



INDUS DYEING & MANUFACTURING
COMPANY LIMITED

FIRST QUARTERLY REPORT
Condensed Interim Financial Information
July 01, 2016 to September 30, 2016
(Un - audited)

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COMPANY INFORMATION

Board of Directors

- | | | |
|----|---------------------|-----------------|
| 1 | Mian Mohammad Ahmed | Chairman |
| 2 | Mr. Shahzad Ahmed | Chief Executive |
| 3 | Mian Riaz Ahmed | |
| 4 | Mr. Naveed Ahmed | |
| 5 | Mr. Kashif Riaz | |
| 6 | Mr. Irfan Ahmed | |
| 7 | Mr. Shafqat Masood | |
| 8 | Mr. Shahwaiz Ahmed | |
| 9 | Sheikh Nishat Ahmed | |
| 10 | Mr. Farooq Hassan | Nominee N.I.T. |

Audit committee

- | | | |
|---|---------------------|----------|
| 1 | Sheikh Nishat Ahmed | Chairman |
| 2 | Mr. Kashif Riaz | Member |
| 3 | Mr. Irfan Ahmed | Member |

Human resource and remuneration committee

- | | | |
|---|---------------------|----------|
| 1 | Sheikh Nishat Ahmed | Chairman |
| 2 | Mr. Shahwaiz Ahmed | Member |
| 3 | Mr. Irfan Ahmed | Member |

Company secretary

Mr. Ahmed Faheem Niazi

Group Chief financial officer

Mr. Mohammad Adil Ashraf

Chief financial officer

Mr. Arif Abdul Majeed

Chief Internal auditor

Mr. Yaseen Hamidia

Legal Advisor

Mr. M. Yousuf Naseem (Advocates & Solicitors)

INDUS DYEING & MANUFACTURING COMPANY LIMITED

Registered office

Office # 508,

Tel. 111 - 404 - 404

5th floor, Beaumont Plaza,

Fax. 009221 - 35693594

Civil Lines Quarters, Karachi.

Symbol of the company

IDYM

Website

www.indus-group.com/web/download.htm

Auditors

M/s Deloitte Yousuf Adil

Chartered Accountants

Registrar & Share Transfer Office

JWAFFS Registrar (Pvt) Ltd.

407-408, Al - Ameera Centre,

Tel. 35662023 - 24

Shahrah-e-Iraq, Saddar, Karachi.

Fax. 35221192

Factory location

- 1 P 1 S.I.T.E. Hyderabad, Sindh. Tel. 0223 - 880219 & 252
- 2 Plot # 3 & 7, Sector - 25, Korangi Industrial Area, Karachi. Tel. 021-35061577 - 9
- 3 Muzaffergarh, Bagga Sher, District Multan. Tel. 0662 - 490202 - 205
- 4 Indus Lyallpur Limited. 38th Kilometre, Shaikhupura Road, District Faisalabad. Tel. 041 - 4689235 - 6
- 5 Indus Home Limited. 2.5 Kilometre, Off Manga Raiwind Road, Manga Mandi, Lahore. Tel. 042 - 35385021 - 7
111 - 404 - 405

INDUS DYEING & MANUFACTURING COMPANY LIMITED

DIRECTORS' REVIEW FOR THE QUARTER ENDED SEPTEMBER 30, 2016

The Board of Directors is pleased to present the un-audited financial statements of Company for the quarter ended September 30, 2016.

OPERATING RESULTS

The summary of consolidated operating results is as follows:

| | Quarter Ended September 30, 2016 Rupees (million) | Quarter Ended September 30, 2015 Rupees (million) |
|------------------------------|--|--|
| Sales | 6,515 | 6,237 |
| Gross Profit | 598 | 317 |
| Expenses | 309 | 355 |
| Profit/(Loss) after taxation | 241 | (85) |
| Earnings Per Share (EPS) | 13.32 | (4.71) |

BUSINESS PERFORMANCE

Sales revenue of the Company for the quarter ended September 30, 2016 was Rs 5,008 million as against Rs. 4,543 million for the similar period last year while the cost of sales was Rs.4,550 million as compared to Rs. 4,363 million in the corresponding quarter. The gross profit was, thus, increased by 154%, mainly due to the good prices of yarn in local as well as international market. The margins will expected to be shrinking with the consumption of new season crop in the next quarter.

The revenue from home textile products is reduced due to the reduced demand in the overseas market, from Rs.1,216 million in the quarter ended September 30, 2015 to Rs.881 million in the similar period current year. Resultantly, overall profit is lower than comparative period last year.

On Behalf of the Board



SHAHZAD AHMED
Chief Executive Officer

Karachi:
31st October, 2016

انڈس ڈائینگ اینڈ میٹو-فیکٹری کمپنی لمیٹڈ

ڈائریکٹرز رپورٹ

پہلی سرمایہ - ستمبر ۲۰۱۶، ۳۰

بورڈ آف ڈائریکٹرز نے ۳۰ ستمبر ۲۰۱۶ کو ختم ہونے والی پہلی سرمایہ کے مالیاتی گوشوارے (نیر آڈٹ شدہ) بخوشی پیش کرتے ہیں۔

مجموعی کنسولیدیشنڈ مالیاتی نتائج کا خلاصہ

پہلی سرمایہ
۲۰۱۵، ۳۰ ستمبر
روپے (ملین)

پہلی سرمایہ
۲۰۱۶، ۳۰ ستمبر
روپے (ملین)

| فروخت | ۲۰۱۵ | ۲۰۱۶ |
|------------------|-------|--------|
| خام منافع | ۵۹۸ | ۳۱۷ |
| تفرقات | ۳۰۹ | ۳۵۵ |
| ابداء ٹیکس منافع | ۲۲۱ | (۸۵) |
| نی حصص آمدن | ۱۳.۳۲ | (۳.۷۱) |

