



3rd Quarterly Report
MARCH 31,
2018

SHAHZAD TEXTILE MILLS LIMITED

19-A, OFF. ZAFAR ALI ROAD,
GULBERG-V, LAHORE - PAKISTAN.



Certificate SGS05/00626

The management system of
Shahzad Textile Mills Limited

Head Office: 19-A, Off Zafar Ali Road, Gulberg - V,
Lahore, Pakistan

has been assessed and certified as meeting the requirements of

ISO 9001:2015

For the following activities

The scope of registration appears on page 2 of this certificate.

This certificate is valid from 27 December 2017 until 15 August 2020
and remains valid subject to satisfactory surveillance audits.
Re certification audit due before 13 August 2020
Issue 6. Certified since 16 August 2005

This is a multi-site certification.
Additional site details are listed on the subsequent page.



Authorized by



0005

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Page 1 of 2



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Certificate SG0500525, continued

Shahzad Textile Mills Limited

ISO 9001:2015

Issue 6

Detailed scope

"Manufacturing and Export of 100% Cotton, Blended, Pure Synthetic, Combed, carded and double yarn"

Additional facilities

Site 01 : 34th Km, Sheikhupura Road,
Sheikhupura, Pakistan.

Site 02: 7Km, Sheikhupura Faisalabad Road,
Sheikhupura, Pakistan.



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Board of Directors

Mian Parvez Aslam	Chairman
Mr. Imran Aslam	Chief Executive
Mr. Irfan Aslam	
Syed Raza Ali Bokhari	
Mr. Humayun Bakht	
Mr. Ahsan Ahmad Khan	
Mr. Maqsood Shahid Najmi	

Chief Financial Officer

Mr. Humayun Bakht

Company Secretary

Mr. Hassan-ud-Din Ansari

Auditors

Horwath Hussain Chaudhry & Co.
Chartered Accountants

Audit Committee

Syed Raza Ali Bokhari	Chairman
Mr. Irfan Aslam	Member
Mr. Maqsood Shahid Najmi	Member

Human Resource &**Remuneration Committee**

Syed Raza Ali Bokhari	Chairman
Mr. Imran Aslam	Member
Mr. Ahsan Ahmad Khan	Member

Bankers

Habib Metropolitan Bank Ltd.
J S Bank Ltd.
National Bank of Pakistan.
Meezan Bank Limited.
United Bank Limited.

Share Registrar

Hameed Majeed Associates (Pvt) Ltd.
H.M. House, 7-Bank Square,
Lahore.

Registered Office

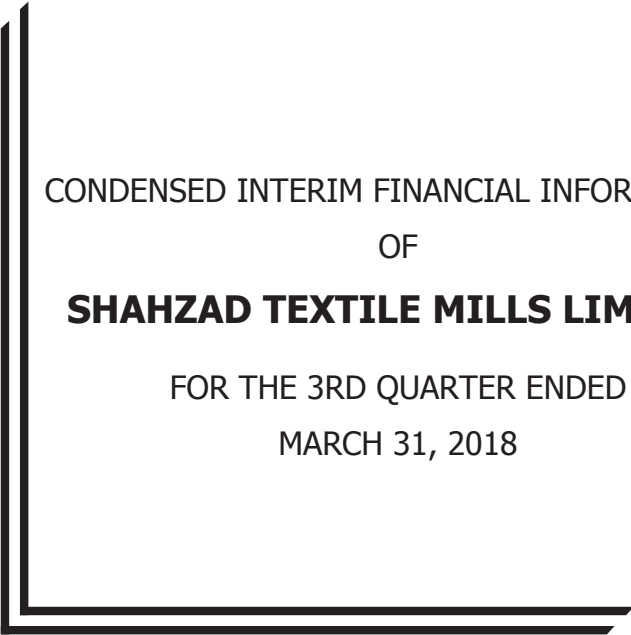
19-A Off. Zafar Ali Road,
Gulberg-V, Lahore.
Ph: +92 (42) 35754024-27
Fax: +92 (42) 35712313
E-mail: mis@shaheencotton.com
Web: www.shahzadtext.com

Mills**Units # 1,3 & 4**

34th KM Lahore Sheikhpura Road,
Sheikhpura

Unit # 2

7th KM Sheikhpura Faisalabad
Road, Sheikhpura.

A decorative graphic consisting of two parallel black lines forming an L-shape. The vertical line is on the left, and the horizontal line is at the bottom. The lines are slightly offset from each other, creating a 3D effect.

