

# ALSHAHEER

FOODS

3rd Quarter Report 2020-2021

A CUT OF  
EXCELLENCE









**ALSHAHEER**  
**FOODS**

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# Our Story

Al Shaheer Corporation entered the world of meat business in 2008 starting from humble beginnings and growing into a renowned name within a short span of time. The powerful fundamental values of teamwork, integrity, excellence, community service and consumer focus form the foundation of this business which aimed to serve and go beyond the expectations of the customers. Our meat products have always satisfied our consumers with the high hygiene and health standards we have always met, thus enabling us to grow and reach top levels in this industry.

Gadap Town - Karachi is home to our class apart abattoir, designed customarily as an answer to



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FOODS



the global need and demand of Halal meat. Well organized logistics, spotless lairage area, cold storage and chillers imported from Australia, all make this abattoir one of the very best; and its capacity of 40 heads per hour makes it the country's largest private slaughtering facility. This has been further certified by the departments of health and food of Middle Eastern GCC countries as well. And if one would wonder who leads the meat export of Pakistan, the answer would be *Al Shaheer Corporation* venturing into export markets of Saudi Arabia, Dubai, Kuwait, Oman, Bahrain and Qatar in 2009.

'Meat One', the first red meat brand of Al Shaheer came into being in 2010 with the objective of providing innovative and convenient 'one stop fresh meat solutions' to consumers, placing us in the center of the fresh meat retail market of Pakistan. This brand offers various kinds of fresh meat operating through exclusively designed outlets as well as standard shop-in-shop models. The quality standards of Meat One are unmatched at every level of the meat selection process. Highest quality cattle is chosen as the first step of our process. Getting the cattle checked by skilled vets comes next as health and safety are the two top most priorities. These are then slaughtered in a completely halal way at our abattoir, sectioning and processing them in large cuts before transporting them in hygienic refrigerated trucks to various outlets.

'Khaas Meat'. Al Shaheer's second retail brand emerged in 2014. This brand stands for three key elements: quality, hygiene and affordability. Neighborhood butcher shops were given a whole new look and meaning by this brand. The brand's reach further increased in 2015 through shop-in shop models in busy superstores across the major cities of Pakistan.



It was the same year that Al Shaheer Foods achieved yet another important milestone and became a corporate limited company, being listed on the Stock Exchange. The company transitioned to Al Shaheer Foods from Al Shaheer Corporation in the first month of 2017, with the objective of establishing itself as a 'foods' company. Keeping this objective in mind, products like poultry, ready-to-cook / ready-to-eat products, fruits and vegetables are now being considered to be further included in the line of business as well.

The list of international accreditations to Al Shaheer Foods is nothing less than impressive. These include the ISO 9001:2015, ISO 22000:2005, HACCP for quality and food safety standards in the production process, SAFE Food Award 2009 & 2010 by URS for quality and hygiene. The Federation of Pakistan Chambers of Commerce and Industry has also awarded Al Shaheer Foods with the 'Best Export Performance' Award in 2009, 2010, 2012 and 2013 for Fresh and Frozen Meat while Exhibitor (Pvt.) Ltd. has awarded us with Brand of the Year Award in 2009 and Best Emerging Brand of the Year 2009.



ASC Foods is certified on following regulatory & international standards:

- ISO 9001:2015
- ISO 22000:2005
- ISO 14001: 2015
- OHSAS 18001: 2007
- HACCP
- Pakistan Halal standard PS3733:2016
- Malaysian Halal standard MS 1500
- UAE/GSO Halal slaughtering standard 993:2015



The latest and most anticipated project of ASC Foods is the much awaited poultry and processed food line. This project with the grace of Allah is in its final stages of completion and will be launched in the retail market very soon Inshallah. Following the benchmarks set by Meat One, the essence of this upcoming brand is yet again innovation and convenience, meeting consumer needs with a differentiated and diverse offering. Just like its predecessor, this brand will also uphold the quality standards of health and hygiene and will bring significant improvement in our customer's lives not just through delicious satisfaction to the taste buds but also through an assortment of product offering currently unmet in entirety by any other local brand. This will hence be the perfect opportunity for our company to expand its presence even further both locally and internationally through general and modern trade.

With the grace of Allah, we have always been able to supersede the benchmarks created every year by ourselves. This has only been possible because of the astounding support shown by everyone associated with us. It is our key stakeholders; be it our customers, suppliers, employees, agencies, bankers or shareholders, whose unwavering support is what keeps us driven. And as this support keeps increasing, so will our dedication to attain even higher standards and go beyond your expectations every year.

# Our Motto



## Vision

“Dominate the meal table by offering delightful food solutions to consumers”.





## Mission

- We will delight and vitalize our consumers with food products that meet the highest standards of health, hygiene and fulfillment.
- We will achieve this by sourcing the best quality of livestock, purest ingredients and world class manufacturing processes.
- We will have excellence in our Shariah compliance standards for all our products, our operations and the way we interact with the communities and environment around us.
- We value diversity & teamwork and promote an open informal work environment.
- All our actions will clearly exhibit our relentless commitment to ethics, product safety and consumer satisfaction.