کاروباری صورتحال:-

۳۰ ستمبر ۲۰۱۶ کو ختم ہونے والی پہلی سرمایہ کے دوران کمپنی کی مصنوعات کی فروخت 5,008 ملین روپے رہی جو کہ پچھلے سال اسی مدت کے دوران 4,543 ملین روپے تھی۔ پیداواری لاگت 4,550 ملین روپے رہی جو کہ پچھلے سال اسی مدت میں 4,363 ملین روپے تھی۔

یوں کمپنی کے خام منافع میں 154% کی شرح سے اضافہ ہوا ہے۔ اس اضافہ کی بنیادی وجہ دھماگے کی قیمتوں میں کمی اور بین الاقوامی منڈیوں میں ہونے والی بہتری ہے۔ آنے والی سرمایہ میں کپاس کی نئی فصل کے استعمال کے ساتھ ہی موجودہ مارجن میں کمی متوقع ہے۔

زیر جائزہ مدت میں بین الاقوامی منڈیوں میں کمپنی کی گھریلو مصنوعات کی طلب میں کمی دیکھنے میں آئی جسکی وجہ سے فروخت جو کہ 1,216 ملین روپے پچھلے سال کی پہلی سرمایہ میں تھی گھٹ کر اس سال اسی مدت میں 881 ملین روپے ہو گئی تھی۔ خالص منافع بھی پچھلے سال کے اسی مدت میں ہونے والے منافع سے کم رہا۔

بورڈ آف ڈائریکٹرز کی جانب سے

Madan

شہزاد احمد

چیف ایگزیکٹو

کراچی

مورخہ: 31 اکتوبر 2016ء

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2016

| | Sept 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|---|---------------------------------|-------------------------------|
| EQUITY AND LIABILITIES | Note | ----- Rupees in '000' ----- |
| Share capital and reserves | | |
| Authorized | | |
| 45,000,000 ordinary shares of Rs. 10 each | 450,000 | 450,000 |
| Issued, subscribed and paid up | | |
| 18,073,732 ordinary shares of Rs. 10 each | 180,737 | 180,737 |
| Reserves | 5,022,432 | 5,022,432 |
| Unappropriated profit | 4,436,212 | 4,214,866 |
| | 9,639,381 | 9,418,035 |
| Non-current liabilities | | |
| Long-term financing | 1,134,078 | 1,224,199 |
| Deferred liabilities | 268,028 | 254,134 |
| | 1,402,106 | 1,478,333 |
| Current liabilities | | |
| Trade and other payables | 1,462,603 | 1,211,461 |
| Interest / mark-up payable | 25,928 | 24,593 |
| Short-term borrowings | 3,474,490 | 4,377,109 |
| Current portion of long-term financing | 153,977 | 272,965 |
| | 5,116,998 | 5,886,128 |
| | 16,158,485 | 16,782,496 |
| CONTINGENCIES AND COMMITMENTS | | |
| | 4 | |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 5 6,326,693 | 6,455,820 |
| Long-term investments | 6 3,729,680 | 3,722,723 |
| Long-term deposits | 4,105 | 4,105 |
| | 10,060,478 | 10,182,648 |
| Current assets | | |
| Stores, spares and loose tools | 233,964 | 218,856 |
| Stock-in-trade | 3,217,325 | 3,599,444 |
| Trade debts | 1,301,847 | 1,424,500 |
| Loans and advances | 180,263 | 119,769 |
| Trade deposits and short-term prepayments | 34,815 | 9,405 |
| Other receivables | 25,996 | 10,097 |
| Other financial assets | 165,301 | 275,762 |
| Tax refundable | 355,716 | 358,270 |
| Cash and bank balances | 582,780 | 583,745 |
| | 6,098,007 | 6,599,848 |
| | 16,158,485 | 16,782,496 |

The annexed notes 1 to 10 form an integral part of this unconsolidated condensed interim financial information.

Shahzad Ahmed

Shahzad Ahmed
Chief Executive Officer

Naveed Ahmed

Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | | Three months period ended | |
|--|-------|---------------------------|------------------|
| | | Sept 30, 2016 | Sept 30, 2015 |
| Note | ----- | Rupees in '000' ----- | |
| Sales - net | | 5,008,281 | 4,542,760 |
| Cost of goods sold | 7 | (4,550,269) | (4,363,371) |
| Gross profit | | 458,012 | 179,389 |
| Other income | | 4,516 | 4,497 |
| | | 462,528 | 183,886 |
| Distribution cost | | (82,756) | (94,686) |
| Administrative expenses | | (52,258) | (58,852) |
| Other operating expenses | | (19,803) | (3,764) |
| Finance cost | | (40,515) | (66,815) |
| Profit / (loss) before taxation | | 267,196 | (40,231) |
| Taxation | | (45,850) | (40,456) |
| Profit / (loss) after taxation | | 221,346 | (80,687) |
| Earnings per share - Basic and diluted | | 12.25 | (4.46) |

The annexed notes 1 to 10 form an integral part of this unconsolidated condensed interim financial information.

Shahzad Ahmed

Shahzad Ahmed
Chief Executive Officer

Naveed Ahmed


Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | Three months period ended | |
|--|-----------------------------|------------------|
| | Sept 30, 2016 | Sept 30, 2015 |
| | ----- Rupees in '000' ----- | |
| Profit / (loss) after taxation | 221,346 | (80,687) |
| Other comprehensive income | | |
| Items that may be reclassified subsequently to profit and loss account | - | - |
| Items that will not be reclassified subsequently to profit and loss account | - | - |
| Total comprehensive income / (loss) for the period | 221,346 | (80,687) |

The annexed notes 1 to 10 form an integral part of this unconsolidated condensed interim financial information.



