022	2021
	----- (Rupees) -----			
Current tax	90,278,177	111,170,150	48,708,959	36,767,266
Deferred tax	-	1,768,011	-	1,768,011
	90,278,177	112,938,161	48,708,959	38,535,277



NAGINA COTTON MILLS LTD.

14. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors and key management personnel of the Company. Transactions with related parties are carried out as per agreed terms. The transaction with related parties during the period generally consist of sales, purchases and dividend. Nature and description of related party transactions during the period along with monetary values are as follows:

Nature of relationships	Nature of transactions	Half year ended (Un-audited)	
		December 31, 2022	December 31, 2021
		----- (Rupees) -----	
Associated companies	Purchase of goods	91,667	-
	Sale of goods and services	1,456,294,748	609,463,173
	Dividend paid	30,605,420	7,651,355
Key Management Personnel	Remuneration and other benefits	15,600,000	13,500,000
	Dividend paid to Directors and their close family members	139,367,340	34,841,835

There is no balance outstanding with or from associated undertakings as at the reporting date.

15. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The carrying value of all the financial instruments reported in the financial statements approximates their fair value as the items are short term in nature.

The table below analyses financial instrument carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (i.e., unobservable inputs).

The valuation techniques used are as follows:

Level 1: Quoted prices (unadjusted) in active markets

The fair value of financial instruments traded in active markets is based on Net Asset Values (NAVs) of the units of the mutual funds and quoted market price of the equity instrument at the reporting date. A market is regarded as active when it is a market in which transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

	Note	Carrying amount		Fair value hierarchy					
		Fair value through other comprehensive income	Fair value through other profit or loss	Amortised cost	Total	Level 1	Level 2	Level 3	Total
December 31, 2022									
Financial assets measured at fair value									
Other financial assets	10	165,501,422	898,804,025	-	1,064,305,448	1,064,305,448	-	-	1,064,305,448
Financial assets not measured at fair value									
Other Financial Assets		-	-	31,903,615	31,903,615	-	-	-	-
Long term deposits		-	-	1,021,858	1,021,858	-	-	-	-
Trade receivables		-	-	1,602,891,458	1,602,891,458	-	-	-	-
Loans and advances		-	-	616,136	616,136	-	-	-	-
Other receivables		-	-	123,923,887	123,923,887	-	-	-	-
Cash and bank balances		-	-	312,572,042	312,572,042	-	-	-	-
		165,501,422	898,804,025	2,072,928,996	3,137,234,444	1,064,305,448	-	-	1,064,305,448
Financial liabilities not measured at fair value									
Long-term finances		-	-	3,763,069,139	3,763,069,139	-	-	-	-
Short-term borrowings		-	-	1,430,947,431	1,430,947,431	-	-	-	-
Trade and other payables		-	-	1,522,197,782	1,522,197,782	-	-	-	-
Unclaimed dividend		-	-	11,020,961	11,020,961	-	-	-	-
Accrued interest / mark-up		-	-	23,462,086	23,462,086	-	-	-	-
		-	-	6,750,697,399	6,750,697,399	-	-	-	-
June 30, 2022									
Financial assets measured at fair value									
Other financial assets	10	1,379,084,228	-	-	1,379,084,228	1,379,084,228	-	-	1,379,084,228
Financial assets not measured at fair value									
Long term deposits		-	-	1,021,858	1,021,858	-	-	-	-
Trade receivables		-	-	973,508,462	973,508,462	-	-	-	-
Other receivables		-	-	39,437,876	39,437,876	-	-	-	-
Cash and bank balances		-	-	76,074,875	76,074,875	-	-	-	-
		1,379,084,228	-	1,090,043,071	2,469,127,299	1,379,084,228	-	-	1,379,084,228
Financial liabilities not measured at fair value									
Long-term finances		-	-	3,601,213,195	3,601,213,195	-	-	-	-
Short-term borrowings		-	-	672,233,101	672,233,101	-	-	-	-
Trade and other payables		-	-	1,033,167,721	1,033,167,721	-	-	-	-
Unclaimed dividend		-	-	9,436,616	9,436,616	-	-	-	-
Accrued interest / mark-up		-	-	40,338,482	40,338,482	-	-	-	-
		-	-	5,356,389,115	5,356,389,115	-	-	-	-

At the reporting date, the carrying values of all financial assets and liabilities reflected in the condensed financial statements approximate their fair values. The Company holds above financial assets where the Company has used Level 1 inputs for the measurement of fair values and there is no transfer between levels. There was no change in fair value hierarchy of financial assets.



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16. OPERATING SEGMENTS

Chief Executive considers the business as a single operating segment as the Company's assets allocation decisions are based on a single, integrated business strategy, and the Company's performance is evaluated on an overall basis. Sales of the Company related to export customers is 80.2 percent (December 31, 2021: 60.7 percent) . As at period end, all non-current assets of the Company are located within Pakistan.

17. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements (un-audited) have been approved by the Board of Directors of the Company and authorized for issue on 23 February 2023.

February 23, 2023

Haroon Shahzada Ellahi Shaikh
Director

Tariq Zafar Bajwa
Chief Financial Officer

Amin Ellahi Shaikh
Chief Executive Officer



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