

Quarterly Report

for the Period Ended
30th September 2022





BIAFO INDUSTRIES LTD.
Manufacturer of Tovex[®] Explosives & Blasting Accessories



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CORPORATE INFORMATION

Corporate Information

Board of Directors

Executive Directors

M. Afzal Khan
Anwar Moin
Ms. Shirin Safdar
Maj. Gen. (Ret'd.) S. Z. M. Askree

Deputy Chairman
Chief Executive Officer
Executive Director
Executive Director

Non Executive Directors

Ms. Zishan Afzal Khan
Ms. Ayesha Humayun Khan
M. Zafar Khan
Khwaja Ahmad Hosain
Muhammad Waheed

Director
Director
Director
Director
Director

Independent Directors

Ms. Mehreen Hosain
Ms. Syeda Shahbano Abbas
Ehsan Mani
Muhammad Yaqoob

Director
Director
Director
Director

Company Secretary

Khawaja Shaiq Tanveer

Chief Financial Officer

Syed Sajid Hussain Shah

Audit & Risk Management Committee

Ehsan Mani	Chairman
Ms. Zishan Afzal Khan	Member
Khwaja Ahmad Hosain	Member
Muhammad Yaqoob	Member
Muhammad Waheed	Member

HR & Remuneration Committee

Ehsan Mani	Chairman
Ms. Mehreen Hosain	Member
Ms. Ayesha Humayun Khan	Member
Ms. Syeda Shahbano Abbas	Member
Anwar Moin (CEO)	Member
M. Afzal Khan	Member

Auditors

Yousuf Adil Chartered Accountants

Legal Advisors

Chima & Ibrahim, Raza Khalil Abbasi Suhrawardy

Bankers

Allied Bank of Pakistan	Bank of Khyber
National Bank of Pakistan	United Bank Limited

Registered Office

Biafo Industries Limited

1st Floor, Biafo House, Plot No. 23, St No. 38-40,
I&T Centre, G-10/4, Islamabad, Pakistan
Tel: +92 51 2353450-53, 2353455-57 Fax: +92 51 2353458
Website: www.biafo.com, E-mail: management@biafo.com

Factory

Biafo Industries Limited

Plot No: 70, Phase III, Industrial Estate, Hattar, Distt Haripur,
Khyber Pakhtunkhwa, Pakistan
Tel: +92 995 617830 Fax: +92 995 617497
Website: www.biafo.com, E-mail: plant@biafo.com

Shares Registrar

F.D. Registrar Services (Pvt.) Ltd.

17th Floor, Saima Trade Tower-A, I.I.Chundigar Road, Karachi.
Tel: +92 21 32271905-6 Fax: +92 21 32621233
E-mail: info@fdregistrar.com | fdregistrar@yahoo.com



DIRECTORS' REPORT

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Your Directors are pleased to submit the un-audited accounts for the quarter ended 30th September 2022.

Net sales value of the Company, increased by 37.55%. for the quarter, to Rs. 626.51 M (Quarter ended September 2021: Rs. 455.47 M).

For the period under review, supplies to Oil and Gas sector and export sector increased which includes sales to African Market, whereas supplies to the construction sector and large projects decreased because of economic downturn as compared to the quarter ended September 2021.

For the quarter under review, gross profit increased by 6% to Rs. 191.71 M as compared to previous year's comparable quarter (30 September 2021: Rs. 181.04 M), whereas net profit after taxation increased by 14.91% to Rs. 110.36 M. as compared to the quarter ended September 2021. This resulted in an EPS of Rs. 2.38 (EPS September 2021: Rs. 2.07 Restated). Profitability increased mainly due to increase in sales volume.

Expenses were within budget as approved by the Board of Directors.


Your Board of Directors has not proposed any dividend for the period under review.

Your Board takes this opportunity to express its appreciation to all its employees for their hard work and continuing efforts in meeting business challenges, growth of the Company, and the cooperation of all its stakeholders.

