



INDUS DYEING & MANUFACTURING COMPANY LIMITED

FIRST QUARTERLY REPORT **Condensed Interim Financial Information** **July 01, 2017 to September 30, 2017** **(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. Imran Ahmed | |
| 7 | Mr. Irfan Ahmed | |
| 8 | Mr. Shafqat Masood | |
| 9 | Mr. Shahwaiz Ahmed | |
| 10 | Sheikh Nishat Ahmed | |
| 11 | 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. Zahid Mahmood

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,
5th floor, Beaumont Plaza,
Civil Lines Quarters, Karachi.

Tel. 111 - 404 - 404
Fax. 009221 - 35693594

Symbol of the company

IDYM

Website

www.indus-group.com

Auditors

M/s Deloitte Yousuf Adil
Chartered Accountants

Registrar & Share Transfer Office

JWAFFS Registrar (Pvt) Ltd.
407-408, AI - Ameera Centre,
Shahrah-e-Iraq, Saddar, Karachi.

Tel. 35662023 - 24
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 Muzafergarh, 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' Report

FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2017

The Board of Directors is pleased to present the un-audited financial statements of the Company for the three-month period ended September 30, 2017.

OPERATING RESULTS

Consolidated turnover for the three-months period ending on September 30, 2017 was Rs.7,210 million against Rs.6,515 million for the same period last year, whereas the consolidated net profit after tax was Rs. 366 million as compared to Rs. 241 million in the last corresponding period. The Company has shown an improved performance during the quarter under review despite various challenges of increased cost of doing business in Pakistan and due to persistent efforts of management in procurement of raw material, sales and cash flow planning the Company was able to meet the desired results. The following are the financial results of the Company for three months ended September 30, 2017.

FINANCIAL HIGHLIGHTS

	Three months ended September 30, (Rs. In million)	
	2017	2016
Sales-Net	7,210	6,515
Gross Profit	793	598
Other Operating Income	36	7
Profit Before Taxation	436	296
Taxation	(70)	(55)
Net Profit After Tax	366	241

REVIEW OF OPERATIONS

There has been an increase in sales of 10.67 % during three months under review over the last corresponding period. Due to better management and control over operations, the Company's overall operational performance remained stable with significant increase in revenue, resulting in a net profit after tax that increased from 3.70 % to 5.08 % over the last corresponding period.

The towel unit's sales during the three months period ended September 30, 2017 was Rs. 1,256 million and contributed Rs. 52.150 million toward profits after tax in the above mentioned consolidated results.

EARNINGS PER SHARE

The earnings per share for the three months ended September 30, 2017 is Rs. 20.25 per share compared to Rs. 13.32 per share over the previous corresponding period.

FUTURE PROSPECTS

The textile sector is the backbone of the country which provided handsome foreign exchange reserves along with employment opportunity. The government must realize the facts and reduce the cost of doing business by reducing power tariff, allowing refinance on yarn, removal of GIDC and timely release of sales tax and income tax refunds. Continuation of duty drawback of taxes by the government is a positive sign and we are hopeful to have more profitable results in the next quarter.

ACKNOWLEDGEMENT

The Directors acknowledge the contribution of each and every employee of the Company. We would like to express our thanks to our customers for the trust they have shown in our products and our bankers for their continued support to the Company. We are grateful to our shareholders for their confidence in our management.

On Behalf of the Board

Karachi:
SHAHZAD AHMED
31st October 2017


Chief Executive Officer

انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ
ڈائریکٹرز رپورٹ
سرمایہ رپورٹ برائے 30 ستمبر 2017ء

ہرڈ آف ڈائریکٹر کمپنی کے فیصلے کے تحت، (Un-audited)، مالی سال کے (Financial Statement) ستمبر 30 2017 کو ہوا، اس سرمایہ مدت رپورٹ پیش کرتے ہوئے انتہائی سرت محسوس کرتے ہیں۔

زیر عمل اثرت نتائج (Operating results)