CONDENSED INTERIM FINANCIAL INFORMATION
OF

SHAHZAD TEXTILE MILLS LIMITED

FOR THE 3RD QUARTER ENDED
MARCH 31, 2018

On behalf of the directors I am pleased to present the un-audited financial statement for the third quarter ended on March 31, 2018.

The company's pretax profit is Rs. 69.309 million in nine month period as compared to pretax profit of Rs. 55.916 million in corresponding period. Current quarter pre-tax profit is also increased to Rs. 26.223 million as compared to pretax profit of Rs.19.962 million in corresponding quarter of last year. Nine months sales are also increased to Rs.3,950.270 million as compared to sales of yarn Rs. 3,360.331 million in the last year corresponding period. Current quarter's sales are also increased to Rs. 1,410.377 million from sales of Rs. 1,148.997 million in corresponding quarter.

In the current quarter company depicted a favorable state of affairs which is clear from the above illustrated financial data. The Local market started moving towards profitable state of affairs which affirmatively supported the yarn market and became cause of increase in local sales and profit. This drastic change in profit is not only due to favorable market but also due to reversal of provision Rs.42.168 million created in the year 2016-17 to meet the contingency of petition filed before the apex court of the country against levy of further Sales Tax on supply of yarn to unregistered person which fortunately decided in favor of our company.

The prices of Raw material could not get stability during the year under consideration and currently are rotating around Cotton Rs.7500/- per maund. Polyester Rs. 156 per kg and viscose Rs.225/- per kg. The year 2018 also confronting short fall of cotton crop. The crop produced is not according to the required quantity and quality. This may effect the prices and quality of the yarn in the coming period.

FUTURE PROSPECTS

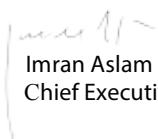
Keeping in view the present business scenario it can be fairly predicted that company shall demonstrate more profitable financial results to its share holders in ensuring period of the year. Although textile sector facing strenuous circumstances but management is trying its best to find favorable export market in order to boost its export sales. Meanwhile every advantage of available opportunity in home market shall be availed to enhance our local sales at maximum profit margin.

Earning per share Rs.1.86 as compared to earning of Rs. 1.16 in corresponding period of previous year.

We are thankful for our valued customers, bankers, share holders, who have sincerely participated in all business activities of the company. We also like to raise a voice of appreciation for staff members who have strived hard to maintain cordial relation by creating pleasant working environment.

For and on behalf of the board

Lahore.
Dated : 24-04-2018



Imran Aslam
Chief Executive Officer

ڈائریکٹرز رپورٹ

میں تمام ڈائریکٹرز کی طرف سے 31 مارچ 2018 کے اختتام پر کمپنی کا مالیاتی جائزہ پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

موجودہ نو ماہ کی مدت میں کمپنی کا قبل از ٹیکس منافع 69,309.309 ملین روپے ہے۔ جبکہ گزشتہ سال اسی مدت میں کمپنی کا قبل از ٹیکس منافع 55,916.916 ملین روپے تھا۔ اس سال کی سہ ماہی کے نتائج میں قبل از منافع 26,223 ملین روپے ہے۔ جبکہ پچھلی سہ ماہی میں یہ منافع 19,962 ملین تھا۔ موجودہ نو ماہ کی مدت میں دھاگے کی سیل 3,950,270 ملین تک بڑھ گئی ہے جبکہ پچھلے سال کی نو ماہ کی مدت میں یہ فروخت 3,360,331 ملین تھی۔ موجودہ سہ ماہی کی دھاگے کی فروخت بھی 1,410,377 ملین تک بڑھ گئی ہے جبکہ پچھلے سہ ماہی میں یہ فروخت 1,148,997 ملین تھی۔

موجودہ سہ ماہی میں کمپنی نے منافع بخش نتائج دکھائے ہیں جو کہ اوپر دیئے گئے مالی اعداد و شمار سے صاف ظاہر ہے۔ مقامی منڈی میں بھی فائدہ مند ماحول پیدا ہوا ہے جو دھاگے کی فروخت اور منافع میں اضافے کا سبب بنا ہے۔ موجودہ منافع میں بڑی تبدیلی صرف اور صرف مارکیٹ کے مثبت حالات کی وجہ سے نہیں ہیں بلکہ پرویز ن براء نے اضافی ٹیکس جو آن رجسٹرڈ گاگ ب کو فروخت پر عائد ہوتا ہے ہائی کورٹ کے فیصلے کی وجہ سے جو ہمارے حق میں ہوا ہے یہ پرویز ن براء 17-2016 میں کھڑی کی گئی تھی جو کہ 42,168 ملین روپے واپس اکاؤنٹس میں آمدن کی صورت میں ڈالنی پڑی۔