# Company Information

## BOARD OF DIRECTORS

Mr. Kamran Ahmed Khalili	Chief Executive Officer
Mr. Adeeb Ahmad	Director
Mr. M. Qaysar Alam	Director
Mr. M. Zubair Haider Shaikh	Director
Mr. Zillay A Nawab	Director
Mr. Umair Ahmed Khalili	Director
Ms. Sabeen Fazli Alavi	Director

## AUDIT COMMITTEE

Mr. M. Zubair Haider Shaikh	Chairman
Mr. M Qaysar Alam	Member
Mr. Umair Ahmed Khalili	Member

## HUMAN RESOURCE COMMITTEE

Mr. Zillay A Nawab	Chairman
Mr. Kamran Ahmed Khalili	Member
Mr. Umair Ahmed Khalili	Member
Ms. Sabeen Fazli Alavi	Member

## CHIEF FINANCIAL OFFICER

Ms. Maryam Ali

## COMPANY SECRETARY

Mr. Osama Javed Usmani

## HEAD OF INTERNAL AUDIT

Mr. Furqan Galla



# Company Information

## MANAGEMENT COMMITTEE

Mr. Kamran Ahmed Khalili	Chief Executive Officer
Ms. Maryam Ali	Chief Financial Officer
Mr. Farhan Usman	Head of Factory Operations
Mr. Osama Javed Usmani	Head of Local Business, and Company Secretary
Mr. Furqan Galla	Head of Internal Audit
Mr. Ahsan Afzaal	Chief Operating Officer
Ms. Ambreen Malik	Head Of Human Resources & Administration

## AUDITORS

Messrs. EY Ford Rhodes Chartered Accountants

## SHARE REGISTRATION OFFICE

CDC Share Registrar Services Limited.  
CDC House, 99-B, Block 'B', S.M.C.H.S.,  
Main Shahrah-e-Faisal, Karachi-74400  
Tel: (92-21) 111-111-500  
Fax: (92-21) 34326031

## PRINCIPAL BANKERS

Faysal Bank Limited	IBB Main Branch, Karachi
Askari Bank Limited	IBB DHA Branch, Karachi
Meezan Bank Limited	Clifton Branch, Karachi
MCB Bank Limited	Clifton Branch, Karachi
Habib Bank Limited	IBB Phase IV Branch, Karachi
United Bank Limited	Khayaban-e-Shabaz Branch, Karachi
Habib Metropolitan	IBB-Alfalah Court, Bank Limited, Karachi
Summit Bank Limited	I.I. Chundrigar Road, Karachi
Dubai Islamic Bank	Clifton, Karachi

## REGISTERED OFFICE

Suite G/5/5, 3rd Floor, Mansoor Tower, Block 8 Clifton, Karachi

## GADAP TOWN PLANT

Survey No. 348, Deh Shah Mureed, Tappo Songal, Gadap Town, Karachi

## POULTRY & MEAT PROCESSING PLANT

3.5 Km Manga Mandi  
Near Raiwand Road, Lahore

# Director's Review





The Directors of your Company are pleased to present the financial results of the Company for the quarter ended March 31, 2021.

## Operational Performance

Summarized operating performance of the company for the Quarter is as follows:

	Quarter Ended March 31, 2021	Quarter Ended March 31, 2020
	(Rupees in '000)	
Turnover	1,393,449	1,050,017
Operating Profit	119,564	52,873
Net Profit	17,311	102,773
EPS (Rs./Share)	0.07	0.52

In third quarter of this fiscal year, the Company's turnover increased by 32.7% compared to the same period last year. The export business increased over 32% in comparison with same period last year. Meatone grew by 11% and Khaas Meat grew by 5% over the same period last year. Institutional sales grew considerably over same period last year.

However, gross margins remained under pressure due to rising livestock prices, owing to the overall food inflation, with inflation rates of 5.65%, 8.7% and 9.05% (source Pakistan Bureau of Statistics) for the months of January – March, 2021 v/s last year same period. Further, a major exchange loss on foreign currency receivables has occurred due to rupee appreciation during 3QFY20-21, considerably diluting net earnings in the quarter.

## Future Outlook

The Company is on track to increase topline by increasing Export and Institutional Sales business, however, these lines of businesses are facing market vulnerability due to third wave of Covid-19. Lockdowns in our Institutional sales' customer segment are adversely impacting sales. On Retail front, we will continue capitalizing on growing modern retailing opportunity, and accordingly expand network of our own outlets, as well as through alliances with modern trade. Plans include expanding our reach within existing cities we operate, and entering into new cities as well. Furthermore, the Company will continue to work with optimized resources to ensure efficiencies and positive results.

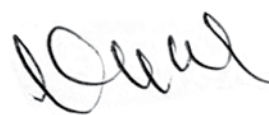
Our poultry and processed foods plant commissioning in Lahore is under final stages. We expect to start our commercial production from first quarter of next fiscal year.

## Acknowledgment


The Board is thankful to its valuable stakeholders for their trust and continued support to the Company. The Board would also like to place on record its appreciation to all employees of the Company for their dedication, diligence and hard work.



**Muhammad Qaysar Alam**  
Chairman – Board of Directors



**Kamran Khalili**  
Chief Executive Officer



**Condensed  
Interim  
Unconsolidated  
Financial  
Statements  
2020-21**




# Unconsolidated Condensed Interim Statement of Financial Position

## As at March 31, 2021

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	5,284,167	5,049,519
Intangible asset		2,407	2,958
Long-term investment		19,049	19,049
Long term loan		9,461	12,261
Deferred tax asset-net		248,089	246,790
		<u>5,563,173</u>	<u>5,330,577</u>
<b>CURRENT ASSETS</b>			
Fuels and lubricants		322	379
Stock-in-trade		190,805	140,724
Trade debts	6	1,990,638	1,985,426
Loans and advances		394,168	316,719
Trade deposits and prepayments		15,574	15,081
Other receivables		404,413	302,263
Taxation - net		142,639	147,357
Cash and bank balances		194,231	44,343
		<u>3,332,790</u>	<u>2,952,292</u>
<b>TOTAL ASSETS</b>		<u><b>8,895,963</b></u>	<u><b>8,282,869</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		2,999,389	1,999,593
Share premium		1,507,705	1,507,705
Unappropriated profit		1,088,295	1,023,332
Revaluation surplus on property, plant and equipment		772,434	788,049
		<u>6,367,823</u>	<u>5,318,679</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing	7	629,499	593,398
Government grant		2,881	2,080
Lease liabilities		64,172	117,445
Deferred liabilities-staff gratuity		77,021	71,924
		<u>773,573</u>	<u>784,847</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		704,651	799,533
Short-term borrowings		486,244	1,023,934
Accrued mark-up		69,033	59,914
Due to a related party	8	2,704	29,693
Current portion of long-term financing		418,155	206,746
Current portion of government grant		4,057	1,436
Current portion of lease liabilities		69,723	58,087
		<u>1,754,567</u>	<u>2,179,343</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>8,895,963</b></u>	<u><b>8,282,869</b></u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
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The annexed notes 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
 Chief Executive Officer