سرمایہ مدت رپورٹ جس کا اختتام 30 ستمبر 2017 کو ہوا، اس میں مختلف کڑھ سال کی اسی مدت میں مجموعی تبدیلی (Consolidated turnover) Rs. 7,210 ملین روپے کے مقابلے میں Rs. 6,515 ملین روپے تھی۔ جبکہ مجموعی منافع (Consolidated Profit) بعد از ادا ٹیکس منافع مدت (Corresponding Period) کے Rs. 366 ملین روپے کی نسبت Rs. 241 ملین روپے تھا۔ کمپنی نے کاروباری آلاتوں/تجهیزوں میں اضافے کے باوجود پاکستان میں کاروبار کرتے ہوئے مختلف چیلنجوں کے باوجود زیر کار سرمایہ مدت بہتر کارکردگی دکھائی اور انکماشہ کی تمام مال (Raw Material) کے حصول (Procurement) کے لئے سبکی مسلسل (Persistent efforts) بننا اور رواں آمدنی / خالص آمدنی (Cash flow) کی مضبوط بندی کی وجہ سے کمپنی اس قابل ہوئی کہ وہ مطلوبہ پانچ سال تک حاصل کر سکی۔ ڈیلی میں کمپنی کے مالی سال برائے 30 ستمبر 2017 کی سرمایہ مدت کے باقیاتی نتائج بیان کئے جاتے ہیں۔

اہم مالی نکات (Financial Highlights)

فرہنگی	2017	سرمایہ مدت 30 ستمبر (ملین روپے)	2016
خالص فرہنگی	7,210		6,515
دیکھ کر اثرت (Operating) آمدنی	36		7
فیس از ادا ٹیکس منافع	436		296
محصول (Taxation)	(70)		(55)
بعد از ادا ٹیکس منافع خالص منافع	366		241

(کھلی) امور کا جائزہ (Review of Operations)

زیر کار سرمایہ مدت اور ان کڑھ مختلف مدت کے مقابلے میں سیکڑ میں 10.67 فیصد اضافہ ہوا۔ (کمپنی کے) امور (Operations) پر بہتر اقتصادی صلاحیتوں اور کنٹرول کی وجہ سے کمپنی کی مجموعی فعالیت (Operational) کارکردگی کلی آمدنی میں اضافے کے ساتھ کھلی امر جس کے نتیجے میں کڑھ مختلف مدت (Last corresponding period) خالص منافع 3.70 فیصد سے بڑھ کر 5.08 فیصد ہو گیا۔ سرمایہ مدت، اختتام 30 ستمبر 2017 کے دوران تولید یافتہ کی فروختی 1,256 ملین روپے دی اور بعد از ٹیکس منافع 52.150 ملین روپے رہا جو کہ پانچ روپے منافع میں شامل ہے۔

نی شیئر آمدنی (Earnings per share)

سرمایہ مدت، اختتام 30 ستمبر 2017ء کے دوران نی شیئر آمدنی کڑھ مختلف مدت کے Rs. 13.32 کے مقابلے میں Rs. 20.25 ی۔


مستقبل کی توقعات اور امکانات (Future Prospects)

کیا مالی سیکڑ ملک کی ریڑھ کی ہڈی کی حیثیت رکھتا ہے جو کہ کثیر زرمہ مال کی فراہمی کے ساتھ ساتھ روزگار کے مواقع فراہم کرتا ہے۔ حکومت کو تاحق کا لازمی طور پر احساس ہونا چاہئے اور پارٹیرف میں کی کر کے کاروباری لاگت کو کم کرنا چاہئے۔ حکومت کو چاہئے کہ وہاں (Yarn) سے قرضے فراہم کرے اور GIDC کو سبسڈی پر برکت پکڑ سکے اور انکم ٹیکس کی ربطہ کے اجراء / ادائیگی کو کمپنی بنائے حکومت کی جانب سے گیسز کے قابل دائی محسول (Duty Draw back) میں مسلسل ایک ثبٹ خلاصہ ہے اور ہمیں امید ہے کہ سرمایہ مدت میں ہم زیادہ بہتر مالیاتی نتائج حاصل کر سکیں گے۔

اظہار تشکر (Acknowledgment)