For and on behalf of the Board



Anwar Moin
Chief Executive Officer



M. Afzal Khan
Deputy Chairman

Islamabad
24 October 2022

30 ستمبر 2022 کو ختم ہونے والی سہ ماہی کے لئے ڈائریکٹرز رپورٹ

آپ کے ڈائریکٹرز 30 ستمبر 2022 کو اختتام پذیر ہونے والی سہ ماہی کے لئے غیر آڈٹ شدہ اکاؤنٹس پیش کرتے ہوئے نہایت مسرت محسوس کرتے ہیں۔

کمپنی کی اصل فروخت کی قدر (نیٹ سیلز ویلیو) زیر جائزہ سہ ماہی میں گزشتہ سہ ماہی کی نسبت 37.55 فیصد اضافے کے بعد 626.51 ملین روپے رہی (ستمبر 2021: 455.47 ملین روپے)

زیر جائزہ مدت میں تیل و گیس اور برآمدات کے شعبوں کو سپلائیز میں اضافہ ہوا جس میں افریقی مارکیٹ میں فروخت شامل ہے، جبکہ ستمبر 2021 کو ختم ہونے والی سہ ماہی کے مقابلے میں اقتصادی بد حالی کی وجہ سے کنسٹرکشن کے شعبے اور بڑے منصوبوں میں سپلائیز میں کمی آئی۔

زیر جائزہ مدت میں خام منافع %6 اضافے کے بعد 191.71 ملین روپے رہا جبکہ گزشتہ سال اسی عرصہ میں (30 ستمبر 2021: 181.04 ملین روپے) جبکہ ٹیکس کٹوتی کے بعد خالص منافع ستمبر 2021 کو اختتام پذیر ہونے والی اسی مدت کی نسبت %14.91 فیصد اضافے کے بعد 110.36 ملین روپے رہا۔ جسکے نتیجے میں فی شیئر آمدن 2.38 روپے رہی۔ (ستمبر 2021: فی شیئر آمدن 2.07 روپے نظر ثانی شدہ)۔ فروخت کے حجم میں اضافے کی وجہ سے منافع میں اضافہ ہوا۔

اخراجات بورڈ آف ڈائریکٹرز کی طرف سے منظور کردہ بجٹ کے اندر تھے۔

آپ کے بورڈ آف ڈائریکٹرز نے زیر جائزہ مدت کے لیے کوئی منافع منقسمہ تجویز نہیں کیا ہے۔

آپ کا بورڈ اس موقع پر اپنے جملہ ملازمین، کمپنی کی ترقی اور کاروباری چیلنجز کو پورا کرنے کے لئے ان کی سخت محنت اور مسلسل کاوشوں کی نسبت اور اپنے تمام اسٹیک ہولڈرز کے تعاون کی بابت ان کے لئے خصوصی ستائش کا اظہار کرتا ہے۔

