

COMPANY INFORMATION

CHAIRMAN:	Mr. Mohammad Saeed
CHIEF EXECUTIVE OFFICER:	Mr. Amjad Saeed
DIRECTORS:	Mrs. Robina Amjad Mr. Omer Saeed Mr. Ahsan Saeed Mr. Khizer Saeed Mr. Muhammad Asif (Nominee NIT)
AUDIT COMMITTEE:	
CHAIRMAN	Mr. Ahsan Saeed
MEMBER	Mr. Muhammad Saeed
MEMBER	Mr. Muhammad Asif
H.R. & REMUNERATION COMMITTEE:	
CHAIRMAN	Mr. Ahsan Saeed
MEMBER	Mr. Muhammad Saeed
MEMBER	Mr. Khizer Saeed
CHIEF FINANCIAL OFFICER: (Acting)	Mr. Adeel Ahmed Shahid
COMPANY SECRETARY:	Mr. Muhammad Nadeem
SHARE REGISTRAR:	F. D. Registrar Services (SMC-Pvt.) Ltd. 17 th Floor, Saima Trade Tower-A, I.I.Chundrigar Road, Karachi.
AUDITORS:	M/s Riaz Ahmad & Company Chartered Accountants
BANKERS:	Bank Alfalah Limited Al-Baraka Bank (Pakistan) Ltd. Bank Al-Habib Ltd. Habib Metropolitan Bank Ltd. The Bank of Punjab
REGISTERED OFFICE :	Room No 404 & 405, 4 th Floor, Business Centre, Mumtaz Hassan Road, Karachi. www.idealsm.com
FACTORY:	35-K.M Sheikhpura Road, Tehsil Jaranwala, Distt. Faisalabad.

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors feel pleasure in submitting unaudited financial statements of your Company for the nine months ended 31 March 2018.

FINANCIAL RESULTS

	<u>31.03.2018</u>	<u>31.03.2017</u>
	(RUPEES IN THOUSAND)	
Revenue	2,043,528	1,675,333
Cost of sales	<u>(1,859,423)</u>	<u>(1,069,917)</u>
Gross profit	184,105	65,416
Distribution cost	(19,942)	(18,263)
Administrative expenses	(80,310)	(74,882)
Other expenses	(127)	(251)
Other income	3,248	628
Finance cost	<u>(74,499)</u>	<u>(60,405)</u>
Loss before taxation	12,475	(87,757)
Taxation	33	(15,381)
Profit/Loss after taxation	<u>12,508</u>	<u>(103,138)</u>
Earning /Loss per share-basic and diluted (Rupees)	<u>1.26</u>	<u>(10.40)</u>

By the Blessings of Almighty ALLAH your company achieved Revenue growth of 22%, After Tax Profit of Rs.12.5 Million as compared to loss of Rs.103.13 Million which is 112 % more from the comparable quarter last year. Your management is confident for further improved results of company in future.

BUSINESS OUTLOOK:

Factors limiting Textile Industry of Pakistan were further deteriorated because of sudden devaluation of Rupee which affected every aspect of business. Efforts remained afloat to find a way to reduce cost of doing business on the part of Government being cognizant of dwindling exports, Highest Cotton Prices ever, withdrawal Sales Tax refund on packing material, higher energy cost, non-release of Refunds and drawbacks under textile package continue to inflate cost of inputs.

PERFORMANCE REVIEW:

With the Almighty ALLAH's blessings, financial performance of the company is commendable. Earnings per share increased to Rs.1.25 from a loss of Rs.10.40 per share. Company achieved gross margin of 9% as compared to 3.9%, which is very good considering sharp rise of Dollar parity and increasing cotton prices, operating and finance cost. Operational performance of the company was admirable and achieved production targets with exceptional Quality.

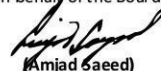
FUTURE PROSPECTS

By the Grace of Almighty ALLAH hopefully this trend will continue and your management is confident that further improved results are expected in future.

ACKNOWLEDGEMENT

The Board offers thanks to our shareholders and bankers for their continued support and trust in the company. The Board acknowledges the efforts and devotion of staff and workers for the company which led to achieve milestones for the company and hopes these will continue in the years to come.