ڈائریکٹر کمپنی کے تمام ملازمین کے تعاون کا شکریہ ادا کرتے ہیں۔ ہم اپنے معزز صارفین کے ہماری مصنوعات اور ہمارے شیکڑز میں اعتماد اور ان کی کمپنی کی مسلسل تاجروہامیات کے لئے شکریہ ادا کرتے ہیں۔ ہم اپنے شیکڑز ہولڈرز سے ہماری انتظامیہ سے متعلق اعتماد کے لئے اظہار تشکر کرتے ہیں۔

برڈ کی جانب سے (On Behalf of the Board)


شیر اداس
(چیف ایگزیکٹو آفیسر)

کرمانی:
131 اکتوبر 2017ء

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2017

	Sept 30, 2017 (Unaudited)	June 30, 2017 (Audited)		Sept 30, 2017 (Unaudited)	June 30, 2017 (Audited)
Note	----- Rupees in '000' -----		Note	----- Rupees in '000' -----	

EQUITY AND LIABILITIES

Share capital and reserves

Authorised
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

7,000,000	7,000,000
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Inappropriate profit

3,064,042	2,742,795
10,244,779	9,923,532

Non-current liabilities

Long-term financing

967,056	1,048,036
---------	-----------

Deferred liabilities

361,474	353,891
1,328,530	1,401,927

Current liabilities

Trade and other payables

1,804,743	1,522,356
-----------	-----------

Interest / mark-up payable

21,496	41,436
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Short-term borrowings

2,551,006	3,911,125
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Current portion of long-term financing

442,928	429,503
---------	---------

4,820,173	5,904,420
-----------	-----------

16,393,482	17,229,879
------------	------------

ASSETS

Non-current assets

Property, plant and equipment	5	6,188,405	6,215,360
Intangibles	6	15,186	16,417
Intangible under implementation	7	8,100	8,100
Long-term investments	8	3,729,680	3,729,680
Long-term deposits		4,105	4,105
		9,945,476	9,973,662

Current assets

Stores, spares and loose tools		256,728	256,082
Stock-in-trade		3,541,500	4,203,973
Trade debts		1,322,983	1,296,900
Loans and advances		128,567	140,304
Trade deposits and short-term prepayments		36,525	15,440
Other receivables		112,816	34,034
Other financial assets		442,337	584,330
Tax refundable		417,871	475,105
Cash and bank balances		188,679	250,049
		6,448,006	7,256,217

16,393,482	17,229,879
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CONTINGENCIES AND COMMITMENTS

4


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



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer



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, 2017

		Three months period ended Sept 30, 2017	Sept 30, 2016
	Note	----- Rupees in '000' -----	
Sales - net		5,370,007	5,008,281
Cost of goods sold	9	(4,749,212)	(4,550,269)
Gross profit		620,795	458,012
Other income		6,040	4,516
		626,835	462,528
Distribution cost		(90,261)	(82,756)
Administrative expenses		(59,803)	(52,258)
Other operating expenses		(56,845)	(19,803)
Finance cost		(42,146)	(40,515)
Profit before taxation		377,780	267,196
Taxation	10	(56,533)	(45,850)
Profit after taxation		321,247	221,346
Earnings per share - Basic and diluted		17.77	12.25

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



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer



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, 2017

	Three months period ended	
	Sept 30, 2017	Sept 30, 2016
	----- Rupees in '000' -----	
Profit after taxation	321,247	221,346
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 for the period	321,247	221,346

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



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer




Naveed Ahmed
Director

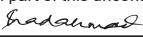
INDUS DYEING & MANUFACTURING COMPANY LIMITED

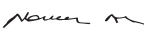
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