بورڈ کی جانب سے

علاء الدین
ایم افضل خان
ڈپٹی چیئرمین

انور معین
چیف ایگزیکٹو آفیسر

اسلام آباد

24 اکتوبر 2022

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT 30 SEPTEMBER 2022

	Note	Unaudited 30 Sep 2022 Rupees	Audited 30 June 2022 Rupees
NON - CURRENT ASSETS			
Property, plant and equipment	4	1,977,966,563	1,990,489,199
Investment property		67,387,312	67,562,580
Long-term deposits		1,777,650	1,777,650
		<u>2,047,131,525</u>	<u>2,059,829,429</u>
CURRENT ASSETS			
Inventories		507,356,786	542,924,259
Trade debts		657,184,416	459,361,686
Short-term advances		13,439,127	109,639,300
Trade deposits, short-term prepayments and other receivables		56,289,309	52,519,965
Short-term investments	5	339,468,922	316,860,605
Advance tax - net		22,078,629	40,510,943
Cash and bank balances		72,072,387	71,855,534
		<u>1,667,889,576</u>	<u>1,593,672,292</u>
CURRENT LIABILITIES			
Trade and other payables	6	353,065,852	349,656,098
Current portion of long-term loan		88,472,225	75,299,188
Current portion of lease liabilities		6,147,188	6,305,878
Short-term borrowings	7	525,846,173	549,095,329
Unclaimed dividend		28,732,777	27,399,799
Unpaid dividend		15,442,085	15,442,085
		<u>1,017,706,300</u>	<u>1,023,198,377</u>
NET CURRENT ASSETS			
		<u>650,183,276</u>	<u>570,473,915</u>
NON - CURRENT LIABILITIES			
Long-term loan		149,691,077	183,904,620
Employee benefit		15,647,553	12,220,200
Lease liabilities		5,111,628	6,506,651
Deferred tax liability - net	8	80,197,552	91,364,325
		<u>250,647,809</u>	<u>293,995,796</u>
		<u>2,446,666,992</u>	<u>2,336,307,548</u>
NET ASSETS			
REPRESENTED BY:			
SHARE CAPITAL AND RESERVES			
Share capital		463,826,880	463,826,880
Revenue reserve - unappropriated profit		657,374,373	544,672,628
Capital reserve - revaluation surplus on property, plant and equipment - net of tax		1,325,465,739	1,327,808,040
		<u>2,446,666,992</u>	<u>2,336,307,548</u>
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes 1 to 16 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Note	Quarter Ended		Quarter Ended		
	30 Sep 2022	Period to Due Date	30 Sep 2021	Period to Due Date	
	Rupees	Rupees	Rupees	Rupees	
Revenue - net	10	626,505,006	626,505,006	455,471,082	455,471,082
Cost of sales		(434,790,014)	(434,790,014)	(274,429,677)	(274,429,677)
Gross profit		191,714,992	191,714,992	181,041,405	181,041,405
Other income		1,275,000	1,275,000	1,275,000	1,275,000
Distribution expenses		(19,143,455)	(19,143,455)	(17,156,757)	(17,156,757)
Administrative expenses		(40,134,333)	(40,134,333)	(37,088,160)	(37,088,160)
Operating profit		133,712,204	133,712,204	128,071,488	128,071,488
Finance costs		(23,307,108)	(23,307,108)	(13,671,422)	(13,671,422)
Finance income		34,408,052	34,408,052	17,579,063	17,579,063
Net finance cost		11,100,944	11,100,944	3,907,641	3,907,641
Workers' profit participation fund		(7,240,657)	(7,240,657)	(6,598,956)	(6,598,956)
Workers' welfare fund		(2,610,257)	(2,610,257)	(2,587,826)	(2,587,826)
Profit before tax		134,962,234	134,962,234	122,792,347	122,792,347
Income tax expense		(24,602,790)	(24,602,790)	(26,755,671)	(26,755,671)
Profit for the period		110,359,444	110,359,444	96,036,676	96,036,676
				Restated	Restated
Earnings per share					
Basic and diluted		2.38	2.38	2.07	2.07

The annexed notes 1 to 16 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Quarter Ended		Quarter Ended	
	30 Sep 2022	Period to Due Date	30 Sep 2021	Period to Due Date
	Rupees	Rupees	Rupees	Rupees
Profit for the period	110,359,444	110,359,444	96,036,676	96,036,676
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	110,359,444	110,359,444	96,036,676	96,036,676