  
 Director

  
 Chief Financial Officer


# Unconsolidated Condensed Interim Statement of Profit or Loss

For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	Nine Months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note</b>	----- (Rupees in '000) -----			
Turnover	4,018,787	2,609,458	1,393,449	1,050,017
Cost of sales	(2,932,964)	(1,743,653)	(1,044,740)	(748,324)
<b>Gross profit</b>	<b>1,085,823</b>	865,805	<b>348,709</b>	301,693
Administrative and distribution expenses	(665,753)	(623,450)	(229,145)	(248,820)
<b>Operating profit</b>	<b>420,070</b>	242,355	<b>119,564</b>	52,873
Other expenses	(184,129)	(4,785)	(81,748)	(3,640)
Other income	1,464	85,598	991	122,299
Finance costs	(126,517)	(223,589)	(10,098)	(77,079)
<b>Profit before taxation</b>	<b>110,888</b>	99,579	<b>28,709</b>	94,453
Taxation	(33,889)	30,561	(11,398)	8,320
<b>Profit after taxation</b>	<b>76,999</b>	130,140	<b>17,311</b>	102,773
	----- (Rupee) -----			
<b>Earnings per share-basic and diluted (Rupee)</b>	<b>0.33</b>	0.71	<b>0.07</b>	0.52

The annexed notes 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer




# Unconsolidated Condensed Interim Statement of Comprehensive Income

For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	Nine Months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----			
Profit after taxation	76,999	130,140	17,311	102,773
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>76,999</b>	<b>130,140</b>	<b>17,311</b>	<b>102,773</b>

The annexed notes 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
 \_\_\_\_\_  
 Chief Executive Officer

  
 \_\_\_\_\_  
 Director

  
 \_\_\_\_\_  
 Chief Financial Officer


# Unconsolidated Condensed Interim Statement of Changes In Equity

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	Share Capital	Capital reserves	Revenue reserves	Revaluation surplus on property, plant and equipment	Total
		Share Premium	Unappropriated profit		
----- (Rupees in '000) -----					
<b>Balance as at June 30, 2019 (Audited)</b>	1,421,175	1,507,705	844,912	824,194	4,597,986
Net Profit for the period	-	-	130,140	-	130,140
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	130,140	-	130,140
Issuance of right shares - 57,841,793 shares at par	578,417				578,417
Issuance cost on right shares			(17,615)		(17,615)
Transferred to unappropriated profit in respect of incremental depreciation during the period – net of tax	-	-	26,909	(26,909)	-
<b>Balance as at March 31, 2020</b>	<b>1,999,592</b>	<b>1,507,705</b>	<b>984,346</b>	<b>797,285</b>	<b>5,288,928</b>
<b>Balance as at June 30, 2020 (Audited)</b>	<b>1,999,593</b>	<b>1,507,705</b>	<b>1,023,332</b>	<b>788,049</b>	<b>5,318,679</b>
Net Profit for the period	-	-	76,999	-	76,999
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	76,999	-	76,999
Issuance of right shares - 99,979,610 shares at par	999,796				999,796
Issuance cost on right shares			(27,651)		(27,651)
Transferred to unappropriated profit in respect of incremental depreciation during the period – net of tax	-	-	15,615	(15,615)	-
<b>Balance as at March 31, 2021</b>	<b>2,999,389</b>	<b>1,507,705</b>	<b>1,088,295</b>	<b>772,434</b>	<b>6,367,823</b>

The annexed notes 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

# Unconsolidated Condensed Interim Statement of Cash Flows


## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	110,888	99,579
<b>Adjustments for:</b>		
Depreciation	47,216	52,573
Depreciation - Right of use - asset	47,951	47,112
Amortisation	551	734
Provision for defined benefit plan - gratuity	11,579	12,083
Loss on disposal of property, plant and equipment	1,291	4,025
Profit on long term investment	-	(8,607)
Finance costs	126,517	223,589
	<b>235,105</b>	<b>331,509</b>
<b>Operating profit before working capital changes</b>	<b>345,993</b>	<b>431,088</b>
<b>(Increase) / decrease in current assets:</b>		
Fuels and lubricants	57	196
Stock-in-trade	(50,081)	8,805
Trade debts	(5,212)	(508,322)
Loans and advances	(74,649)	(71,289)
Trade deposits and prepayments	(493)	3,373
Other receivables	(102,150)	(75,095)
	<b>(232,528)</b>	<b>(642,332)</b>
<b>(Decrease) / increase in current liabilities:</b>		
Trade and other payables	(94,882)	8,831
Due to a related party	(26,989)	22,513
	<b>(121,871)</b>	<b>31,344</b>
<b>Cash used in operations</b>	<b>(8,406)</b>	<b>(179,900)</b>
Taxes paid	(30,470)	(10,423)
Staff gratuity paid	(6,482)	(9,729)
<b>Net cash used in operating activities</b>	<b>(45,358)</b>	<b>(200,052)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(324,782)	(41)
Sale proceeds from disposal of property, plant and equipment	2,077	24,262
Realization on encashment of Sales Tax Bonds	-	83,200
Short-term investments encashed during the period	-	626
<b>Net cash (used) in / generated from investing activities</b>	<b>(322,705)</b>	<b>108,047</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from issuance of right shares	972,145	560,803
Long-term financing - net	250,932	(119,383)
Short-term financing - net	(537,690)	(39,071)
Lease rentals paid	(50,037)	(48,586)
Finance costs paid	(117,399)	(226,352)
<b>Net cash generated from financing activities</b>	<b>517,951</b>	<b>127,411</b>
<b>Net decrease in cash and cash equivalents</b>	<b>149,888</b>	<b>35,406</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>44,343</b>	<b>19,735</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>194,231</b>	<b>55,141</b>