	Three months period ended	
	Sept, 30 2017	Sept, 30 2016
	-----Rupees in '000'-----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	377,780	267,196
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	144,184	148,602
Provision for gratuity	19,241	16,409
Realised loss / (gain) on revaluation of foreign currency loans	14,123	(344)
(Gain) on disposal of property, plant and equipment	(260)	(974)
Unrealised loss / (gain) on revaluation of other financial assets	17,839	(1,539)
Finance cost	42,146	40,515
Dividend income	(808)	(182)
Operating profit before working capital changes	614,245	469,683
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(646)	(15,108)
Stock in trade	662,473	382,119
Trade debts	(26,083)	122,653
Loans and advances	(68,756)	(49,117)
Trade deposits and short-term prepayments	(21,085)	(25,410)
Other receivables	(78,792)	(15,899)
Other financial assets	124,154	112,000
Increase / (decrease) in current liabilities	591,265	511,238
Trade and other payables	282,384	251,365
Cash generated from / (used) in operations	1,487,894	1,232,286
Income taxes paid - net	81,195	(47,672)
Finance cost paid	(62,086)	(39,188)
Gratuity paid	(11,658)	(9,515)
Net cash generated from / (used) in operating activities	1,495,345	1,135,911
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for acquisition of property, plant and equipment	(123,822)	(27,439)
Proceeds from disposal of property, plant and equipment	8,096	8,945
Long term investment	-	(6,957)
Dividend received	808	182
Net cash used in investing activities	(114,918)	(25,269)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing obtained	29,256	16,030
Repayment of long-term financing	(96,811)	(225,139)
Dividend paid	-	(223)
Net cash used in financing activities	(67,555)	(209,332)
Net increase / (decrease) in cash and cash equivalent	1,312,872	901,310
Cash and cash equivalent at beginning of the period	(3,661,076)	(3,793,364)
Effect of exchange rate changes	(14,123)	344
Cash and cash equivalent at end of the period	(2,362,327)	(2,891,710)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	188,679	582,780
Short-term running finance	(2,551,006)	(3,474,490)
	(2,362,327)	(2,891,710)

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


Arif Abdul Majeed
Chief Financial Officer


Shahzad Ahmed
Chief Executive Officer


Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

	Issued, subscribed and paid-up capital	Reserves				Total
		Capital		Revenue		
		Share Premium	Merger Reserve	General Reserve	Un- appropriated Profit	
		Rupees in '000'				
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	-	-	-	-	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
Balance at June 30, 2017 (audited)	180,737	10,920	11,512	6,977,568	2,742,795	9,923,532
Comprehensive Income						
Profit for the three months period ended Sept 30, 2017	-	-	-	-	321,247	321,247
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	321,247	321,247
Balance at Sept, 30, 2017 (unaudited)	180,737	10,920	11,512	6,977,568	3,064,042	10,244,779

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



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer



Naveed Ahmed
Director

**TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2017****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 ginning 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
- Indus Heartland 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 of 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 As per the requirement of circular No. 23 of 2017 (dated October 04, 2017), issued by the Securities & Exchange Commission of Pakistan (SECP) and further clarification through the Institute of Chartered Accountants of Pakistan (ICAP) circular No. 17 of 2017, the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provision of the repealed Companies Ordinance 1984.
- 2.3 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.
- 2.4 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.
- 2.5 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, 2017.
- 2.6 This unconsolidated condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.
- 2.7 The comparative balance sheet presented has been extracted from unconsolidated annual financial statements for the year ended June 30, 2017, 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 first quarter ended September 30, 2016.

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, 2017.
- 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, 2017.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

Sept 30, June 30,
2017 2017
(Unaudited) (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.

4.1.2 Guarantees issued by banks on behalf of the Company

4.1.3 Guarantees issued by banks in favour of gas / electric distribution companies

4.1.4 Bank guarantees against payment of infrastructure cess

453	453
<u>3,817</u>	<u>3,817</u>
<u>77,558</u>	<u>77,558</u>
<u>257,042</u>	<u>253,042</u>

4.2 Commitments

Letters of credit for raw material and stores and spares

Letters of credit for plant and equipment

140,407	444,576
<u>335,205</u>	<u>366,705</u>

5 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

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

----- (Un-audited) -----				
		Sept 30, 2017		
		Additions / transfers	Disposal at carrying value	Sept 30, 2016 Additions / transfers Disposal at carrying value
-----Rupees in '000'-----				
Assets				
Office building		20,100	-	-
Factory building		39,922	-	-
Plant and machinery		84,177	(8,836)	112,417 (7,380)
Power generator		-	-	-
Office equipment		-	-	-
Furniture and fixtures		1,292	-	2,124
Vehicles		4,218	-	2,140 (591)
Capital work in progress		1,481	-	-
		<u>151,190</u>	<u>(8,836)</u>	175,660 (7,971)