The annexed notes 1 to 16 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Share capital	Capital reserve Revaluation surplus on property, plant and equipment - net of tax	Revenue Reserve Unappropriated profits	Total equity
	(Rupees)	(Rupees)	(Rupees)	(Rupees)
Balance at 01 July 2021 (Audited)	383,328,000	702,862,295	458,055,695	1,544,245,990
Total comprehensive income for the period				
Profit for the period	-	-	96,036,676	96,036,676
Total comprehensive income for the period transferred to equity	-	-	96,036,676	96,036,676
Surplus on revaluation of property, plant and equipment realized through depreciation for the year - net of deferred tax	-	(1,008,412)	-	(1,008,412)
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	1,008,412	1,008,412
Balance at 30 September 2021	383,328,000	701,853,883	555,100,783	1,640,282,666
Balance at 01 July 2022 (Audited)	463,826,880	1,327,808,040	544,672,628	2,336,307,548
Total comprehensive income for the period				
Profit for the period	-	-	110,359,444	110,359,444
Total comprehensive income for the period transferred to equity	-	-	110,359,444	110,359,444
Surplus on revaluation of property, plant and equipment realized through depreciation for the year - net of deferred tax	-	(2,342,301)	-	(2,342,301)
Transferred from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	2,342,301	2,342,301
Balance at 30 September 2022	463,826,880	1,325,465,739	657,374,373	2,446,666,992

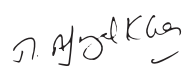
The annexed notes 1 to 16 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	30 Sep 2022 Rupees	30 Sep 2021 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	134,962,234	122,792,347
Adjustments for:		
Depreciation on property, plant and equipment	15,481,870	6,544,435
Depreciation on investment property	175,268	179,762
Finance costs	22,484,334	12,512,915
Provision for Workers' profit participation fund	7,240,657	6,598,956
Provision for Workers' welfare fund net of reversal	2,610,257	2,587,826
Provision for gratuity	3,427,353	4,203,925
Dividend income	(6,765,728)	(3,361,705)
Rental Income	(1,275,000)	(1,275,000)
Unrealized gain on remeasurement of investment	(13,391,160)	(13,910,074)
Unrealized exchange gain	(11,022,842)	-
Interest income	(2,300,536)	(307,283)
	16,664,473	13,773,756
	151,626,707	136,566,103
Changes in:		
Inventories	35,567,473	(62,406,766)
Trade debts	(197,822,730)	(133,681,627)
Advances, deposits, short term prepayments and other receivables	92,430,829	(30,434,874)
Trade and other payables	12,463,108	27,843,008
	(57,361,320)	(198,680,259)
Cash generated from operating activities	94,265,387	(62,114,157)
Finance costs paid	(18,849,574)	(10,032,481)
Payments to Workers' profit participation fund	(18,904,265)	-
Income taxes paid	(17,337,250)	(14,619,858)
	(55,091,090)	(24,652,339)
Net cash from operating activities	39,174,297	(86,766,496)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(2,959,234)	(172,845,556)
Rent received	1,275,000	1,275,000
Dividend received	6,765,728	3,361,705
Interest received	63,035	307,283
Net cash used in investing activities	5,144,529	(167,901,568)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	1,332,978	(29,335)
Proceeds from long term loan	-	140,152,790
Repayment of long term loan	(20,632,082)	(5,306,698)
Payment of lease liabilities	(1,553,713)	(2,419,066)
Net cash used in financing activities	(20,852,817)	132,397,691
Net increase / (decrease) in cash and cash equivalents	23,466,009	(122,270,373)
Cash and cash equivalents at beginning of the period	(477,239,795)	(457,523,160)
Cash and cash equivalents at end of the period	(453,773,786)	(579,793,533)

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The annexed notes 1 to 16 form an integral part of these financial statements.



Chief Financial Officer



Chief Executive Officer



Director

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

1 THE COMPANY AND ITS OPERATIONS

Biafo Industries Limited ("the Company") was incorporated in Pakistan on 07 September 1988 as a public limited company under the Companies Ordinance, 1984 (now the Companies Act, 2017). Previously, the shares of the Company were quoted on Karachi and Islamabad Stock Exchanges of Pakistan. However, due to integration of these Stock Exchanges into Pakistan Stock Exchange, effective 11 January 2016, the shares of the Company are now quoted on Pakistan Stock Exchange. The Company started its commercial production on 01 July 1994 and is principally engaged in the manufacturing of commercial explosives and blasting accessories including detonators and other materials. The Company's license for manufacturing and sale of explosives is required to be renewed annually. The Company's production facility is situated at Hattar Industrial Estate, Khyber Pakhtunkhwa, with its registered office located at 1st Floor, Biafo House, Plot No. 23, Street No. 38-40, I&T Centre, G-10/4, Islamabad, Pakistan.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for condensed interim financial reporting. The accounting and reporting standards as applicable in Pakistan for condensed 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.