The annexed notes 1 to 14 form an integral part of these unconsolidated condensed interim financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer



# Notes to the Unconsolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

### 1. THE COMPANY AND ITS OPERATIONS

Al Shaheer Corporation Limited (the Company) was incorporated on June 30, 2012 under the repealed Companies Ordinance, 1984 (the Ordinance), now 'the Companies Act, 2017', and is quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at Suite No. G/5/5, 3rd Floor, Mansoor Tower, Block-8, Shahrah-e-Roomi, Clifton, Karachi. The Company is engaged in trading of different kinds of halal meat including goat, cow, chicken and fish, both for export market and local sales through chain of retail stores.

### 2. BASIS OF PREPARATION

These unconsolidated 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 Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; 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.

These unconsolidated 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 June 30, 2020.

These are the separate financial statements of the Company in which investment in subsidiary is stated at cost less impairment loss, if any.

### 3. ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the Company's annual audited financial statements for the year ended June 30, 2020.

#### 3.1 New / Revised Standard, Amendments, Interpretation and Improvements

The Company has adopted the following accounting standards, amendments and interpretations of IFRSs and the improvements to accounting standards which became effective for the current period:

##### Amendments and framework:

- IFRS 3 - Definition of a Business (amendments);
- IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (amendments);
- IAS 1 / IAS 8 - Definition of Material (amendments);
- IFRS 16 - COVID 19 Related Rent Concessions (amendments)

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The adoption of the above amendments and framework did not have any effect on the unconsolidated condensed interim financial statements.

# Notes to the Unconsolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

### 4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2020, except as disclosed otherwise.

The company follows the practice to conduct actuarial valuation as at year end. Hence the impact of re-measurement of staff retirement benefit fund has not been incorporated in these condensed interim financial statements.

		(Un-audited) March 31, 2021	(Audited) June 30, 2020
		----- (Rupees in '000) -----	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>	<b>Note</b>		
Operating fixed assets	5.1	1,602,991	1,645,488
Right of use - asset		115,933	158,851
Capital work-in-progress	5.2	3,565,243	3,245,180
		5,284,167	5,049,519
<b>5.1 The movement in operating fixed assets during the period / year is as follows:</b>			
Opening balance - book value		1,645,488	1,737,198
Additions during the period / year	5.1.1	8,087	11,097
		1,653,575	1,748,295
Disposals during the period / year - book value	5.1.1	(3,368)	(33,465)
Depreciation charge for the period / year		(47,216)	(69,342)
		(50,584)	(102,807)
Closing balance - book value		1,602,991	1,645,488

#### 5.1.1 Details of additions and deletions are as follows:

	Additions (cost)		Deletions (net book value)	
	(Un-audited) March 31, 2021	(Audited) June 30, 2020	(Un-audited) March 31, 2021	(Audited) June 30, 2020
----- (Rupees in '000) -----				
Buildings on freehold land	2,564	-	450	24,960
Plant and machinery	65	9,172	-	-
Furniture and fittings	1,052	450	-	-
Motor vehicles	260	975	2,918	8,140
Office equipment	1,073	41	-	28
Computers and accessories	3,073	459	-	337
	8,087	11,097	3,368	33,465

# Notes to the Unconsolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

5.2 The movement in capital work-in-progress is as follows:

	Leasehold Land	Building	Plant and machinery	Advance to suppliers and contractors	Intangible asset under development	Total
	----- (Rupees in '000) -----					
Opening balance	65,610	42,059	1,586,969	1,526,729	23,813	3,245,180
Addition during the period	-	-	20,345	299,718	-	320,063
Adjustments during the period	-	-	-	-	-	-
Closing balance	65,610	42,059	1,607,314	1,826,447	23,813	3,565,243

### 6. TRADE DEBTS

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	----- (Rupees in '000) -----	
Considered good	1,990,638	1,985,426
Considered doubtful	46,396	41,365
Allowance for expected credit loss	2,037,034	2,026,791
	(46,396)	(41,365)
	1,990,638	1,985,426

### 6.1 Allowance for expected credit loss

The movement in expected credit loss during the period/year is as follows:

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
Balance at the beginning of the period/year	41,365	29,769
Provision recognised during the period/year	5,031	11,596
Balance at end of the period/year	46,396	41,365

### 7. LONG-TERM FINANCING

7.1 During the period, under SBP BPRD Circular letter No. 13 of 2020, the Company restructured and converted its existing outstanding Murabaha financing facilities into Diminishing Musharaka facilities from various commercial banks aggregating to Rs.320 million. These facilities carry profit at the rates ranging from 3 months KIBOR + 4% to 12 months KIBOR + 5.88% per annum and are payable latest by June 2025. These facilities are secured by exclusive charge over respective fixed assets of the Company.

7.2 During the period, the Company obtained 4 further tranches of long-term financing from a conventional bank under the refinance scheme for payment of wages and salaries by State Bank of Pakistan. These carry mark-up rate at the rate 3% however, these loans have been recognised at the present value. The loans are repayable in 8 equal quarterly installments commencing from January 2021 discounted at effective rate of interest. The differential mark-up has been recognised as government grant which will be amortised to interest income over the period of facility. These facilities are secured by way of first pari passu over fixed assets of the company with 25% margin over the facility amount.