موجودہ نو ماہ کی مدت میں خام مال کی قیمتیں مستحکم نہیں ہو سکیں جن میں کاٹن 7,500 روپے میں من، پولیستر 156 روپے فی کلوگرام اور وکوس 225 روپے فی کلوگرام کے گرد گھوم رہی ہے جو اوسط پچھلے سال سے زیادہ ہیں۔ یہاں یہ بات بھی قابل ذکر ہے کہ 2018 میں کاٹن کی فصل کم اور غیر معیاری پیدا ہوئی ہے جو کہ خام مال کی قیمتوں میں اضافے کا سبب بن سکتی ہیں۔

مستقبل کی پیش نظر

موجودہ کاروباری حالات کو مدنظر رکھتے ہوئے یہ باوثوق طریقے سے کہا جاسکتا ہے کہ کمپنی بس آمد وقت میں بہتر مالیاتی نتائج پیش کرے گی حالانکہ ٹیکسٹائل سیکٹر کو اس وقت مشکل حالات کا سامنا ہے لیکن انتظامیہ اپنی بہترین صلاحیتوں کو بروئے کار لاتے ہوئے دھاگے کی برآمدی فروخت کو خاطر خواہ بڑھانے کیلئے کوشاں ہے۔ اسی اثنا میں مقامی منڈی میں ہر وہ فائدہ مند موقع جو دھاگے کی فروخت اور منافع میں اضافے کا سبب بنے سے بھرپور فائدہ اٹھایا جائے گا۔

فی شیئر منافع

موجودہ نو ماہ کی مدت میں فی شیئر منافع 1.86 روپے ہے۔ جبکہ گزشتہ سال اسی مدت میں یہ منافع 1.16 روپے فی شیئر تھا۔

اظہار تشکر

آخر میں ہم اپنے قابل قدر صارفین، بینکاروں، مالی اداروں، شیئر ہولڈرز اور عملے کا جو کمپنی کی تمام تر کاروباری سرگرمیوں میں مخلصانہ حصہ لے رہے ہیں سے صدمشکور ہیں۔ اور ہم اپنے شرافت مہرز کے بھی مشکور ہیں جنہوں نے دل جمعی سے کام کیا اور کمپنی کے اندر ایک خوشگوار کاروباری ماحول بنانے رکھا۔

برائے بحکم پورڈ

جناب عمران اسلم

چیف ایگزیکٹو

لاہور: مورخہ 24 اپریل 2018

CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2018

	Note	March 31, 2018 (Un-audited)	June 30, 2017 (Audited)
----- Rupees in thousand -----			
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized capital:		400,000	400,000
40,000,000 (June 2017: 40,000,000) ordinary shares of Rs. 10 each			
Issued, subscribed and paid up capital		179,714	179,714
17,971,372 (June 2017: 17,971,372) ordinary shares of Rs. 10 each			
Reserves		1,121,562	1,088,787
		1,301,276	1,268,501
Surplus on Revaluation of Property, Plant and Equipment		465,029	483,511
Non Current Liabilities			
Long term financing		68,221	98,777
Staff retirement benefits		104,012	91,187
Deferred tax liability		202,655	201,866
		374,888	391,830
Current Liabilities			
Trade and other payables		345,034	263,158
Unclaimed dividend		114	242
Unpaid dividend		174	174
Accrued mark up		14,167	8,631
Short term borrowings		869,507	406,847
Current portion of long term financing		40,740	40,740
Provision for taxation		47,043	45,167
		1,316,779	764,959
Contingencies and Commitments	4	-	-
		3,457,973	2,908,801
ASSETS			
Non Current Assets			
Property, plant and equipment	5	1,612,519	1,684,984
Long term investment in associate		381,797	370,635
Long term deposits		13,970	13,970
		2,008,286	2,069,589
Current Assets			
Stores and spares		57,459	71,792
Stock in trade		1,022,792	478,374
Trade debts		126,377	92,684
Advances, trade deposits, prepayments and other receivables		120,045	51,055
Short term investments		1,174	821
Tax refunds due from the Government		85,741	84,147
Cash and bank balances		36,099	60,340
		1,449,687	839,213
		3,457,973	2,908,802