The disclosures in these condensed interim financial statements do not include the information that was reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2022. Comparative condensed interim statement of financial position is extracted from the annual audited financial statements as of 30 June 2021, whereas comparative condensed interim statement of profit or loss, comparative condensed interim statement of comprehensive income, comparative condensed interim statement of cash flows and comparative condensed interim statement of changes in equity are extracted from unaudited interim financial statements for three months period ended 30 September 2021.

These condensed interim financial statements are unaudited and are being submitted to the members as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of the Pakistan Stock Exchange Limited.

3 SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies, significant judgements made in the application of accounting policies, key sources of estimations and methods of computation adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended June 30, 2022.

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statements for the year ended June 30, 2022. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended June 30, 2022. The carrying amounts of financial assets and financial liabilities are estimated to approximate their fair value as of September 30, 2022.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**
4 PROPERTY, PLANT AND EQUIPMENT

During three months period ended 30 September 2022, the Company acquired property, plant and equipment aggregating to Rs. 2,959,234 (30 September 2021: Rs. 175,932,108). Further details are as follows:

	Three Months Ended	
	Unaudited 30 Sep 2022 Rupees	Unaudited 30 Sep 2021 Rupees
Additions		
Plant and machinery	-	270,000
Tools & equipment	431,146	-
Furniture and fixtures	153,875	-
Electrical appliances	208,938	60,500
Capital work in progress	2,165,275	172,515,056
Right of use asset	-	3,086,552
	<u>2,959,234</u>	<u>175,932,108</u>
Transfer from work in progress to :		
Building on leasehold land	-	5,967,499
Plant and machinery	-	-
	<u>-</u>	<u>5,967,499</u>
Depreciation Charge		
Building on leasehold land	1,291,658	930,484
Plant and machinery	12,187,500	3,935,126
Fork lifter	24,429	27,144
Tools and equipment	61,589	63,839
Tube well	18,053	20,058
Office equipment	277,753	362,809
Furniture and fixtures	192,472	189,758
Electrical appliances	384,747	133,790
Vehicles	282,792	403,277
Right of use asset	760,876	478,150
	<u>15,481,870</u>	<u>6,544,435</u>

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Unaudited 30 Sep 2022 Rupees	Audited 30 June 2022 Rupees
5	SHORT - TERM INVESTMENTS	
	Equity securities - at FVTPL	194,576,089
	Debt securities - at amortized cost	122,284,516
	339,468,922	316,860,605
6	TRADE AND OTHER PAYABLES	
	Trade creditors	149,907,644
	Contract liability - unsecured	104,590,587
	Accrued liabilities	23,526,542
	Insurance payable	972,652
	Workers' profit participation fund payable	18,904,265
	Workers' welfare fund payable	7,184,221
	Payable to employees' provident fund	1,951,500
	Withholding Taxes Payable	2,005,650
	Other payables	40,613,037
	353,065,852	349,656,098
7	SHORT - TERM BORROWINGS	
	Allied Bank Limited (ABL)	424,436,153
	United Bank Limited (UBL)	124,659,176
	525,846,173	549,095,329

7.1

7.1 The facility limits, securities offered and markup rates of these short term borrowings are the same as disclosed in the annual audited financial statements for the year ended 30 June 2022.