### 8. DUE TO A RELATED PARTY

Represents interest free loan obtained from CEO of the Company. The loan is unsecured and repayable on demand.

### 9. CONTINGENCIES AND COMMITMENTS

#### 9.1 Contingencies

There are no contingencies as at March 31, 2021.

#### 9.2 Commitments

	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
	----- (Rupees in '000) -----	
Capital commitments	10,000	10,000



# Notes to the Unconsolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

### 10. OTHER EXPENSES

This includes net exchange loss amounting to Rs 175.83 million on revaluation of trade debts and payables in foreign currency.

### 11. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of subsidiary company, associates, directors and key management personnel. Transactions with related parties during the period, other than those which have been disclosed elsewhere in this unconsolidated condensed interim financial information, are as follows:

Transaction for the period		March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
<b>Nature of transaction</b>	<b>Relationship</b>	----- (Rupees in '000) -----	
Settlement of liabilities by / (Repayment to) CEO of the company	Key Management Personnel	(26,989)	24,774
Loan repaid to CEO during the period / year		-	(72,530)
<b>Balance as at period / year end</b>		<b>March 31, 2021 (Un-audited)</b>	<b>June 30, 2020 (Audited)</b>
<b>Nature of balance</b>		----- (Rupees in '000) -----	
Due to related party	Key Management Personnel	2,704	29,693

### 12. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

#### 12.1 Financial risk management information and disclosures

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended June 30, 2020. There have been no changes in any risk management policies since the year end.

#### 12.2 Fair value of financial instruments

IFRS 13 - Fair Value Measurement establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

<b>Level 1:</b>	quoted prices in active markets for identical assets or liabilities;
<b>Level 2:</b>	those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
<b>Level 3:</b>	those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

# Notes to the Unconsolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

March 31, 2021 (Un-audited)	----- (Rupees in '000) -----			
	Level 1	Level 2	Level 3	Total
<b>Non- financial assets</b>				
Property, plant and equipment	-	-	1,602,991	1,602,991
<b>June 30, 2020 (Audited)</b>				
<b>Non- financial assets</b>				
Property, plant and equipment	-	-	1,645,488	1,645,488

### 12.3 Fair value of assets and liabilities

There were no transfers amongst levels during the period.

### 13. DATE OF AUTHORISATION FOR ISSUE


These unconsolidated condensed interim financial statements was authorized for issue on 29 - April - 2021 by the Board of Directors of the Company.

### 14. GENERAL

14.1 Corresponding figures have been reclassified for the purpose of better presentation and comparison, wherever necessary.

14.2 All figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer



**Condensed  
Interim  
Consolidated  
Financial  
Statements  
2020-21**




# Consolidated Condensed Interim Statement of Financial Position

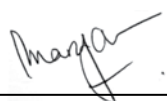
As at March 31, 2021

		March 31, 2021 (Un-Audited)	June 30, 2020 (Audited)
	Note	----- (Rupees in '000) -----	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	5,331,201	5,096,569
Intangible asset		2,407	2,958
Long term loan		9,461	12,261
Deferred tax asset -net		248,089	246,790
		<b>5,591,158</b>	<b>5,358,578</b>
<b>CURRENT ASSETS</b>			
Fuels and lubricants		322	379
Stock-in-trade		190,805	140,724
Trade debts	6	1,990,638	1,985,426
Loans and advances		394,228	316,779
Trade deposits and prepayments		15,574	15,081
Other receivables		404,413	302,263
Taxation - net		142,639	147,357
Cash and bank balances		194,594	44,515
		<b>3,333,213</b>	<b>2,952,524</b>
<b>TOTAL ASSETS</b>		<b>8,924,371</b>	<b>8,311,102</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		2,999,389	1,999,593
Share premium		1,507,705	1,507,705
Unappropriated profit		1,092,322	1,027,424
Revaluation surplus on property, plant and equipment		772,434	788,049
		<b>6,371,850</b>	<b>5,322,771</b>
Non-controlling interest		6,841	6,902
		<b>6,378,691</b>	<b>5,329,673</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing	7	629,499	593,398
Government grant		2,881	2,080
Lease liabilities		64,172	117,445
Deferred liabilities - staff gratuity		77,021	71,924
		<b>773,573</b>	<b>784,847</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		705,537	800,418
Short-term borrowings		486,244	1,023,934
Accrued mark-up		69,033	59,914
Due to a related party	8	19,358	46,047
Current portion of long-term financing		418,155	206,746
Current portion of government grant		4,057	1,436
Current portion of lease liabilities		69,723	58,087
		<b>1,772,107</b>	<b>2,196,582</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>8,924,371</b>	<b>8,311,102</b>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	9		