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Note	Nine Months Ended		Quarter Ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		---- Rupees in thousand ----			
Sales		3,950,270	3,360,331	1,410,377	1,148,997
Cost of sales	6	(3,778,549)	(3,172,985)	(1,323,499)	(1,080,992)
Gross Profit		171,721	187,346	86,878	68,005
Operating expenses:					
- Selling and distribution		(20,008)	(16,529)	(7,595)	(2,201)
- Administrative expenses		(90,533)	(85,358)	(27,686)	(28,385)
		(110,541)	(101,887)	(35,281)	(30,586)
Operating Profit		61,180	85,459	51,597	37,419
Finance cost		(34,807)	(24,092)	(17,750)	(8,093)
Other operating expenses		(25,854)	(34,993)	(14,263)	(15,003)
Other income		43,282	2,302	55	(151)
Share of net profit of associate		25,508	27,240	6,584	5,790
		8,129	(29,543)	(25,374)	(17,457)
Profit before Taxation		69,309	55,916	26,223	19,962
Taxation		(35,957)	(35,033)	627	(9,352)
Net Profit for the Period		<u>33,352</u>	<u>20,883</u>	<u>26,850</u>	<u>10,610</u>
Earnings per Share - Basic		<u>1.86</u>	<u>1.16</u>	<u>1.50</u>	<u>0.59</u>

The annexed notes form an integral part of this condensed interim financial information (un-audited).



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CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	Nine Months Ended		Quarter Ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	---- Rupees in thousand ----			
Net Profit for the Period	33,352	20,883	26,850	10,610
Other Comprehensive Income for the Period				
<i>Items that may be reclassified subsequently to profit and (loss)</i>				
Share of associate's other comprehensive income - net of deferred tax	-	143	-	(496)
Total Comprehensive Income for the Period	<u>33,352</u>	<u>21,026</u>	<u>26,850</u>	<u>10,114</u>

The annexed notes form an integral part of this condensed interim financial information (un-audited).


CHIEF EXECUTIVE


CHIEF FINANCIAL OFFICER


DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD AND QUARTER ENDED MARCH 31, 2018

	March 31, 2018	March 31, 2017
--- Rupees in thousand ---		
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	69,309	55,916
Adjustments for:		
- Depreciation	79,972	64,494
- Share of net profit of associate	(25,508)	(27,240)
- Loss / (gain) on disposal of property, plant and equipment - Net	7,625	(1,353)
- Surplus on revaluation of short term investments at fair value through profit or loss	(353)	(252)
- Provision for gratuity	31,150	26,550
- Exchange loss / (gain)	21	(2)
- Provision for workers' profit participation fund	4,372	2,879
- Provision for workers' welfare fund	1,714	820
- Finance cost	28,608	18,989
	127,601	84,885
Operating Profit before Working Capital Changes	196,910	140,801
Decrease / (Increase) in current assets		
- Stores and spares	14,333	(4,559)
- Stock in trade	(544,418)	(276,764)
- Trade debts	(33,714)	(26,169)
- Advances, trade deposits, prepayments, and other receivables	(42,677)	5,116
- Tax refunds due from the Government	(12,359)	(24,650)
Increase in current liabilities		
- Trade and other payables	79,310	100,872
	(539,525)	(226,154)
Net Cash used in Operations	(342,615)	(85,353)
Income tax paid	(51,823)	(19,026)
Gratuity paid	(18,325)	(21,290)
Finance cost paid	(23,072)	(15,109)
Workers' (profit) participation fund paid	(3,521)	(1,189)
Net Cash used in Operating Activities	(439,356)	(141,967)
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(108,377)	(21,138)
Proceeds from disposal of property, plant and equipment	18,088	13,951
Capital work in progress	75,158	(176,565)
Net Cash used in Investing Activities	(15,131)	(183,752)
CASH FLOW FROM FINANCING ACTIVITIES		
LTF - Loan repaid	(30,555)	149,902
Loan repaid to directors	(13,000)	-
Dividends received from associated undertaking	16,240	10,150
Dividend paid	(17,971)	-
Unclaimed dividend paid	(128)	-
Short term borrowings	475,660	106,221
Net Cash generated from Financing Activities	430,246	266,273
Net Decrease in Cash and Cash Equivalents	(24,241)	(59,446)
Cash and cash equivalents at the beginning of the period	60,340	88,151
Cash and Cash Equivalents at the End of the Nine Months Ended	36,099	28,705