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022**

	Unaudited 30 Sep 2022 Rupees	Audited 30 June 2022 Rupees
8 DEFERRED TAX LIABILITY- net		
The net balance of deferred tax is in respect of the following major temporary differences:		
Accelerated depreciation of property, plant and Right of use assets	54,681,204	63,871,197
Surplus on revaluation of property, plant and equipment	4,005,341	3,832,899
Super tax impact	27,540,255	28,191,310
Employee benefits	5,105,336	6,435,160
Trade debts	(3,250,689)	(3,082,345)
Stores, spares and loose tools	(6,954,369)	(6,954,369)
	(929,527)	(929,527)
	80,197,552	91,364,325

9 CONTINGENCIES AND COMMITMENTS

There is no material change in the contingent liabilities as reported in the annual financial statements for the year ended 30 June 2022.

Letters of credit issued by banks on behalf of the Company for the import of raw materials and Plant & Machinery amounted to Rs. 83,680,231 at 30 September 2022 (30 June 2022: Rs. 36,311,645).

Letter of guarantee issued by Allied Bank Limited on behalf of the Company for the issuance of performance bond to secure the contracts with different government and private entities outstanding at 30 September 2022 amounted to Rs. 22,607,412 (30 June 2022: Rs. 22,607,412).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

	Three Months Ended	
	Unaudited	Unaudited
	30 Sep 2022	30 Sep 2021
	Rupees	Rupees
10 REVENUE- net		
Gross local sales	313,916,084	378,713,911
Sales tax	(45,674,765)	(55,326,841)
Net local sales	268,241,319	323,387,070
Net export sales	358,263,687	132,084,012
	626,505,006	455,471,082

11 CASH AND CASH EQUIVALENTS

For the purpose of cash flow statement cash and cash equivalents comprise of:

Cash and bank balances	72,072,387	50,471,734
Short term borrowings - running finance (Note 7.1)	(525,846,173)	(630,265,267)
	(453,773,786)	(579,793,533)

12 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties comprise of directors, key management personnel, major shareholders, entities over which the directors are able to exercise influence and employees' fund. Transactions with related parties during the period and balances at the reporting date are as follows:

	Three Months Ended	
	Unaudited	Unaudited
	30 Sep 2022	30 Sep 2021
	Rupees	Rupees
Directors and key management personnel		
Share capital held as of the reporting date by non executive directors	192,701,026	162,188,010
Share capital held as of the reporting date by executive directors	31,542,520	26,068,230
Remuneration including perquisites to Chief Executive Officer	5,200,000	4,875,000
Remuneration including perquisites to Directors	6,101,095	5,996,250
Remuneration including perquisites to key management personnel	7,939,750	9,183,878
Other related parties		
Payment to employees' provident fund	4,770,288	4,454,386
Payable to employees' provident fund - unsecured	2,304,176	2,186,845
Payable to staff retirement gratuity fund - unsecured	14,845,958	7,379,527

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE PERIOD ENDED 30 SEPTEMBER 2022

13 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Financial assets and liabilities

	Carrying amount		Fair value					
	Amortized cost	Fair value through profit or loss	Financial liabilities at amortized cost		Level 1	Level 2	Level 3	Total
			Rupees	Rupees				
30 September 2022 (Unaudited)								
Financial assets measured at fair value								
Short - term investments	-	200,744,555	-	200,744,555	200,744,555	-	-	200,744,555
	-	200,744,555	-	200,744,555	200,744,555	-	-	200,744,555
Financial assets not measured at fair value								
Trade debts	657,184,416	-	-	657,184,416	-	-	-	-
Advances to employees	1,077,857	-	-	1,077,857	-	-	-	-
Other receivables	2,704,941	-	-	2,704,941	-	-	-	-
Short - term investments	138,724,367	-	-	138,724,367	-	-	-	-
Bank balances	72,072,387	-	-	72,072,387	-	-	-	-
Trade deposits	17,787,121	-	-	17,787,121	-	-	-	-
Long - term deposits	1,777,650	-	-	1,777,650	-	-	-	-
Total financial assets	891,328,740	200,744,555	-	1,092,073,295	200,744,555	-	-	200,744,555
Financial liabilities not measured at fair value								
Short-term borrowings	-	-	525,846,173	525,846,173	-	-	-	-
Unclaimed dividend	-	-	28,732,777	28,732,777	-	-	-	-
Unpaid dividend	-	-	15,442,085	15,442,085	-	-	-	-
Long term loans	-	-	238,163,301	238,163,301	-	-	-	-
Lease liabilities	-	-	11,258,816	11,258,816	-	-	-	-
Trade and other payables	-	-	212,362,113	212,362,113	-	-	-	-
Total financial liabilities	-	-	1,031,805,265	1,031,805,265	-	-	-	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