Shahzad Ahmed
Chief Executive Officer



Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| A. CASH FLOWS FROM OPERATING ACTIVITIES | Three months period ended | |
|---|---------------------------|--------------------|
| | Sept, 30 2016 | Sept, 30 2015 |
| | -----Rupees in '000'----- | |
| Profit / (loss) before taxation | 267,196 | (40,231) |
| Adjustments for non-cash items: | | |
| Depreciation of property, plant and equipment | 148,602 | 146,252 |
| Provision for gratuity | 16,409 | 19,789 |
| Realized loss on revaluation of foreign currency loans | (344) | (3,380) |
| Gain on disposal of property, plant and equipment | (974) | (85) |
| Unrealized gain on revaluation of other financial assets | (1,539) | 3,500 |
| Finance cost | 40,515 | 66,815 |
| Dividend income | (182) | (663) |
| Operating profit before working capital changes | 469,683 | 191,997 |
| Working capital changes | | |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | (15,108) | (24,740) |
| Stock in trade | 382,119 | 1,165,951 |
| Trade debts | 122,653 | 180,450 |
| Loans and advances | (49,117) | (64,550) |
| Trade deposits and short-term prepayments | (25,410) | (11,444) |
| Other receivables | (15,899) | 9,659 |
| Other financial assets | 112,000 | 4,297 |
| Tax refundable | 2,554 | (85,676) |
| Increase / (decrease) in current liabilities | 513,792 | 1,173,947 |
| Trade and other payables | 251,365 | 238,583 |
| Cash generated from / (used) in operations | 1,234,840 | 1,604,527 |
| Income taxes paid | (50,226) | 39,500 |
| Finance cost paid | (39,188) | (92,505) |
| Gratuity paid | (9,515) | (7,147) |
| Net cash generated from / (used) in operating activities | 1,135,911 | 1,544,375 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments made for acquisition of property, plant and equipment | (27,439) | (88,079) |
| Proceeds from disposal of property, plant and equipment | 8,945 | 4,328 |
| Long term investment | (6,957) | - |
| Dividend received | 182 | 663 |
| Net cash used in investing activities | (25,269) | (83,088) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term financing obtained | 16,030 | 42,350 |
| Repayment of long-term financing | (225,139) | (442,129) |
| Dividend paid | (223) | - |
| Net cash used in financing activities | (209,332) | (399,779) |
| Net increase / (decrease) in cash and cash equivalent | 901,310 | 1,061,508 |
| Cash and cash equivalent at beginning of the period | (3,793,364) | (3,180,824) |
| Effect of exchange rate changes | 344 | 3,380 |
| Cash and cash equivalent at end of the period | (2,891,710) | (2,115,936) |
| CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 582,780 | 40,958 |
| Short-term running finance | (3,474,490) | (2,156,894) |
| | (2,891,710) | (2,115,936) |

The annexed notes 1 to 10 form an integral part of this unconsolidated condensed interim financial information.

Shahzad Ahmed

 Shahzad Ahmed
 Chief Executive Officer

09

Naveed Ahmed

 Naveed Ahmed
 Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | Reserves | | | | | Total |
|--|---|------------------|-------------------|--------------------|--------------------------------|------------------|
| | Issued, subscribed and paid-up capital | Capital | | Revenue | | |
| | | Share Premium | Merger Reserve | General Reserve | Un- appropriat ed Profit | |
| ----- Rupees in '000'----- | | | | | | |
| Balance at June 30, 2015 (audited) | 180,737 | 10,920 | 11,512 | 5,000,000 | 4,127,696 | 9,330,865 |
| Comprehensive Income | | | | | | |
| Loss for the three months period ended Sept 30, 2015 | - | - | - | - | (80,687) | (80,687) |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive (loss) for the period | - | - | - | - | (80,687) | (80,687) |
| Balance at Sept, 30, 2015 (unaudited) | 180,737 | 10,920 | 11,512 | 5,000,000 | 4,047,009 | 9,250,178 |
| Balance at June 30, 2016 (audited) | 180,737 | 10,920 | 11,512 | 5,000,000 | 4,214,866 | 9,418,035 |
| Comprehensive Income | | | | | | |
| Profit for the three months period ended Sept 30, 2016 | - | - | - | - | 221,346 | 221,346 |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | - | 221,346 | 221,346 |
| Balance at Sept, 30, 2016 (unaudited) | 180,737 | 10,920 | 11,512 | 5,000,000 | 4,436,212 | 9,639,381 |

The annexed notes 1 to 10 form an integral part of this unconsolidated condensed interim financial information.

Shahzad Ahmed

Shahzad Ahmed
Chief Executive Officer

Naveed Ahmed

Naveed Ahmed
Director

**SELECTED EXPLANATORY NOTES
TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016****1 LEGAL STATUS AND NATURE OF BUSINESS**

- 1.1 Indus Dyeing & Manufacturing Company Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act 1913 repealed by the Companies Ordinance, 1984. Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The Company is also operating two spinning units including one on leasing arrangements in District Lodhran. The Company has the following group entities:

| | |
|-------------------------------|---|
| Indus Lyallpur Limited | - Wholly owned subsidiary |
| Indus Home Limited | - Wholly owned subsidiary |
| Indus Home USA Inc. | - Wholly owned subsidiary of Indus Home Limited |
| Indus Wind Energy Limited | - Wholly owned subsidiary |
| Sunrays Textile Mills Limited | - Associated undertaking |