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

AS AT MARCH 31, 2018

Particulars	Share Capital	Share Premium Reserve	Unappropriated Profit	Total Equity
----- Rupees in thousand -----				
Balance as at June 30, 2016	179,714	5,796	1,023,529	1,209,039
Net profit for the period ended March 31, 2017	-	-	20,883	20,883
Other comprehensive profit for the period ended March 31, 2017	-	-	143	143
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	11,580	11,580
Surplus realized on disposal of revalued property, plant and equipment (net of deferred tax) transferred to retained earnings	-	-	827	827
Share in realized surplus on revaluation of property, plant and equipment of associate (net of deferred tax)			1,629	1,629
Transaction with owners				
Dividend paid during the period	-	-	-	-
Balance as at March 31, 2017	<u>179,714</u>	<u>5,796</u>	<u>1,058,591</u>	<u>1,244,101</u>
Balance as at June 30, 2017	179,714	5,796	1,082,991	1,268,501
Net profit for the period ended March 31, 2018	-	-	33,352	33,352
Transferred from surplus on revaluation of property, plant and equipment on incremental depreciation charged in current period (net of deferred tax)	-	-	10,251	10,251
Surplus realized on disposal of revalued property, plant and equipment (net of deferred tax) transferred to retained earnings	-	-	5,485	5,485
Share in realized surplus on revaluation of property, plant and equipment of associate (net of deferred tax)			1,658	1,658
Transaction with owners				
Dividend paid during the period	-	-	(17,971)	(17,971)
Balance as at March 31, 2018	<u>179,714</u>	<u>5,796</u>	<u>1,115,766</u>	<u>1,301,276</u>

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

Note 1

The Company and its Operations

Shahzad Textile Mills Limited is a Public Limited Company incorporated in Pakistan under the Companies Act, 1913 (now the Companies Act, 2017). Its shares are quoted on Pakistan Stock Exchange (PSX). The Company manufactures and deals in all types of yarn. The registered office of the Company is situated at 19-A, Off. Zafar Ali Road, Gulberg - V , Lahore.

Note 2

Basis of Preparation

- 2.1** This condensed interim financial statements have been prepared in accordance with the directives issued by the Securities & Exchange Commission of Pakistan (SECP) and is in compliance with the International Accounting Standard - 34 (Interim Financial Reporting).
- 2.2** These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017
- Provisions of and directives issued under the Companies Act, 2017

Where provisions of and directives issued under the Companies Act, 2017 differ from the IFRS Standards, the provisions of and directives issued under the Companies Act, 2017 have been followed."

- 2.2** This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. Figures have been rounded off to nearest thousand rupees, unless stated otherwise. This condensed financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements for the year ended June 30, 2017.

Note 3

Accounting Policies

The accounting policies and methods of computation of this condensed interim financial information is the same as those followed in the preparation of annual financial statements for the preceding financial year ended on June 30, 2017.

Note 4

Contingencies and Commitments

Contingencies

- The Company has provided bank guarantees in favour of following parties:

	March 31, 2018	June 30, 2017
	(Un-audited)	(Audited)
	Rupees in Million	
- Sui Northern Gas Pipeline Limited	69.32	69.32

- The Company is contingently liable for Rs. 19.21 million (June 2017: Rs. 16.367 million) on account of electricity duty on self generation. However the company has not admitted the said duty and case is pending before the Supreme Court of Pakistan.

Commitments

- The Company's outstanding commitments / contracts as at the balance sheet date are as under:

	March 31, 2018	June 30, 2017
	(Un-audited)	(Audited)
	Rupees in Million	
Foreign bills of exchange purchased	27.01	89.08
Letters of credit	136.26	6.10
	<u>163.26</u>	<u>95.18</u>

Note 5

Property, Plant and Equipment

	March 31, 2018	June 30, 2017
	(Un-audited)	(Audited)
	---- Rupees in thousand ----	
Operating fixed assets	1,612,519	1,609,826
Capital work in progress	-	75,158
	<u>1,612,519</u>	<u>1,684,984</u>