Financial assets and liabilities

	Carrying amount		Fair value					
	Amortized cost	Fair value through profit or loss	Financial liabilities at amortized cost	Total	Level 1	Level 2	Level 3	Total
	Rupees		Rupees					
30 June 2022 (Audited)								
Financial assets measured at fair value								
Short - term investments	-	194,576,089	-	194,576,089	194,576,089	-	-	194,576,089
	-	194,576,089	-	194,576,089	194,576,089	-	-	194,576,089

Financial assets not measured at fair value

Trade debts	459,361,686	-	-	459,361,686	-	-	-	-
Advances to employees	4,500,716	-	-	4,500,716	-	-	-	-
Other receivables	2,704,941	-	-	2,704,941	-	-	-	-
Short - term investments	122,284,516	-	-	122,284,516	-	-	-	-
Bank balances	71,855,534	-	-	71,855,534	-	-	-	-
Trade deposits	18,305,486	-	-	18,305,486	-	-	-	-
Long - term deposits	1,777,650	-	-	1,777,650	-	-	-	-
Total financial assets	680,790,529	194,576,089	-	875,366,618	194,576,089	-	-	194,576,089

Financial liabilities not measured at fair value

Short-term borrowings	-	-	549,095,329	549,095,329	-	-	-	-
Unclaimed dividend	-	-	27,399,799	27,399,799	-	-	-	-
Unpaid dividend	-	-	15,442,085	15,442,085	-	-	-	-
Long term loans	-	-	259,203,807	259,203,807	-	-	-	-
Lease liabilities	-	-	12,812,529	12,812,529	-	-	-	-
Trade and other payables	-	-	215,019,875	215,019,875	-	-	-	-
Total financial liabilities	-	-	1,078,973,424	1,078,973,424	-	-	-	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE PERIOD ENDED 30 SEPTEMBER 2022

		Three Months Ended	
		Unaudited	Unaudited
		30 Sep 2022	30 Sep 2021
14	EARNINGS PER SHARE		
	<i>- Basic and diluted</i>		
	Profit for the period	Rupees	
		<u>110,359,444</u>	<u>96,036,676</u>
	Weighted average number of ordinary shares	Numbers	
		<u>46,382,688</u>	<u>46,382,688</u>
	Earnings per share	Rupees	Restated
		<u>2.38</u>	<u>2.07</u>

14.1 Earnings per share have been restated due to issuance of 8,049,888 shares of the Company, as bonus shares during the period.

15 NON ADJUSTING EVENTS AFTER REPORTING DATE AND DATE OF AUTHORIZATION FOR ISSUE

15.1 The Board of Directors of the Company in their meeting held on 24 October 2022 has not proposed any dividend for the period under review.

15.2 These condensed interim financial statements were authorized for issue by the Board of Directors of the Company in their meeting held on 24 October 2022.

16 GENERAL

16.1 Figures in these condensed interim financial statements have been rounded off to the nearest rupee.



Chief Financial Officer



Chief Executive Officer



Director

BIAFO INDUSTRIES LTD.

1st Floor, Biafo House, Plot No. 23, Street No. 38-40,
I&T Centre, G-10/4, Islamabad - Pakistan.

Tel: (92-51) 2353450-53, 2353455-57, Fax: (92-51) 2353458

Email: management@biafo.com, www.biafo.com