2 STATEMENT OF COMPLIANCE

- 2.1 This unconsolidated condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives issued under the Companies Ordinance, 1984 shall prevail. The disclosures in this condensed interim financial information, however, have been limited to the extent of requirements stated in International Accounting Standard (IAS) 34 'Interim Financial Reporting'.
- 2.2 This unconsolidated condensed interim financial information is unaudited and in accordance with the requirements of rule 5.19.13(b) of rule book of Pakistan Stock Exchange Limited and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.
- 2.3 This unconsolidated condensed interim financial information has been prepared under the historical cost convention modified by: -
- recognition of certain employee retirement benefits at present value.
- certain financial instruments at fair value.
- 2.4 This unconsolidated condensed interim financial information does not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended June 30, 2016.
- 2.5 This unconsolidated condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.
- 2.6 The comparative balance sheet presented has been extracted from unconsolidated annual financial statements for the year ended June 30, 2016, whereas comparative condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity presented in this condensed interim financial information have been extracted from the unaudited unconsolidated condensed interim financial information for the third quarterly ended September 30, 2015.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 3.1 The accounting policies, underlying estimates and methods of computations adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2016.
- 3.2 The financial risk management policies and objectives adopted by the Company are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2016.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| | Sept 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|---|---------------------------------|-------------------------------|
| | -----Rupees in '000'----- | |
| 4 CONTINGENCIES AND COMMITMENTS | | |
| 4.1 Contingencies | | |
| 4.1.1 Claim of arrears of social security contribution not acknowledged. Appeal is pending in the Honorable High Court of Sindh. The management is hopeful for favorable outcome. | 453 | 453 |
| 4.1.2 Guarantees issued by banks on behalf of the Company | 3,817 | 3,817 |
| 4.1.3 Guarantees issued by banks in favour of gas distribution companies | 77,558 | 77,558 |
| 4.1.4 Bank guarantees against payment of infrastructure cess | 210,042 | 195,042 |
| 4.2 Commitments | | |
| Letters of credit for raw material and stores and spares | 584,393 | 1,440,775 |
| Letters of credit for plant and equipment | 142,645 | 64,645 |
| Civil work contracts | - | 20,000 |
| 5 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT | | |

During the period, the following additions and disposals were made: -

| | ----- (Un-audited) ----- | | | |
|---------------------------------|---------------------------|-------------------------------|--------------------------|-------------------------------|
| | Sept 30, 2016 | | Sept 30, 2015 | |
| | Additions / transfers | Disposal at carrying value | Additions / transfers | Disposal at carrying value |
| | -----Rupees in '000'----- | | | |
| Assets | | | | |
| Factory building | - | - | 68,731 | (532) |
| Plant and machinery | 112,417 | (7,380) | - | - |
| Power generator | - | - | 7,000 | - |
| Office equipment | - | - | 127 | - |
| Furniture and fixtures | 2,124 | - | - | - |
| Vehicles | 2,140 | (591) | 8,750 | (3,711) |
| Capital work in progress | 58,979 | - | 3,472 | - |
| | 175,660 | (7,971) | 88,080 | (4,243) |

Three months period ended

| | | Sept 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|--------------------------------------|-----|---------------------------------|-------------------------------|
| | | -----Rupees in '000'----- | |
| 6 LONG TERM INVESTMENTS | | | |
| Investment in an associate - at cost | | 13,476 | 13,476 |
| Investment in subsidiaries - at cost | 6.1 | 3,716,204 | 3,709,247 |
| | | 3,729,680 | 3,722,723 |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

Three months period ended

(Un-audited)

Quarter ended

Sept 30, Sept 30,
2016 2015

-----Rupees in '000'-----

6.1 Subsidiaries - at cost

| | | |
|-----------------------------------|------------------|------------------|
| Indus Home Limited (IHL) | 2,491,204 | 2,491,204 |
| Indus Lyallpur Limited (ILP) | 1,185,000 | 1,185,000 |
| Indus Wind Energy Limited (IWE) | 40,000 | 250 |
| Advance against equity (IWE) | - | 32,793 |
| | 3,716,204 | 3,709,247 |

7 COST OF GOODS SOLD

| | | |
|----------------------------|------------------|-----------|
| Raw material consumed | 3,650,370 | 3,230,888 |
| Manufacturing expenses | 1,010,495 | 935,699 |
| Outside purchases | 6,894 | 108,509 |
| | 4,667,759 | 4,275,096 |
| Work in process | | |
| Opening stock | 218,243 | 243,052 |
| Closing stock | (222,444) | (247,134) |
| | (4,201) | (4,082) |
| | 4,663,558 | 4,271,014 |
| Cost of goods manufactured | | |
| Finished Goods | | |
| Opening stock | 405,347 | 442,437 |
| Closing stock | (518,636) | (350,080) |
| | (113,289) | 92,357 |
| | 4,550,269 | 4,363,371 |

7.1 Manufacturing expenses

| | | |
|------------------------------|------------------|---------|
| Salaries, wages and benefits | 304,212 | 267,306 |
| Fuel, water and power | 368,727 | 348,071 |
| Stores and spares consumed | 92,806 | 73,272 |
| Packing material consumed | 81,340 | 83,428 |
| Insurance | 6,779 | 12,705 |
| Repairs and maintenance | 9,327 | 6,745 |
| Rent, rate and taxes | 1,316 | 735 |
| Depreciation | 141,774 | 139,043 |
| Others | 4,214 | 4,394 |
| | 1,010,495 | 935,699 |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