Three months period ended

Sept 30, Sept 30,
2017 2016
(Unaudited) (Audited)
-----Rupees in '000'-----

6 INTANGIBLES

Intangibles under use

Intangibles under implementation

Note

6.1

7

15,186	-
<u>8,100</u>	-
<u>23,286</u>	-

6.1

Cost

Accumulated amortization

Net book value

18,241	-
<u>(3,055)</u>	-
<u>15,186</u>	-

Annual amortization rate

30%

Three months period ended

Sept 30, Sept 30,
2017 2016
(Unaudited) (Audited)
-----Rupees in '000'-----

8 LONG TERM INVESTMENTS

Investment in an associate - at cost

Investment in subsidiaries - at cost

Note

8.1

13,476	13,476
<u>3,716,204</u>	<u>3,716,204</u>
<u>3,729,680</u>	<u>3,729,680</u>

8.1 Subsidiaries - at cost

Indus Home Limited (IHL)

Indus Lyallpur Limited (ILP)

Indus Wind Energy Limited (IWE)

2,491,204	2,491,204
<u>1,185,000</u>	<u>1,185,000</u>
<u>40,000</u>	<u>40,000</u>
<u>3,716,204</u>	<u>3,716,204</u>

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		Three months period ended	
		(Un-audited)	
		Quarter ended	
		Sept 30, 2017	Sept 30, 2016
		-----Rupees in '000'-----	
9	COST OF GOODS SOLD		
	Raw material consumed	3,550,403	3,650,370
	Manufacturing expenses	971,655	1,010,495
	Outside purchases	-	6,894
		4,522,058	4,667,759
	Work in process		
	Opening stock	218,812	218,243
	Closing stock	(229,617)	(222,444)
		(10,805)	(4,201)
	Cost of goods manufactured	4,511,253	4,663,558
	Finished Goods		
	Opening stock	644,450	405,347
	Closing stock	(406,491)	(518,636)
		237,959	(113,289)
		4,749,212	4,550,269
9.1	Manufacturing expenses		
	Salaries, wages and benefits	300,803	304,212
	Fuel, water and power	344,293	368,727
	Stores and spares consumed	81,430	92,806
	Packing material consumed	84,731	81,340
	Insurance	9,871	6,779
	Repairs and maintenance	9,305	9,327
	Rent, rate and taxes	1,014	1,316
	Depreciation	136,476	141,774
	Others	3,732	4,214
		971,655	1,010,495
10	TAXATION		
	The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In this unconsolidated condensed interim financial information tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.		
	The charge for deferred tax is based on net taxable temporary difference exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is booked to the extent of local operations		
11	AGGREGATE TRANSACTIONS WITH RELATED PARTIES		
	The related parties comprise of subsidiaries [(Indus Wind Energy Limited), (Indus Lyalpur Limited), (Indus Home Limited) and (Indus Home US Inc.)], associate (Sunrays Textiles Mills Limited), (Indus Heartland Limited) and entities where directors hold interest (Riaz Cotton Factory, Silver Seeds (Private) Limited, MB Industries (Private) Limited, Gailawala Cotton Company, Lyalpur 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 :-		
		Three months period ended	
		(Un-audited)	
		Quarter ended	
		Sept 30, 2017	Sept 30, 2016
		-----Rupees in '000'-----	
11.1	Transactions during the period		
	Relationship with Company		
	Subsidiaries		
	Nature of transaction		
	Sale of yarn / fiber	31,026	42,447
	Paid conversion cost	-	3,194
	Sale of machinery	-	1,755
	Received conversion cost	58,733	40,273
	Received doubling cost	1,175	-

INDUS DYEING & MANUFACTURING COMPANY LIMITED

Sept 30, June 30,
2017 2017
(Unaudited) (Audited)
-----Rupees in '000'-----

11.2 Balances with related parties

Subsidiaries	- receivable	55,718	27,972
Subsidiaries	- payable	13,562	1,111
Associate	- payable	-	260
Associate	- receivable	3,532	-
Other related parties	- payable	3,170	3,170