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
Chief Executive Officer

  
Director

  
Chief Financial Officer


# Consolidated Condensed Interim Statement of Profit or Loss

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	Nine Months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
<b>Note</b>	----- (Rupees in '000) -----			
Turnover	4,018,787	2,609,458	1,393,449	1,050,017
Cost of sales	(2,932,964)	(1,743,653)	(1,044,740)	(750,189)
<b>Gross profit</b>	<b>1,085,823</b>	<b>865,805</b>	<b>348,709</b>	<b>299,828</b>
Administrative and distribution expenses	(665,878)	(623,464)	(229,182)	(246,960)
<b>Operating profit</b>	<b>419,945</b>	<b>242,341</b>	<b>119,527</b>	<b>52,868</b>
Other expenses	(184,130)	(4,785)	(81,749)	(3,640)
Other income	1,464	85,598	991	122,299
Finance costs	(126,517)	(223,590)	(10,098)	(77,079)
<b>Profit before taxation</b>	<b>110,762</b>	<b>99,564</b>	<b>28,671</b>	<b>94,448</b>
Taxation	(33,889)	30,560	(11,398)	8,320
<b>Profit after taxation</b>	<b>76,873</b>	<b>130,124</b>	<b>17,273</b>	<b>102,768</b>
<b>Attributable to:</b>				
Owners of the Holding Company	76,934	130,131	17,291	102,770
Non controlling interests	(61)	(7)	(18)	(2)
	<b>76,873</b>	<b>130,124</b>	<b>17,273</b>	<b>102,768</b>
	<b>Restated</b>		<b>Restated</b>	
	----- (Rupee) -----			
<b>Earnings per share – basic and diluted (Rupee)</b>	<b>0.33</b>	<b>0.71</b>	<b>0.07</b>	<b>0.52</b>

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
 Chief Executive Officer

  
 Director

  
 Chief Financial Officer


# Consolidated Condensed Interim Statement of Comprehensive Income

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	Nine Months ended		Quarter ended	
	March 31, 2021	March 31, 2020	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----			
<b>Profit after taxation</b>	<b>76,873</b>	130,124	<b>17,273</b>	102,768
<b>Other comprehensive income</b>	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>76,873</b>	130,124	<b>17,273</b>	102,768
<b>Attributable to:</b>				
Owners of the Holding Company	76,934	130,131	17,291	102,770
Non controlling interests	(61)	(7)	(18)	(2)
	<b>76,873</b>	130,124	<b>17,273</b>	102,768

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
 \_\_\_\_\_  
 Chief Executive Officer

  
 \_\_\_\_\_  
 Director

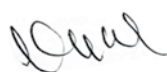
  
 \_\_\_\_\_  
 Chief Financial Officer


# Consolidated Condensed Interim Statement of Changes in Equity

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	Share Capital	Capital reserves	Revenue reserves	Non-controlling interest	Revaluation surplus on property, plant and equipment	Total
		Share Premium	Unappropriated profit			
----- (Rupees in '000) -----						
<b>Balance as at June 30, 2019 (Audited)</b>	1,421,175	1,507,705	849,204	7,090	824,194	4,609,368
Net Profit for the period	-	-	130,131	(7)	-	130,124
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	130,131	(7)	-	130,124
Issuance of Right Shares - 57,841,793 shares at par	578,418	-	-	-	-	578,418
Share Issue Costs	-	-	(17,615)	-	-	(17,615)
Transferred to unappropriated profit in respect of incremental depreciation during the period – net of tax	-	-	26,909	-	(26,909)	-
<b>Balance as at March 31, 2020</b>	<b>1,999,593</b>	<b>1,507,705</b>	<b>988,629</b>	<b>7,083</b>	<b>797,285</b>	<b>5,300,295</b>
<b>Balance as at June 30, 2020 (Audited)</b>	<b>1,999,593</b>	<b>1,507,705</b>	<b>1,027,424</b>	<b>6,902</b>	<b>788,049</b>	<b>5,329,673</b>
Net Profit for the period	-	-	76,934	(61)	-	76,873
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	76,934	(61)	-	76,873
Issuance of right shares - 99,979,610 shares at par	999,796	-	-	-	-	999,796
Issuance cost on right shares	-	-	(27,651)	-	-	(27,651)
Transferred to unappropriated profit in respect of incremental depreciation during the period – net of tax	-	-	15,615	-	(15,615)	-
<b>Balance as at March 31, 2021</b>	<b>2,999,389</b>	<b>1,507,705</b>	<b>1,092,322</b>	<b>6,841</b>	<b>772,434</b>	<b>6,378,691</b>

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer




# Consolidated Condensed Interim Statement of Cash Flows

For the Nine Months Period Ended March 31, 2021 (Un-Audited)

	March 31, 2021	March 31, 2020
	----- (Rupees in '000) -----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	110,762	99,564
<b>Adjustments for:</b>		
Depreciation	47,232	52,588
Depreciation - Right of use - asset	47,951	47,112
Amortisation	551	733
Provision for defined benefit plan - gratuity	11,579	12,083
Gain on remeasurement of short-term investment	-	(21)
Loss on disposal of property, plant and equipment	1,291	4,025
Profit on long term investment	-	(8,607)
Finance costs	126,517	223,589
	<b>235,121</b>	<b>331,502</b>
<b>Operating profit before working capital changes</b>	<b>345,883</b>	<b>431,066</b>
<b>(Increase) / decrease in current assets:</b>		
Fuels and lubricants	57	196
Stock-in-trade	(50,081)	8,805
Trade debts	(5,212)	(508,322)
Loans and advances	(74,649)	(71,289)
Trade deposits and prepayments	(493)	3,374
Other receivables	(102,150)	(75,095)
	<b>(232,528)</b>	<b>(642,331)</b>
<b>(Decrease) / increase in current liabilities:</b>		
Trade and other payables	(94,881)	8,817
Due to a related party	(26,689)	22,513
	<b>(121,570)</b>	<b>31,330</b>
<b>Cash used in operations</b>	<b>(8,215)</b>	<b>(179,935)</b>
Taxes paid	(30,470)	(10,423)
Staff gratuity paid	(6,482)	(9,729)
<b>Net cash used in operating activities</b>	<b>(45,167)</b>	<b>(200,087)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(324,782)	(41)
Sale proceeds from disposal of property, plant and equipment	2,077	24,262
Realization on encashment of Sales Tax Bonds	-	83,200
Short-term investments encashed during the period	-	647
<b>Net cash (used) in / generated from investing activities</b>	<b>(322,705)</b>	<b>108,068</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Cash received from issuance of right shares	972,145	560,802
Long-term financing - net	250,932	(119,383)
Short-term financing - net	(537,690)	(39,071)
Lease rentals paid	(50,037)	(48,568)
Finance costs paid	(117,399)	(226,356)
<b>Net cash generated from financing activities</b>	<b>517,951</b>	<b>127,424</b>
<b>Net decrease in cash and cash equivalents</b>	<b>150,079</b>	<b>35,405</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>44,515</b>	<b>20,052</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>194,594</b>	<b>55,457</b>