8 AGGREGATE TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries [(Indus Wind Energy Limited), (Indus Lyallpur Limited), (Indus Home Limited) and (Indus Home US Inc.)], associate (Sunrays Textiles Mills Limited) and entities where directors held interest (Riaz Cotton Factory, Silver Seeds (Private) Limited, MB Industries (Private) Limited, Gailawal Cotton Company, Indus Heartland Limited, Lyallpur Properties) and key management personnel. The Company carries out transactions with related parties on agreed terms. Transactions with related parties during the period and balances with them at period end are as follows: -

| | | <u>Three months period ended</u> | |
|------------|---------------------------------------|----------------------------------|----------|
| | | <u>(Un-audited)</u> | |
| | | <u>Quarter ended</u> | |
| | | Sept 30, | Sept 30, |
| | | 2016 | 2015 |
| | | -----Rupees in '000'----- | |
| 8.1 | Transactions during the period | | |
| | Relationship with Company | | |
| | Subsidiaries | | |
| | Purchase of yarn | 42,447 | 115,046 |
| | Conversion cost paid | - | 33,994 |
| | Purchase of generator | 3,194 | 9,652 |
| | Sale of Machinery | - | 7,000 |
| | Conversion Cost Received | 1,755 | - |
| | | 40,273 | - |
| | Key management personnel | 7,471 | 7,820 |

9 DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial information was authorized for issue on 31st October 2016 by the Board of Directors of the Company.

10 GENERAL

Figures have been rounded off to the nearest thousand of Rupee.

Shahzad Ahmed

Shahzad Ahmed
Chief Executive Officer

Naveed Ahmed

Naveed Ahmed
Director



INDUS DYEING & MANUFACTURING
COMPANY LIMITED

FIRST QUARTERLY REPORT
Condensed Interim Financial Information
July 01, 2016 to September 30, 2016
(Un - audited)

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2016

| | Note | Sept 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|--|------|---------------------------------|-------------------------------|
| ----- Rupees in '000' ----- | | | |
| EQUITY AND LIABILITIES | | | |
| SHARE CAPITAL AND RESERVES | | | |
| Authorized | | 450,000 | 450,000 |
| 45,000,000 Ordinary shares of Rs. 10 each | | | |
| Issued, subscribed and paid up | | 180,737 | 180,737 |
| Reserves | | 5,016,006 | 5,021,964 |
| Unappropriated profit | | 6,153,816 | 5,913,069 |
| | | 11,350,559 | 11,115,770 |
| NON CURRENT LIABILITIES | | | |
| Long-term financing | | 1,226,776 | 1,363,996 |
| Deferred liabilities | | 395,089 | 373,548 |
| | | 1,621,865 | 1,737,544 |
| CURRENT LIABILITIES | | | |
| Trade and other payables | | 1,957,649 | 1,687,178 |
| Interest / mark-up payable | | 30,152 | 33,572 |
| Short-term borrowings | | 4,832,363 | 6,096,915 |
| Current portion of: long-term financing | | 171,325 | 313,682 |
| | | 6,991,489 | 8,131,347 |
| CONTINGENCIES AND COMMITMENTS | 6 | 19,963,913 | 20,984,661 |
| ASSETS | | | |
| non-current assets | | | |
| Property, plant and equipment | | 10,664,119 | 10,918,118 |
| Intangible assets | | 4,286 | 4,633 |
| Long term investment | | 22,074 | 21,611 |
| Long term deposit | | 14,757 | 14,757 |
| | | 10,705,236 | 10,959,119 |
| current assets | | | |
| Stores, spares and loose tools | | 501,539 | 537,609 |
| Stock-in-trade | | 4,929,197 | 5,514,619 |
| Trade debts | | 1,693,839 | 1,831,228 |
| Loans and advances | | 235,550 | 154,345 |
| Trade deposits and short-term prepayments | | 36,330 | 10,921 |
| Other receivables | | 101,201 | 80,652 |
| Other financial assets | | 568,324 | 676,603 |
| Tax refundable | | 573,369 | 600,456 |
| Cash and bank balances | | 619,328 | 619,109 |
| | | 9,258,677 | 10,025,542 |
| | | 19,963,913 | 20,984,661 |

The annexed notes from 1 to 12 form an integral part of this consolidated condensed interim financial information.

Shahzad Ahmed
Shahzad Ahmed
Chief Executive Officer

Naveed Ahmed
Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | | Three months period ended | |
|--|------|-----------------------------|------------------|
| | | Sept 30, 2016 | Sept 30, 2015 |
| | Note | ----- Rupees in '000' ----- | |
| Sales | | 6,514,813 | 6,237,297 |
| Cost of goods sold | 9 | (5,916,777) | (5,920,441) |
| | | 598,036 | 316,856 |
| Gross profit | | | |
| Other operating income | | 6,547 | 5,516 |
| | | 604,583 | 322,372 |
| Distribution cost | | (128,211) | (167,410) |
| Administrative expenses | | (88,821) | (91,925) |
| Other operating expenses | | (36,235) | (7,675) |
| Financial cost | | (56,164) | (88,049) |
| | | (309,431) | (355,059) |
| Share of profit from associate | 8.1 | 400 | 103 |
| Profit / (loss) before taxation | | 295,552 | (32,584) |
| Taxation | 10 | (54,868) | (52,624) |
| Profit / (loss) after taxation | | 240,684 | (85,208) |
| Earnings per share - Basic and diluted | | 13.32 | (4.71) |

The annexed notes from 1 to 12 form an integral part of this consolidated condensed interim financial information.