12 FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either 'directly' (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Fund's financial assets which are carried at fair value:

As at Sept 30, 2017			
Level 1	Level 2	Level 3	Total
-----Rupees in '000'-----			

Assets

Investments in securities - at fair value
through profit or loss

442,337	-	-	442,337
---------	---	---	---------

As at June 30, 2017			
Level 1	Level 2	Level 3	Total
-----Rupees in '000'-----			

Assets

Investments in securities - at fair value
through profit or loss

584,330	-	-	584,330
---------	---	---	---------

13 DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial information was authorised for issue on 31st October 2017 by the Board of Directors of the Company.

14 GENERAL

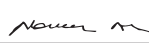
Figures have been rounded off to the nearest thousand of Rupee.



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer



Naveed Ahmed
Director



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

FIRST QUARTERLY REPORT

Consolidated Condensed Interim Financial Information

July 01, 2017 to September 30, 2017

(Un - audited)

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED) AS AT SEPTEMBER 30, 2017

	Sept 30, 2017 Note (Unaudited)	June 30, 2017 (Audited)		Sept 30, 2017 Note (Unaudited)	June 30, 2017 (Audited)
	----- Rupees in '000' -----	----- Rupees in '000' -----		----- Rupees in '000' -----	----- Rupees in '000' -----
EQUITY AND LIABILITIES			ASSETS		
Share capital and reserves			Non-current assets		
Authorised share capital					
45,000,000 ordinary shares of Rs. 10/- each	<u>450,000</u>	<u>450,000</u>			
Issued, subscribed and paid up capital	180,737	180,737	Property, plant and equipment	7 10,411,790	10,431,373
			Intangible assets	8 26,286	27,759
Reserves	6,999,422	6,999,444	Long-term investments	9 22,775	22,567
Unappropriated profit	5,152,332	4,786,250	Long-term deposits	14,757	14,757
	<u>12,332,491</u>	<u>11,966,431</u>		<u>10,475,608</u>	<u>10,496,456</u>
Non-current liabilities			Current assets		
Long-term financing	1,177,019	1,193,821			
Deferred liabilities	514,440	500,626	Stores, spares and loose tools	481,709	527,318
	1,691,459	1,694,447	Stock-in-trade	5,785,254	6,550,142
Current liabilities			Trade debts	1,917,050	2,020,014
Trade and other payables	2,436,241	2,130,541	Loans and advances	260,435	228,353
Interest / mark-up payable	32,056	53,005	Trade deposits and short-term prepayments	48,695	28,879
Short-term borrowings	3,629,772	5,691,516	Other receivables	230,284	98,705
Current portion of long-term financing	463,457	448,442	Other financial assets	444,962	994,123
	6,561,526	8,323,504	Tax refundable	667,812	754,180
			Cash and bank balances	273,667	286,212
				10,109,868	11,487,926
CONTINGENCIES AND COMMITMENTS	6				
	<u>20,585,476</u>	<u>21,984,382</u>		<u>20,585,476</u>	<u>21,984,382</u>

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial information.

Arif Abdul Majeed

Arif Abdul Majeed
Chief Financial Officer

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, 2017

		Three months period	
		Sept 30, 2017	Sept 30, 2016
		Note ----- Rupees in '000' -----	
Sales - net		7,210,356	6,514,813
Cost of goods sold	10	(6,417,671)	(5,916,777)
Gross profit		792,685	598,036
Other income		36,335	6,547
		829,020	604,583
Distribution cost		(151,049)	(128,211)
Administrative expenses		(106,863)	(88,821)
Other operating expenses		(67,238)	(36,235)
Finance cost		(68,250)	(56,164)
		(393,400)	(309,431)
Share of profit from associate - net of tax	9.1	154	400
Profit before taxation		435,774	295,552
Taxation	11	(69,746)	(54,868)
Profit for the period - attributable to ordinary share holders of the Holding Company		366,028	240,684
Earnings per share - basic and diluted		20.25	13.32

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial information.