On behalf of the Board



(Amjad Saheed)

Chief Executive Officer

Faisalabad
April 25, 2018

حصہ داران کیلئے ڈائریکٹرز کی رپورٹ

آپ کے ڈائریکٹرز کو 31 مارچ 2018 کی غیر آڈٹ شدہ منافع اکیٹمنٹ پیش کرتے ہوئے خوشی محسوس ہو رہی ہے۔

31-03-2018	31-03-2017	مالیاتی نتائج
2,043,528	1,675,333	ریونیو
(1,859,423)	(1,609,917)	کاسٹ آف سیل
184,105	65,416	گراس منافع
(19,942)	(18,263)	ڈسٹری بیوٹن اخراجات
(80,310)	(74,882)	انتظامی اخراجات
(127)	(251)	متفرق اخراجات
3,248	628	دیگر آمدن
(74,499)	60,405	فنانس اخراجات
12,475	87,757	ٹیکس کے بغیر (نقصان) / منافع
33	(15381)	ٹیکس
12,508	(103,138)	خالص نفع (نقصان) ٹیکس کے بعد
1.26	(10.40)	کمائی / نقصان فی حصص

اللہ تعالیٰ کی مہربانی سے آپ کی کمپنی کے محاصل میں 22% اضافہ ہوا۔ ٹیکس کے بعد 12.5 ملین روپے کا خالص منافع ہوا۔ جو کہ پچھلے سال کی اس نو ماہی میں 103.13 ملین کا خسارہ تھا۔ آئی کمپنی کی انتظامیہ مستقبل میں مزید بہتر نتائج کیلئے ہر امید ہے۔

کارکردگی کا جائزہ:

رب تعالیٰ کے کرم سے آئی کمپنی نے قابل ستائش مالیاتی نتائج حاصل کیے ہیں۔ فی حصص منافع 1.26 روپے ہوا۔ جو کہ پہلے 10.40 روپے کا فی حصص نقصان تھا۔ کمپنی نے 9% غامض منافع حاصل کیا ہے جو کہ پچھلے سال 3% تھا۔ جو کہ بہت خوش آئند ہے کیونکہ ڈالر کی قیمت میں اچانک بے پناہ اضافہ، کپاس اور دیگر اخراجات میں کافی اضافہ ہوا ہے۔ آپریٹنگ کارکردگی بھی کافی اچھی رہی ہے اور کمپنی نے کوالٹی کو برقرار رکھتے ہوئے اپنے تمام پروڈکشن ٹارگٹس حاصل کیے۔

کاوشوں کا اعتراف

بورڈ آف ڈائریکٹرز اپنے حصص داروں اور بنگرز کے اعتماد اور مسلسل سپورٹ کا شکر یہ ادا کرتے ہیں۔ بورڈ کمپنی کے سٹاف اور ورکرز کی انتھک کوشش کا اعتراف کرتا ہے۔ جن کی وجہ سے کمپنی نے موجودہ کامیابیاں حاصل کیں۔ ہمیں امید ہے کہ کامیابیوں کا یہ سلسلہ آنے والے سالوں میں بھی جاری رہے گا۔

بورڈ آف ڈائریکٹرز کی جانب سے

محمد سعید

محمد سعید

چیف ایگزیکٹو آفیسر

فیصل آباد 25 اپریل 2018

CONDENSED INTERIM BALANCE SHEET AS AT 31 MARCH 2018

	NOTE	Un-Audited 31 March 2018	Audited 30 June 2017	NOTE	Un-Audited 31 March 2018	Audited 30 June 2017
EQUITY AND LIABILITIES						
SHARE CAPITAL AND RESERVES						
Authorized share capital		200,000	200,000			
20,000,000 (30 June 2017: 20,000,000) ordinary shares of Rupees 10 each						
Issued, subscribed and paid up share capital		99,200	99,200			
Sponsors' loans		161,800	161,800			
Reserves		72,570	60,062			
TOTAL EQUITY		333,570	321,062			
Surplus on revaluation of freehold land		100,577	85,166			
LIABILITIES						
NON-CURRENT LIABILITIES						
Long term financing	3	434,657	483,573			
Staff retirement gratuity		56,659	50,666			
		491,316	534,239			
CURRENT LIABILITIES						
Trade and other payables		226,458	190,604			
Accrued mark-up		17,848	12,974			
Short term borrowings		587,039	403,313			
Current portion of long term financing		100,019	101,304			
Provision for taxation		9,693	2,240			
		941,057	710,435			
TOTAL LIABILITIES		1,432,373	1,244,674			
CONTINGENCIES AND COMMITMENTS						
TOTAL EQUITY AND LIABILITIES	4	1,866,520	1,650,902			

The annexed notes form an integral part of this condensed interim financial information.

ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,089,808	1,080,988
Long term loans		-	273
Long term deposits and prepayments		1,762	1,908
Deferred income tax asset		9,726	-
		1,101,296	1,083,169

CURRENT ASSETS			
Stores, spare parts and loose tools		39,081	29,970
Stock-in-trade		380,967	307,780
Trade debts		116,798	59,195
Loans and advances		77,028	70,836
Short term deposits and prepayments		1,482	369
Other receivables		122,242	90,917
Cash and bank balances		27,626	8,666
		765,224	567,733
TOTAL ASSETS		1,866,520	1,650,902


AMIR SAEED
 CHIEF EXECUTIVE OFFICER


OMER SAEED
 DIRECTOR


ADEEL AHMED SHAHID
 CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2018**

NOTE	THIRD QUARTER ENDED		QUARTER ENDED	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
----- (RUPEES IN THOUSAND) -----				
REVENUE	2,043,528	1,675,333	722,544	617,226
COST OF SALES	6 (1,859,423)	(1,609,917)	(648,447)	(579,517)
GROSS PROFIT	<u>184,105</u>	<u>65,416</u>	<u>74,097</u>	<u>37,709</u>
DISTRIBUTION COST	(19,942)	(18,263)	(5,360)	(5,668)
ADMINISTRATIVE EXPENSES	(80,310)	(74,882)	(30,431)	(30,220)
OTHER EXPENSES	(127)	(251)	-	-
OTHER INCOME	3,248	628	1,601	112
FINANCE COST	(74,499)	(60,405)	(25,790)	(24,877)
PROFIT/(LOSS) BEFORE TAXATION	<u>12,475</u>	<u>(87,757)</u>	<u>14,117</u>	<u>(22,944)</u>
TAXATION	33	(15,381)	(10,786)	(11,276)
PROFIT / (LOSS) AFTER TAXATION	<u><u>12,508</u></u>	<u><u>(103,138)</u></u>	<u><u>3,331</u></u>	<u><u>(34,220)</u></u>
EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)	<u><u>1.26</u></u>	<u><u>(10.40)</u></u>	<u><u>0.34</u></u>	<u><u>(3.45)</u></u>

The annexed notes form an integral part of this condensed interim financial information.


AMJAD SAEED
CHIEF EXECUTIVE OFFICER


OMER SAEED
DIRECTOR


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CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2018**

	THIRD QUARTER ENDED		QUARTER ENDED	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
	----- (RUPEES IN THOUSAND) -----			
PROFIT / (LOSS) AFTER TAXATION	12,508	(103,138)	3,331	(34,220)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified subsequently to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss	-	-	-	-
TOTAL COMPREHENSIVE INCOME / (LOSS) FOR THE PERIOD	<u>12,508</u>	<u>(103,138)</u>	<u>3,331</u>	<u>(34,220)</u>

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**CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2018**

	THIRD QUARTER ENDED	
	31 March 2018	31 March 2017
	(RUPEES IN THOUSAND)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash used in operations	7	30,997
Finance cost paid	(44,752)	(51,004)
Income tax paid	(7,490)	-
Staff retirement gratuity paid	(9,865)	(8,718)
Net decrease / (increase) in long term deposits and prepayments	146	(119)
Net decrease / (increase) in long term loans	273	(4)
Net cash used in operating activities	<u>(30,691)</u>	<u>(258,417)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	854	4,343
Capital expenditure on property, plant and equipment	<u>(59,855)</u>	<u>(94,779)</u>
Net cash used in investing activities	(59,001)	(90,436)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	<u>(75,074)</u>	<u>(29,895)</u>
Proceeds from long term financing	-	185,519
Short term borrowings - net	<u>183,726</u>	<u>194,597</u>
Net cash from financing activities	108,652	350,221
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>18,960</u>	<u>1,368</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	8,666	29,915
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>27,626</u></u>	<u><u>31,283</u></u>

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CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE THIRD QUARTER ENDED 31 MARCH 2018