Shahzad Ahmed
Chief Executive Officer



Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | Three months period ended | |
|--|-----------------------------|------------------|
| | Sept 30, 2016 | Sept 30, 2015 |
| | ----- Rupees in '000' ----- | |
| Profit / (loss) after taxation | 240,684 | (85,208) |
| Other comprehensive income / (loss) | - | - |
| Items that may be reclassified subsequently to profit and loss account | | |
| Exchange gain / (loss) on translation of foreign subsidiary | (5,958) | 246 |
| Items that will not be reclassified subsequently to profit and loss account | - | - |
| Total comprehensive income / (loss) for the period | 234,726 | (84,962) |

The annexed notes from 1 to 12 form an integral part of this consolidated condensed interim financial information.



Shahzad Ahmed
Chief Executive Officer



Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | Three months period ended | |
|---|-----------------------------|--------------------|
| | Sept 30, 2,016 | Sept 30, 2015 |
| | ----- Rupees in '000' ----- | |
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit / (loss) before taxation | 295,552 | (32,584) |
| Adjustments for: | | |
| Depreciation and Amortization | 238,759 | 259,765 |
| Provision for gratuity | 27,625 | 33,542 |
| Share of profit from associate | (400) | (103) |
| Unrealized gain on revaluation of foreign currency loans | (1,152) | (3,380) |
| Loss / (gain) on disposal of property, plant and equipment | 8,779 | (768) |
| Gain on revaluation/ disposal of other financial assets | (1,539) | 16,731 |
| Finance cost | 56,164 | 88,049 |
| Dividend income | (182) | (663) |
| Operating profit before working capital changes | 623,606 | 360,589 |
| Working capital changes | | |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | 36,070 | 120,961 |
| Stock in trade | 585,422 | 1,460,610 |
| Trade debts | 137,389 | 7,200 |
| Loans and advances | (19,386) | (101,574) |
| Trade deposits and short-term prepayments | (25,409) | (12,103) |
| Other receivables | (20,549) | (3,396) |
| Other financial assets | 108,279 | 9,448 |
| Tax refundable | 27,087 | 6,960 |
| Increase in current liabilities | | |
| Trade and other payables | 229,196 | 218,580 |
| | 1,058,099 | 1,706,686 |
| Cash used in operations | 1,681,705 | 2,067,275 |
| Income taxes paid | (51,515) | (56,026) |
| Finance cost paid | (59,592) | (115,606) |
| Gratuity paid | (2,924) | (16,851) |
| Net cash generated from / (used in) operating activities | 1,567,674 | 1,878,792 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments made for purchase of items property, plant and equipment | (40,057) | (121,230) |
| Proceeds on disposal of property, plant and equipment | 24,040 | 12,598 |
| Payment for right shares | (6,956) | - |
| Dividend received | 182 | 663 |
| Net cash used in investing activities | (22,791) | (107,969) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Long-term financing obtained | 21,054 | 42,350 |
| Repayment of long-term financing | (300,631) | (522,542) |
| Dividend paid | (223) | - |
| Net cash used in financing activities | (279,800) | (480,192) |
| Net increase / (decrease) in cash and cash equivalents | 1,265,083 | 1,290,631 |
| Cash and cash equivalents at beginning of the period | (5,477,806) | (4,522,598) |
| Cash and cash equivalents at end of the period | (4,212,723) | (3,231,967) |
| CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 619,328 | 102,043 |
| Short-term running finance | (4,832,363) | (3,334,010) |
| Effects of exchange rate changes on cash and cash equivalents | 312 | - |
| | (4,212,723) | (3,231,967) |

The annexed notes from 1 to 12 form an integral part of this consolidated condensed interim financial information.

Shahzad Ahmed
Shahzad Ahmed
Chief Executive Officer

Naveed Ahmed
Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

| | Reserves | | | | | Total | |
|---|---|------------------|-------------------|------------------------------------|--------------------|-----------|----------------------------|
| | Issued, subscribed and paid up capital | Capital | | Revenue | | | |
| | | Share premium | Merger reserve | Exchange translation reserve | General reserve | | Unappropri- ated profit |
| Rupees in '000' | | | | | | | |
| Balance at June 30, 2015 (audited) | 180,737 | 10,920 | 11,512 | 243 | 5,000,000 | 5,470,799 | 10,674,211 |

Comprehensive (loss) / income for the first quarter ;

| | | | | | | | |
|---|----------------|---------------|---------------|------------|------------------|------------------|-------------------|
| Loss for the first quarter ended September 30, 2015 | - | - | - | - | - | (85,208) | (85,208) |
| Exchange gain on translation of foreign subsidiary | - | - | - | 246 | - | - | 246 |
| Other comprehensive (loss) for the period | - | - | - | - | - | - | - |
| Total comprehensive loss for the period | - | - | - | 246 | - | (85,208) | (84,962) |
| Associate's share of surplus on revaluation of property, plant and equipment on account of incremental depreciation | - | - | - | - | - | 72 | 72 |
| - net of deferred tax | | | | | | | |
| Balance at September 30, 2015 (unaudited) | 180,737 | 10,920 | 11,512 | 489 | 5,000,000 | 5,385,663 | 10,589,321 |

| | | | | | | | |
|---|----------------|---------------|---------------|--------------|------------------|------------------|-------------------|
| Balance at June 30, 2016 (audited) | 180,737 | 10,920 | 11,512 | (468) | 5,000,000 | 5,913,069 | 11,115,770 |
|---|----------------|---------------|---------------|--------------|------------------|------------------|-------------------|

Comprehensive income for the first quarter ;

| | | | | | | | |
|---|----------------|---------------|---------------|----------------|------------------|------------------|-------------------|
| Profit for the first quarter ended September 30, 2016 | - | - | - | - | - | 240,684 | 240,684 |
| Exchange loss on translation of foreign subsidiary | - | - | - | (5,958) | - | - | (5,958) |
| Other comprehensive income for the period quarter | - | - | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | (5,958) | - | 240,684 | 234,726 |
| Associate's share of surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax | - | - | - | - | - | 63 | 63 |
| Balance at September 30, 2016 (unaudited) | 180,737 | 10,920 | 11,512 | (6,426) | 5,000,000 | 6,153,816 | 11,350,559 |

The annexed notes from 1 to 12 form an integral part of this consolidated condensed interim financial information.