Arif Abdul Majeed
Chief Financial Officer



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, 2017

	Three months period	
	Sept 30, 2017	Sept 30, 2016
	----- Rupees in '000' -----	
Profit after taxation	366,028	240,684
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Exchange gain / (loss) on translation of balances of foreign subsidiary	(22)	(5,958)
Items that will not be reclassified subsequently to profit and loss	-	-
Total comprehensive income for the period - attributable to ordinary share holders of the Holding Company	366,006	234,726

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial information.



Arif Abdul Majeed
Chief Financial Officer



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, 2017

	Three months period	
	Sept 30, 2017	Sept 30, 2016
	-----Rupees in '000' -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	435,774	295,552
Adjustments for:		
Depreciation and amortization	228,951	238,759
Provision for gratuity	31,895	27,625
Share of profit from associate	(154)	(400)
Unrealised loss / (gain) on revaluation of foreign currency loans	17,601	(1,152)
(Gain) / Loss) on disposal of property, plant and equipment	(2,837)	8,779
Loss / (gain) on revaluation / disposal of other financial assets	17,839	(1,539)
Finance cost	68,249	56,164
Dividend income	(808)	(182)
Cash generated before working capital changes	796,510	623,606
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	45,609	36,070
Stock in trade	764,888	585,422
Trade debts	102,964	137,389
Loans and advances	(13,304)	(20,850)
Trade deposits and short-term prepayments	(19,816)	(25,409)
Other receivables	(131,579)	(20,237)
Other financial assets	549,161	108,279
	1,297,923	800,664
Increase in current liabilities		
Trade and other payables	302,994	229,196
Cash generated from operations	2,397,427	1,653,466
Income taxes paid - net	(64,004)	(24,428)
Finance cost paid	(89,198)	(59,592)
Gratuity paid	(18,083)	(2,924)
Net cash (used in) / generated from operating activities	2,226,142	1,566,522
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(166,015)	(40,057)
Proceeds from disposal of property, plant and equipment	7,580	24,040
Payment for right shares	-	(6,956)
Dividend received	808	182
Net cash used in investing activities	(157,627)	(22,791)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	100,010	21,054
Long term finance repaid - net	(101,148)	(300,631)
Dividend paid	-	(223)
Net cash used in financing activities	(1,138)	(279,800)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	2,067,377	1,263,931
Cash and cash equivalents at beginning of the period	(5,405,304)	(5,477,806)
Effects of exchange rate changes on cash and cash equivalents	(18,178)	840
Cash and cash equivalents at end of the period	(3,356,105)	(4,213,035)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	273,667	619,328
Short-term running finance	(3,629,772)	(4,832,363)
	(3,356,105)	(4,213,035)

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial information.



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer



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, 2017

	Reserves						Total
	Issued, subscribed and paid up capital	Capital		Exchange translation reserve	Revenue		
		Share premium	Merger reserve		General reserve	Unappropriated profit	
Rupees in '000'							
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 period							
Profit for the three months period ended September 30, 2016	-	-	-	-	-	240,684	240,684
Exchange gain on translation of foreign subsidiary	-	-	-	(5,958)	-	-	(5,958)
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	-	-	-	-		63	63
Transactions with owners recorded directly in equity	-	-	-	-	-	-	-
Balance at September 30, 2016 (unaudited)	180,737	10,920	11,512	(6,426)	5,000,000	6,153,816	11,350,559
Balance at June 30, 2017 (audited)	180,737	10,920	11,512	(556)	6,977,568	4,786,250	11,966,431
Comprehensive income for the period							
Profit for the three months period ended September 30, 2017	-	-	-	-	-	366,028	366,028
Exchange gain on translation of foreign subsidiary	-	-	-	(22)	-	-	(22)
Total comprehensive income for the period	-	-	-	(22)	-	366,028	366,006
Associate's share of surplus on revaluation of property, plant and equipment on account of incremental depreciation	-	-	-	-	-	54	54
Balance at September 30, 2017	180,737	10,920	11,512	(578)	6,977,568	5,152,332	12,332,491

The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial information.