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

# Notes to the Consolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

### 1. LEGAL STATUS AND OPERATIONS OF THE GROUP

The Group consists of Al Shaheer Corporation Limited (the Holding Company) and its subsidiary company Al Shaheer Farms (Private) Limited (the Subsidiary Company) that have been consolidated in these consolidated financial statements. Brief profiles of the Holding Company and its Subsidiary Company are as follows:

#### 1.1 Holding Company

Al Shaheer Corporation Limited (the Holding Company) was incorporated on June 30, 2012 and is quoted on Pakistan Stock Exchange. The Company is engaged in trading of different kinds of halal meat including goat, cow, chicken and fish, both for export market and local sales through chain of retail stores. The registered office of the Company is situated at Suite No. G/5/5, 3rd floor, Mansoor Tower, Block-8, shahrah-e-roomi, Clifton, Karachi.

#### 1.2 Subsidiary Company

The Subsidiary Company was incorporated in Pakistan as a private limited Company. The principal activity of the Subsidiary Company is to carry on all kinds of farming including agricultural, poultry, horticultural and dairy and to purchase, acquire, keep, maintain, breed, sell or otherwise dispose of all kinds of cattle and other form of live stocks. The registered office of the Subsidiary Company is situated at Suite No. G/5/5, 3rd Floor, Mansoor Tower, Block-8, Shahrah-e-Roomi, Clifton, Karachi, Pakistan. As of the reporting date, the Holding Company has 51% shareholding in the Subsidiary Company.

### 2. BASIS OF PREPARATION

These consolidated 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 Standards 34; 'Interim Financial Reporting', (IAS 34) issued by International Accounting Standard Board (IASB) as notified under the Companies Act, 2017 (the Act),
- Islamic Financial Accounting Standards (IFAS) issued by the Institute of Chartered Accountants of Pakistan (ICAP) as are notified under the Act; 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.

These consolidated 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 June 30, 2020.

These are the separate financial statements of the Company in which investment in subsidiary is stated at cost less impairment loss, if any.

### 3. ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the Company's annual audited financial statements for the year ended June 30, 2020.

#### 3.1 New / Revised Standard, Amendments, Interpretation and Improvements

The Company has adopted the following accounting standards, amendments and interpretations of IFRSs and the improvements to accounting standards which became effective for the current period:

##### Amendments and framework:

- IFRS 3 - Definition of a Business (amendments);
- IFRS 9 / IAS 39 / IFRS 7 - Interest Rate Benchmark Reform (amendments);
- IAS 1 / IAS 8 - Definition of Material (amendments);
- IFRS 16 - COVID 19 Related Rent Concessions (amendments)

# Notes to the Consolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

The IASB has also issued the revised Conceptual Framework for Financial Reporting (the Conceptual Framework) in March 2018 which is effective for annual periods beginning on or after January 01, 2020 for preparers of financial statements who develop accounting policies based on the Conceptual Framework. The revised Conceptual Framework is not a standard, and none of the concepts override those in any standard or any requirements in a standard. The purpose of the Conceptual Framework is to assist IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards.

The adoption of the above amendments and framework did not have any effect on the consolidated condensed interim financial statements.

#### 4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of consolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2020, except as disclosed otherwise.

The company follows the practice to conduct actuarial valuation as at year end. Hence the impact of re-measurement of staff retirement benefit fund has not been incorporated in these condensed interim financial statements

5. PROPERTY, PLANT AND EQUIPMENT	Note	(Un-audited)	(Audited)
		March 31, 2021	June 30, 2020
----- (Rupees in '000) -----			
Operating fixed assets	5.1	1,603,093	1,645,606
Right of use - asset		115,933	158,851
Capital work-in-progress	5.2	3,612,175	3,292,112
		<u>5,331,201</u>	<u>5,096,569</u>
5.1 The movement in operating fixed assets during the period / year is as follows:			
Opening balance - book value		1,645,606	1,737,336
Additions during the period / year	5.1.1	8,087	11,097
		<u>1,653,693</u>	<u>1,748,433</u>
Disposals during the period / year - book value	5.1.1	(3,368)	(33,465)
Depreciation charge for the period / year		(47,232)	(69,362)
		<u>(50,600)</u>	<u>(102,827)</u>
Closing balance - book value		<u>1,603,093</u>	<u>1,645,606</u>

#### 5.1.1 Details of additions and deletions are as follows:

	Additions (cost)		Deletions (net book value)	
	(Un-audited) March 31, 2021	(Audited) June 30, 2020	(Un-audited) March 31, 2021	(Audited) June 30, 2020
----- (Rupees in '000) -----				
Buildings on freehold land	2,564	-	450	24,960
Plant and machinery	65	9,172	-	-
Furniture and fittings	1,052	450	-	-
Motor vehicles	260	975	2,918	8,140
Office equipment	1,073	41	-	28
Computers and accessories	3,073	459	-	337
	<u>8,087</u>	<u>11,097</u>	<u>3,368</u>	<u>33,465</u>