SHARE CAPITAL	SPONSORS' LOANS	RESERVES		TOTAL	TOTAL EQUITY	
		CAPITAL	REVENUE			
		EQUITY PORTION OF SHAREHOLDERS' LOAN	UNAPPROPRIATED PROFIT / (ACCUMULATED LOSS)			
----- (RUPEES IN THOUSAND) -----						
Balance as at 30 June 2016 - (Audited)	99,200	-	66,497	54,505	121,002	220,202
Loss for the third quarter ended 31 March 2017	-	-	-	(103,138)	(103,138)	(103,138)
Other comprehensive income for the third quarter ended 31 March 2017	-	-	-	-	-	-
Total comprehensive loss for the third quarter ended 31 March 2017	-	-	-	(103,138)	(103,138)	(103,138)
Balance as at 31 March 2017 - (Un-audited)	99,200	-	66,497	(48,633)	17,864	117,064
Loss for the quarter ended 30 June 2017	-	-	-	(14,200)	(14,200)	(14,200)
Other comprehensive income for the quarter ended 30 June 2017	-	-	-	1,686	1,686	1,686
Total comprehensive loss for the quarter ended 30 June 2017	-	-	-	(12,514)	(12,514)	(12,514)
Sponsors' loans received	-	161,800	-	-	-	161,800
Equity portion of shareholders' loans	-	-	54,712	-	54,712	54,712
Balance as at 30 June 2017 - (Audited)	99,200	161,800	121,209	(61,147)	60,062	321,062
Profit for the third quarter ended 31 March 2018	-	-	-	12,508	12,508	12,508
Other comprehensive income for the third quarter ended 31 March 2018	-	-	-	-	-	-
Total comprehensive income for the third quarter ended 31 March 2018	-	-	-	12,508	12,508	12,508
Balance as at 31 March 2018 - (Un-audited)	99,200	161,800	121,209	(48,639)	72,570	333,570

The annexed notes form an integral part of this condensed interim financial information.



AMJAD SAEED

CHIEF EXECUTIVE OFFICER



OMER SAEED

DIRECTOR



ADEEL AHMED SHAHID

CHIEF FINANCIAL OFFICER

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-audited)
FOR THE THIRD QUARTER ENDED MARCH 2018**

1. THE COMPANY AND ITS OPERATIONS

Ideal Spinning Mills Limited (the Company) is a public limited company incorporated in Pakistan on 08 June 1989 under the repealed Companies Ordinance, 1984 (Now Companies Act, 2017) and listed on Pakistan Stock Exchange Limited. Its registered office is situated at Room No. 404-405, 4th Floor, Business Centre, Mumtaz Hassan Road, Karachi. The factory is located at Tehsil Jaranwala, District Faisalabad in the Province of Punjab. The principal activity of the Company is manufacturing and sale of yarn, cloth and hosiery products.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the audited annual financial statements of the Company for the year ended 30 June 2017.

2.1 BASIS OF PREPARATION

2.1.1 Statement of compliance

- a) As per the requirements of Circular No. 23 of 2017 dated 04 October 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) and clarification issued by the Institute of Chartered Accountants of Pakistan via Circular No. 17 of 2017, companies whose financial year, including quarterly and other interim periods, closes on or before 31 March 2018, shall prepare their financial statements, including interim financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. Accordingly, this condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.
- b) This condensed interim financial information does not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended 30 June 2017.

2.1.2 Accounting estimates, judgments and financial risk management

The preparation of this condensed interim financial information requires management to make judgments, estimates and assumptions that effect the application of accounting policies and the reported amounts. Actual results may differ from these judgments, estimates and assumptions.

However, the management believes that the change in outcome of judgments, estimates and assumptions would not have a material impact on the amounts disclosed in this condensed interim financial information.

Judgments and estimates made by the management in the preparation of this condensed interim financial information are the same as those applied in Company's annual audited financial statements for the year ended 30 June 2017.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended 30 June 2017.

3. LONG TERM FINANCING

	Un-audited 31 March 2018	Audited 30 June 2017
(RUPEES IN THOUSAND)		
Opening balance	584,877	370,069
Add:		
Obtained during the period / year	-	294,324
Fair value adjustment	24,873	23,460
	<u>609,750</u>	<u>687,853</u>
Less:		
Gain on recognition of shareholders' loan at fair value	-	54,712
Repaid during the period / year	75,074	48,264
	<u>75,074</u>	<u>102,976</u>
	<u>534,676</u>	<u>584,877</u>
Less: Current portion shown under current liabilities	100,019	101,304
	<u>434,657</u>	<u>483,573</u>

4. CONTINGENCIES AND COMMITMENTS**a) Contingencies**

- i) Guarantees of Rupees 26.839 million (30 June 2017: Rupees 23.918 million) are given by the banks of the Company to Sui Northern Gas Pipelines Limited against gas connections and to Faisalabad Electric Supply Company Limited against electricity connection.
- ii) The Company is contingently liable for Rupees 2.812 million (30 June 2017: Rupees 2.812 million) on account of Sindh infrastructure cess not acknowledged in view of pending appeal before appellate authorities. The related provision is not made in this condensed interim financial information in view of expected favourable outcome of the appeal.

b) Commitments

- i) Letter of credit for capital expenditure is of Rupees 0.00 million (30 June 2017: Rupees Nil).
- ii) Letters of credit other than for capital expenditure are of Rupees 3.828 million (30 June 2017: Rupees 4.969 million).

5. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets (Note 5.1)	1,009,022	914,569
Capital work-in-progress (Note 5.2)	80,786	166,419
	<u>1,089,808</u>	<u>1,080,988</u>

5.1 Operating fixed assets

Opening book value	914,569	699,190
Add:		
Cost of additions during the period / year (Note 5.1.1)	145,487	287,456
Effect of surplus on revaluation of freehold land	15,411	-
	<u>1,075,467</u>	<u>986,646</u>
Less: Book value of deletions during the period / year (Note 5.1.2)	802	6,600
	<u>1,074,665</u>	<u>980,046</u>
Less: Depreciation charged during the period / year	65,643	65,477
	<u>1,009,022</u>	<u>914,569</u>

Un-audited	Audited
31 March 2018	30 June 2017

(RUPEES IN THOUSAND)

5.1.1 Cost of additions during the period / year

Buildings on freehold land	1,190	755
Plant and machinery	131,462	261,911
Electric installations	3,372	13,430
Factory equipment	-	-
Computers	-	60
Electric appliances	174	243
Furniture and fixtures	-	705
Vehicles	9,289	10,352
	<u>145,487</u>	<u>287,456</u>

5.1.2 Book value of deletions during the period / year

Plant and machinery	802	5,147
Vehicles	-	1,453
	<u>802</u>	<u>6,600</u>

5.2 Capital work-in-progress

Buildings on freehold land	80,786	46,145
Plant and machinery	-	107,676
Advance against plant and machinery	-	10,000
Advance against vehicles	-	2,598
	<u>80,786</u>	<u>166,419</u>

(Un-audited)

Third quarter ended		Quarter ended	
31 March 2018	31 March 2017	31 March 2018	31 March 2017

(RUPEES IN THOUSAND)

6. COST OF SALES

Raw materials consumed	1,139,734	1,059,545	390,959	409,600
Cost of raw materials sold	21,697	-	-	-
Stores, spare parts and loose tools consumed	58,391	49,141	13,768	19,963
Salaries, wages and other benefits	217,213	194,600	80,439	62,550
Fuel and power	235,990	192,585	83,137	53,109
Sizing materials consumed	24,105	21,979	8,484	7,286
Outside processing / conversion / CMT charges	36,186	-	5,632	-
Packing materials consumed	39,763	31,857	13,946	12,124
Repair and maintenance	4,713	1,149	884	129
Insurance	2,882	2,576	411	599
Other factory overheads	7,820	2,845	1,273	995
Depreciation	62,840	42,466	21,340	14,670
	<u>1,851,334</u>	<u>1,598,743</u>	<u>620,273</u>	<u>581,025</u>
Work-in-process				
Opening stock	20,110	19,719	22,609	16,845
Closing stock	(25,811)	(21,576)	(25,811)	(21,576)
	<u>(5,701)</u>	<u>(1,857)</u>	<u>(3,202)</u>	<u>(4,731)</u>
Cost of goods manufactured	1,845,633	1,596,886	617,071	576,294
Finished goods				
Opening stock	105,293	108,906	120,524	61,906
Closing stock	(91,503)	(58,683)	(91,503)	(58,683)
	<u>13,790</u>	<u>50,223</u>	<u>29,021</u>	<u>3,223</u>
	<u>1,859,423</u>	<u>1,647,109</u>	<u>646,092</u>	<u>579,517</u>

(Un-audited)	
THIRD QUARTER ENDED	
31 March 2018	31 March 2017

(RUPEES IN THOUSAND)

7. CASH USED IN OPERATIONS

Profit before taxation	12,475	(87,757)
Adjustments for non-cash charges and other items:		
Depreciation	65,643	46,907
Gain on disposal of property, plant and equipment	(52)	(183)
Provision for staff retirement gratuity	15,858	14,867
Finance cost	74,499	60,405
Credit balances written back	-	(203)
Working capital changes (Note 7.1)	(137,426)	(232,608)
	<u>30,997</u>	<u>(198,572)</u>