5.1 Operating fixed assets

Opening written down value	1,609,826	1,576,075
Additions during the period / year (at cost)	108,377	140,989
	1,718,203	1,717,064
Disposals during the period / year (at written down value)	(25,712)	(19,099)
	1,692,491	1,697,965
Depreciation charged for the period / year	(79,972)	(88,139)
	<u>1,612,519</u>	<u>1,609,826</u>

Note 6

Cost of Sales

	Nine Months Ended		Quarter Ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	---- (Un-audited) ----			
	---- Rupees in thousand ----			
Raw materials consumed	2,653,241	2,177,325	924,319	751,778
Stores and spares consumed	69,381	64,300	27,723	24,921
Packing materials consumed	79,889	69,424	26,692	22,580
Salaries, wages and other benefits	379,206	346,410	130,933	114,823
Fuel and power	491,329	433,591	173,383	151,482
Insurance	6,280	5,475	2,491	2,041
Repairs and maintenance	7,262	9,685	2,950	206
Other manufacturing expenses	7,488	8,034	2,369	2,470
Depreciation	71,639	56,896	26,376	19,268
	<u>3,765,715</u>	<u>3,171,140</u>	<u>1,317,236</u>	<u>1,089,569</u>
Opening work in process	33,324	29,336	36,166	31,700
Closing work in process	(36,671)	(34,231)	(36,671)	(34,231)
	<u>(3,347)</u>	<u>(4,895)</u>	<u>(505)</u>	<u>(2,531)</u>
Cost of goods manufactured	3,762,368	3,166,245	1,316,731	1,087,038
Opening finished goods	55,108	52,961	45,695	40,175
Closing finished goods	(38,927)	(46,221)	(38,927)	(46,221)
	16,181	6,740	6,768	(6,046)
	<u>3,778,549</u>	<u>3,172,985</u>	<u>1,323,499</u>	<u>1,080,992</u>

Note 7

Transactions with Related Parties

Related parties comprise related group companies, associated companies, directors and key management personnel. Transactions with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Transaction during the period			March 31, 2018	March 31, 2017
Related party	Relationship	Nature of Transaction	---- (Un-audited) ----	
			---- Rupees in thousand ----	
Sargodha Jute Mills Limited	Associate	Purchase of materials, goods and services	292	275
		Sale of materials, goods and services	235	755
		Rental income	360	324
		Dividend income	16,240	10,150
Directors	Associated Person	Sponsor loan repaid	40,000	-
		Sponsor loan received	27,000	-
		Dividend paid	11,435	-
		Mark up on loan from directors	-	1,823

Note 8

Segment Information

For management purposes, the activities of the Company are recognized into one operating segment, i.e. manufacturing and sales of yarn. The Company operates in the said reportable operating segment based on the nature of the product, risk and return, organizational and management structure and internal financial reporting systems. Accordingly, the figures reported in these financial statements related to the Company's only reportable segment. Entity-wide disclosures regarding reportable segment are as follows:

	March 31, 2018	June 30, 2017
	---- (Un-audited) ----	
	Percentage	Percentage
8.1 Information about products:		
Yarn	99.14%	99.27%
8.2 Major customers:		
4 customers (2017: 4 customers)	55.85%	54.10%

8.3 Geographical Information:

Company's revenue from external customers and geographical location is given as under:

	March 31, 2018	June 30, 2017
	(Un-audited)	(Audited)
	----- Rupees in thousand -----	
Pakistan	3,074,065	3,666,341
Asia	767,324	704,432
Europe	101,445	149,014
	<u>3,942,834</u>	<u>4,519,787</u>

8.4 Export sales Outstanding

Asia		
- LC	37,757	28,784
Europe		
- LC	6,490	-
- CAD	24,078	5,465
	<u>30,568</u>	<u>5,465</u>
	<u>68,325</u>	<u>34,249</u>

8.5 All non-current assets of the Company are located and operated in Pakistan as at the reporting date.

Note 9

Authorization of Interim Financial Information

This condensed interim financial information (un-audited) is authorized for issue on **April 24, 2018** by the Board of Directors of the Company.

Note 10

General

Comparative figures have been re-arranged, wherever necessary, to facilitate comparison. Following material rearrangements have been made in these financial statements for better presentation.

From	To	Amount
----- Rupees in thousand -----		
Selling and distribution	Other operating expenses	19,780
Trade and other payables	Unclaimed dividend	114
Trade and other payables	Unpaid dividend	174



CHIEF EXECUTIVE



CHIEF FINANCIAL OFFICER



DIRECTOR