# Notes to the Consolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

5.2 The movement in capital work-in-progress is as follows:

	Leasehold Land	Building	Plant and machinery	Advance to suppliers and contractors	Intangible asset under development	Total
----- (Rupees in '000) -----						
Opening balance	65,610	87,814	1,588,146	1,526,729	23,813	3,292,112
Addition during the period	-	-	20,345	299,718	-	320,063
Adjustments during the period	-	-	-	-	-	-
Closing balance	<b>65,610</b>	<b>87,814</b>	<b>1,608,491</b>	<b>1,826,447</b>	<b>23,813</b>	<b>3,612,175</b>

### 6. TRADE DEBTS

Considered Good		<b>1,990,638</b>	1,985,426
Considered Doubtful		<b>46,396</b>	41,365
		<b>2,037,034</b>	2,026,791
Allowance for expected credit Loss	6.1	<b>(46,396)</b>	(41,365)
		<b>1,990,638</b>	1,985,426

#### 6.1 Allowance for expected credit loss

The movement in expected credit loss during the period / year is as follows:

Balance at the beginning of the period / year	<b>41,365</b>	29,769
Provision recognised during the period / year	<b>5,031</b>	11,596
Balance at end of the period / year	<b>46,396</b>	41,365

### 7. LONG-TERM FINANCING

7.1 During the period, under SBP BPRD Circular letter no.13 of 2020, the company restructured and converted its existing outstanding Murabaha financing facilities into Diminishing Musharaka facilities from various commercial banks aggregating to Rs. 320 million. These facilities carry profit at the rates ranging from 3 months KIBOR + 4% to 12 months KIBOR + 5.88% per annum and are payable latest by June 2025. These facilities are secured by exclusive charge over respective fixed assets of the Company.

7.2 During the period, the Company obtained 4 further tranches of long-term financing from a conventional bank under the refinance scheme for payment of wages and salaries by State Bank of Pakistan. These carry markup rate at the rate 3% however, these loans have been recognised at the present value. The loans are repayable in 8 equal quarterly installments commencing from January 2021 discounted at effective rate of interest. The differential markup has been recognised as government grant which will be amortised to interest income over the period of facility. These facilities are secured by way of first pari passu over fixed assets of the company with 25% margin over the facility amount.

### 8. DUE TO A RELATED PARTY

Represents interest free loan obtained from CEO of the Company. The loan is unsecured and repayable on demand.



# Notes to the Consolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

### 9. CONTINGENCIES AND COMMITMENTS

#### 9.1 Contingencies

There are no contingencies as at March 31, 2021

#### 9.2 Commitments

Capital commitments

March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
----- (Rupees in '000) -----	
10,000	10,000

### 10. OTHER EXPENSES

This includes net exchange loss amounting to Rs 175.83 million on revaluation of trade debts and payables in foreign currency.

### 11. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of subsidiary company, associates, directors and key management personnel. Transactions with related parties during the period, other than those which have been disclosed elsewhere in this unconsolidated condensed interim financial information, are as follows:

Transaction for the period	Relationship	March 31, 2021 (Un-audited)	June 30, 2020 (Audited)
----- (Rupees in '000) -----			
Nature of transaction			
Settlement of liabilities by / (Repayment to) CEO of the company	Key Management Personnel	(26,689)	24,774
Loan repaid to CEO during the period / year		-	(72,530)
Balance as at period / year end			
----- (Rupees in '000) -----			
Nature of balance	Key Management Personnel		
Due to Related Party		19,358	46,047

### 12. FINANCIAL RISK MANAGEMENT AND FAIR VALUE DISCLOSURES

#### 12.1 Financial risk management information and disclosures

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended 30 June 2020. There have been no changes in any risk management policies since the year end.

#### 12.2 Fair value of financial instruments

IFRS 13 - Fair Value Measurement establishes a single source of guidance under IFRS for all fair value measurements and disclosures about fair value measurement where such measurements are required as permitted by other IFRSs. It defines fair value as 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 (i.e. an exit price).

Financial assets which are tradable in an open market are revalued at the market prices prevailing on the statement of assets and liabilities date. The estimated fair value of all other financial assets and financial liabilities is considered not significantly different from book value.

# Notes to the Consolidated Condensed Interim Financial Statements

## For the Nine Months Period Ended March 31, 2021 (Un-Audited)

The following table shows financial instruments recognized at fair value, analyzed between those whose fair value is based on:

- Level 1:** quoted prices in active markets for identical assets or liabilities;
- Level 2:** those involving inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices); and
- Level 3:** those with inputs for the asset or liability that are not based on observable market data (unobservable inputs).

	----- (Rupees in '000) -----			
	Level 1	Level 2	Level 3	Total
<b>March 31, 2021 (Un-audited)</b>				
<b>Non- financial assets</b>				
Property, plant and equipment	-	-	1,603,093	1,603,093
<b>June 30, 2020 (Audited)</b>				
<b>Non- financial assets</b>				
Property, plant and equipment	-	-	1,645,606	1,645,606

### 12.3 Fair value of assets and liabilities

There were no transfers amongst levels during the period.

### 13. DATE OF AUTHORISATION FOR ISSUE


These consolidated condensed interim financial statements was authorized for issue on 29 - April - 2021 by the Board of Directors of the Company.

### 14. GENERAL

14.1 Corresponding figures have been reclassified for the purpose of better presentation and comparison, wherever necessary.

14.2 All figures have been rounded off to the nearest thousand rupees, unless otherwise stated.

  
\_\_\_\_\_  
Chief Executive Officer

  
\_\_\_\_\_  
Director

  
\_\_\_\_\_  
Chief Financial Officer

# ALSHAHEER FOODS

## Head Office:

Suite # G/5/5, 3rd Floor, Mansoor Tower,  
Block 8, Shahrah-e-Roomi, Clifton,  
Karachi-Pakistan.

Ph: +92 21 38781100 Fax: +92 21 35877017

Email: [info@ascfoods.com](mailto:info@ascfoods.com)