Shahzad Ahmed
Shahzad Ahmed
Chief Executive Officer

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Naveed Ahmed
Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2016

1. LEGAL STATUS AND NATURE OF BUSINESS

The " Group " consists of

1.1 Holding Company - Indus Dyeing & Manufacturing Company Limited

Indus Dyeing & Manufacturing Co. Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act 1913 repealed by the Companies Ordinance, 1984. Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The Company is also operating two spinning units including one on leasing arrangements in District Multan. The Company has the following group entities :

- Indus Lyallpur Limited - Wholly owned
- Indus Home Limited - Wholly owned
- Indus Wind Energy Limited - Wholly owned
- Indus Home USA Inc. - Wholly owned
- Sunrays Textile Mills Limited - Associated

1.2 Subsidiary Companies

1.2.1 Indus Lyallpur Limited - 100% owned

Indus Lyallpur Limited (the Subsidiary Company) is an unlisted public company limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984. Principal business of the Subsidiary Company is manufacturing and sale of yarn. Mill is located at 38th kilometer, Shaikhupura road, District Faisalabad in the province of Punjab. Registered office of the Subsidiary Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company acquired 71,540,000 ordinary shares representing hundred percent of paid up capital of the Subsidiary Company @ 6.85 per share for aggregate consideration of Rs. 490 million on January 31, 2012.

1.2.2 Indus Home Limited - 100% owned

Indus Home Limited (the Subsidiary Company) was incorporated in Pakistan as a public limited Company on May 18, 2006 under the Companies Ordinance 1984. The registered office of the Company is located at 174 Abu Bakar Block, New Garden Town, Lahore. Principal business activities of the Subsidiary Company are to manufacture and export the greige and finished terry cloth and other textile products. The manufacturing facility of the Company is located at Manga Mandi, Lahore. On November 21, 2013, the Holding Company acquired 75 million shares of Indus Home Limited from West Point Pakistan LLC for an aggregate purchase consideration of USD 12 million. As a result of the acquisition, the Holding Company acquired controlling interest in Indus Home Limited by way of 100% ownership.

1.2.3 Indus Wind Energy Limited - 100% owned

Indus Wind Energy has been established during the 2015. The principal business activities of the Company is to generate and sale electricity to the national grid.

1.2.4 Indus Home USA Inc. (100% owned by Indus Home

Indus Home USA Inc. was established in the prior year. The principal business activities of the Company is to act as commission agent to generate sales order in textile sector.

1.3 Sunrays Textile Mills Limited - Associated Company

Sunrays Textile Mills Limited was incorporated in Pakistan on August 27, 1987 as a public limited company under the Companies Ordinance, 1984 and its shares are quoted on the Karachi Stock Exchange. The Company is principally engaged in trade, manufacture and sale of yarn. The Company is also operating a spinning unit and an ice factory on leasing arrangements. The registered office of the Company is situated at Karachi. The mill is located at District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab. The Holding Company has 0.99% voting rights in the Company and it is regarded associate due to common directorship.

2. BASIS OF CONSOLIDATION

- This consolidated condensed interim financial information include the financial information of the Company and its Subsidiary Companies(refer note 1 above) (here-in-after collectively referred to as 'the Group').
- Subsidiary Companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and excluded from consolidation from the date of disposal or when the control is lost.
 - The condensed interim financial information of the Subsidiary Companies are prepared for the same reporting period as of the Company for the purpose of consolidation, using consistent accounting policies.
 - The assets, liabilities, income and expenses of the Subsidiary Companies have been consolidated on a line by line basis.
 - Material intra-group balances and transactions have been eliminated.

3. STATEMENT OF COMPLIANCE

This consolidated condensed interim financial information are unaudited and have been prepared in accordance with the approved Accounting Standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail. The disclosures in this condensed interim financial information, however, have been limited to the extent of requirements stated in International Accounting Standard (IAS) 34 'Interim Financial Reporting' .

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 4.1 The accounting policies applied in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the annual audited consolidated financial statements of the Company for the year ended June 30, 2016.
- 4.2 The financial risk management policies and objectives adopted by the Company are consistent with those disclosed in the annual audited consolidated financial statements for the year ended June 30, 2016

5. BASIS OF PREPARATION :

- 5.1 This consolidated condensed interim financial information has been prepared under the historical cost convention modified by: -
- recognition of certain employee retirement benefits at present value.
 - certain financial instruments at fair value.
- 5.2 This consolidated condensed interim financial information does not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Company for the year ended June 30, 2016.
- 5.3 This consolidated condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.
- 5.4 The comparative consolidated balance sheet presented has been extracted from annual consolidated financial statements for the year ended June 30, 2016, whereas comparative consolidated condensed interim profit and loss account, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are stated from the unaudited consolidated condensed interim financial information for the first quarter ended September 30, 2015.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| | Sept 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|---|---------------------------------|-------------------------------|
| | -----Rupees in '000'----- | |
| 6 CONTINGENCIES AND COMMITMENTS | | |
| 6.1 Contingencies | | |
| Claim of arrears of social security contribution not acknowledged. Appeal is pending in Honourable High Court of Sindh. The management is hopeful for favourable outcome. | 453 | 453 |
| Guarantees issued by banks on behalf of the Group | - | 26,970 |
| Guarantees issued by banks in favour of gas / electricity distribution companies | 108,286 | 223,286 |
| Bank guarantees in favor of Collector of Customs | 3,817 | 7,950 |
| Bank guarantees against payment of infrastructure cess | 366,196 | 211,042 |
| 6.2 Commitments | | |
| Letters of credit against plant and equipment, stores and spares and raw cotton purchases | 851,513 | 1,641,095 |
| Civil work contracts | - | 20,000 |
| Foreign currency forward contracts - sale | 476,325 | 423,695 |
| Foreign currency forward contracts - purchase | - | 76,325 |

7. ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period, following additions and disposals were made: -

| | Un-audited | | | |
|---------------------------------------|---|----------------------------------|--------------------------|----------------------------------|
| | Sept 30, 2016 | | Sept 30, 2015 | |
| | Additions / Transfers | Disposal at Carrying value | Additions / Transfers | Disposal at Carrying value |
| | < - - - - - Rupees in '000' - - - - - > | | | |
| Assets | | | | |
| Plant and machinery | 120,987 | (29,241) | 72,023 | (532) |
| Power generator | 1,575 | (3,920) | 7,000 | (6,601) |
| Office equipment | 241 | - | 298 | (16) |
| Furniture and fixtures | 2,124 | - | 767 | - |
| Vehicles | 5,352 | (913) | 8,802 | (4,682) |
| Capital work in - progress | 83,578 | - | 113,548 | - |
| | 213,857 | (34,074) | 202,438 | (11,831) |

8. LONG TERM INVESTMENTS

Investment in an associate

8.1 Investment in an associate

| | Sept 30, 2016 (Unaudited) | June 30, 2016 (Audited) |
|--|---------------------------------|-------------------------------|
| | -----Rupees in '000'----- | |
| Investment in an associate | 22,074 | 21,611 |
| Cost | 1,716 | 1,716 |
| Opening | 19,895 | 19,562 |
| Associate's share of transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax. | 63 | - |
| Share of profit from associate | 400 | 333 |
| | 20,358 | 19,895 |
| | 22,074 | 21,611 |
| Number of shares held | 68,654 | 68,654 |
| Cost of investment (in Rs. "000") | 1,716 | 1,716 |
| Ownership interest | 0.9950% | 0.9950% |
| Market value (in Rs. "000") | 14,417 | 14,601 |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| | | ----- Un-audited ----- Three months period ended | |
|-----------------------------------|------------------------------|---|------------------|
| | | Sept 30, 2016 | Sept 30, 2015 |
| | | -----Rupees in '000'----- | |
| 9. COST OF GOODS SOLD | | | |
| | Raw material consumed | 4,124,403 | 3,971,088 |
| | Manufacturing expenses | 1,659,598 | 1,628,859 |
| | Outside purchases | 379,741 | 64,863 |
| | | 6,163,742 | 5,664,810 |
| | Work in process | | |
| | Opening stock | 467,680 | 696,608 |
| | Closing stock | (545,297) | (638,870) |
| | | (77,617) | 57,738 |
| | Cost of goods manufactured | 6,086,125 | 5,722,548 |
| | Finished Goods | | |
| | Opening stock | 856,153 | 993,453 |
| | Closing stock | (1,025,501) | (795,560) |
| | | (169,348) | 197,893 |
| | | 5,916,777 | 5,920,441 |
| 9.1 Manufacturing expenses | | | |
| | Salaries, wages and benefits | 472,373 | 407,240 |
| | Fuel, water and power | 558,348 | 618,754 |
| | Stores and spares consumed | 218,815 | 189,793 |
| | Packing material consumed | 135,105 | 140,898 |
| | Insurance | 10,465 | 17,077 |
| | Repairs and maintenance | 11,799 | 11,281 |
| | Rent, rate and taxes | 1,316 | 735 |
| | Depreciation | 244,188 | 247,835 |
| | Others | 17,866 | 12,830 |
| | Rebate | (10,677) | (17,584) |
| | | 1,659,598 | 1,628,859 |

10. AGGREGATE TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate (Sunrays Textiles Mills Limited) and entities where directors held interest (Riaz Cotton Factory, Silver Seeds (Private) Limited, MB Industries (Private) Limited, Gailawala Cotton Company, Indus Heartland Limited, Lyallpur Properties) and key management personnel and post employment benefit schemes. The group carries out transactions with related parties on agreed terms. Transactions with related parties during the period and balances with them at period end are as follows: -

| | | ----- Un-audited ----- Three months period ended | |
|--|---------------------------------|---|--|
| | | Sept,30 2016 | Sept,30 2015 |
| | | -----Rupees in '000'----- | |
| 10.1 Transactions during the period Relationship with Company Associate | | | |
| | Nature of transaction | | |
| | Purchase of yarn | 2,659 | 48,524 |
| | Conversion cost | 17,269 | - |
| | Key management personnel | | |
| | Remuneration paid | 17,379 | 16,248 |
| | | Sept,30 2016 (Unaudited) | June 30, 2016 (Audited) |
| 10.2 Balances with related parties | | | |
| | Associate | | |
| | - Payable | 1,739 | 1,733 |
| | Other related parties | | |
| | - receivable | 1,917 | 1,917 |
| | - payable | 1,253 | 1,253 |

11. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on 31st October 2016 by the Board of Directors of the Company.

12. GENERAL

Figures have been rounded off to the nearest thousand of Rupee.

Shahzad Ahmed

Shahzad Ahmed
Chief Executive Officer

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Naveed Ahmed

Naveed Ahmed
Director