7.1 Working capital changes**(Increase) / decrease in current assets**

Stores, spare parts and loose tools	(9,111)	1,850
Stock-in-trade	(73,187)	(122,180)
Trade debts	(57,603)	16,723
Loans and advances	(941)	(137,871)
Short term deposits and prepayments	(1,113)	(2,395)
Other receivables	(31,325)	(82,521)
	(173,280)	(326,394)
Increase in trade and other payables	35,854	93,786
	<u>(137,426)</u>	<u>(232,608)</u>

8. SEGMENT INFORMATION

8.1

	Spinning		Weaving		Elimination of Inter-segment transactions		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	For third quarter ended 31 March 2018	31 March 2017	For third quarter ended 31 March 2018	31 March 2017	For third quarter ended 31 March 2018	31 March 2017	For third quarter ended 31 March 2018	2017
Revenue	1,399,531	1,402,597	722,584	309,928	(78,586)	(37,192)	2,043,528	1,675,333
Cost of sales	(1,283,540)	(1,369,329)	(654,469)	(277,780)	78,586	37,192	(1,859,423)	(1,609,917)
Gross profit	115,991	33,268	68,114	32,148	-	-	184,105	65,416
Distribution cost	(4,180)	(14,966)	(15,762)	(3,297)	-	-	(19,942)	(18,263)
Administrative expenses	(44,288)	(58,685)	(36,022)	(16,197)	-	-	(80,310)	(74,882)
Other income	434	628	2,814	-	-	-	3,248	628
Finance cost:	(60,772)	(51,635)	(13,727)	(8,770)	-	-	(74,499)	(60,405)
(Loss) / profit before taxation and unallocated expenses	7,185	(91,390)	5,417	3,884	-	-	12,602	(87,506)
Unallocated expenses:								
Other expenses							(127)	(251)
Taxation							33	(15,381)
Profit / (loss) after taxation							12,508	(103,136)

8.2 Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Total - Company	
	(Un-audited)		(Un-audited)		(Un-audited)	
	For third quarter ended 31 March 2018	30 June 2017	For third quarter ended 31 March 2018	30 June 2017	For third quarter ended 31 March 2018	30 June 2017
Total assets for reportable segments	1,321,172	1,241,831	529,122	409,071	1,850,294	1,650,902
Unallocated asset:						
Deferred income tax asset					9,726	-
Total assets as per balance sheet					1,860,020	1,650,902
Total liabilities for reportable segments	1,306,325	973,926	116,355	268,508	1,422,680	1,242,434
Unallocated liability:						
Provision for taxation					9,693	2,240
Total liabilities as per balance sheet					1,432,373	1,244,674

9. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies / undertakings, other related parties and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions and balances with related parties are as follows:

(Un-audited)			
Third quarter ended		Quarter ended	
31 March 2018	31 March 2017	31 March 2018	31 March 2017

----- (RUPEES IN THOUSAND) -----

i) Transactions**Associated companies / undertakings**

Purchase of goods	-	5,459	-	735
Fuel and power purchased	1,077	648	414	362
Rental expense	900	600	300	300
Sale of goods	-	5,240	-	2,086

Other related parties

Loans obtained from directors - net	141,463	42,600	47,600	39,100
Remuneration paid to Chief Executive Officer, Director and Executives	14,642	9,220	3,972	4,226

Un-audited	Audited
31 March 2018	30 June 2017

(RUPEES IN THOUSAND)

ii) Period end balances

Long term financing	240,237	215,364
Trade and other payables	11,463	16,674
Short term borrowings	145,963	4,500
Loans and advances	350	-

10. DATE OF AUTHORIZATION

This condensed interim financial information was approved by the Board of Directors of the Company and authorized for issue on 25-04-2018.

11. CORRESPONDING FIGURES

In order to comply with the requirements of IAS 34, the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

Chief Financial Officer (CFO) of the Company has resigned on 30 July 2017. However, the Board of Directors has appointed acting CFO until the appointment of new CFO.

12. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.



AMJAD SAEED
CHIEF EXECUTIVE OFFICER



OMER SAEED
DIRECTOR



ADEEL AHMED SHAHID
CHIEF FINANCIAL OFFICER

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**CONDENSED INTERIM
FINANCIAL INFORMATION**

**THIRD QUARTER REPORT
(UN-AUDITED)
31 MARCH, 2018**