Arif Abdul Majeed
Chief Financial Officer



Shahzad Ahmed
Chief Executive Officer



Naveed Ahmed
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2017

1. THE GROUP AND ITS OPERATIONS

The "Group" consists of Indus Dyeing & Manufacturing Company Limited (the Holding Company), its subsidiaries and an associate.

1.1 Holding Company

Indus Dyeing & Manufacturing Company Limited (the Holding 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 Holding Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company is listed on Pakistan Stock Exchange Limited. The principal activity of the Holding Company is manufacturing and sale of yarn. The manufacturing facilities of the Holding Company are located in Karachi, Hyderabad and Muzaffargarh. The Holding Company is also operating two ginning units including one on leasing arrangements in District Lodhran.

1.2 Subsidiary Companies

1.2.1 Indus Lyallpur Limited - 100% owned

Indus Lyallpur Limited (ILL) is an unlisted public company limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984. Principal business of the ILL is manufacturing and sale of yarn. Its manufacturing facility is located at 38th kilometer, Shaikhupura road, District Faisalabad in the province of Punjab. Registered office of the ILL is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi.

1.2.2 Indus Home Limited - 100% owned

Indus Home Limited (IHL) 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. The principal activities of the IHL 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 WestPoint 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 Home USA Inc. (100% owned by Indus Home Limited)

Indus Home USA Inc. was established during the year ended June 30, 2014. Its principal business activity is to act as commission agent to generate sales order in textile sector.

1.2.4 Indus Wind Energy Limited - 100% owned

Indus Wind Energy Limited was established during the year ended June 30, 2015. Its principal business activity is to generate and sale electricity to the national grid.

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. Its shares are quoted on Pakistan Stock Exchange Limited. The Company is principally engaged in trade, manufacture and sale of yarn. The Company is also operating a ginning 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.

1.3.1 Indus Heartland Limited - Associated Company

Indus Heartland Limited was incorporated in Pakistan on February 25, 2011 as a public limited company (unlisted) under the Companies Ordinance, 1984. Registered office of the Company is situated at office No. 508, 5th floor, Beaumont Plaza, Civil lines Quarter Karachi. The company has not yet started its commercial operation.

2. BASIS OF CONSOLIDATION

- The consolidated condensed interim financial information includes the condensed interim financial information of the Holding Company, its subsidiaries and an associate company collectively referred to as "the Group" in these financials information.
- 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 them 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 Holding Company for the purpose of consolidation, using consistent accounting policies.
- The assets, liabilities, income and expenses of subsidiary companies are consolidated on a line by line basis.
- Material inter-group balances and transactions have been eliminated.
- Non-controlling interest in equity of the subsidiary companies are measured at fair value as of the acquisition date of the subsidiaries.

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'.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

3.1 As per the requirement of circular No. 23 of 2017 (dated October 04, 2017), issued by the Securities & Exchange Commission of Pakistan (SECP) and further clarification through the Institute of Chartered Accountants of Pakistan (ICAP) circular No. 17 of 2017; the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provision of the repealed Companies Ordinance 1984.

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 Group for the year ended June 30, 2017.

4.2 The financial risk management policies and objectives adopted by the Group are consistent with those disclosed in the Group's annual audited consolidated financial statements for the year ended June 30, 2017.

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 Group for the year ended June 30, 2017.

5.3 This consolidated condensed interim financial information is presented in Pakistani Rupees which is also the Group's functional currency.

5.4 The comparative consolidated interim balance sheet presented has been extracted from annual consolidated financial statements for the year ended June 30, 2017, 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, 2016.

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.

Guarantees issued by banks on behalf of the Group

Guarantees issued by banks in favour of gas and electric distribution companies

Sept 30, 2017 (Unaudited)	June 30, 2017 (Audited)
-----Rupees in '000'-----	

453	453
3,817	3,817
267,044	234,167

Bank guarantees against payment of infrastructure cess

311,195	308,196
---------	---------

Bank guarantees in favour of Government of Sindh

2,625	2,625
-------	-------

6.2 Commitments

Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases

909,768	1,044,075
---------	-----------

Contingencies and Commitments note should be read in conjunction with the annual consolidated financial statements of the Group for the year ended June 30, 2017.

7. PROPERTY, PLANT AND EQUIPMENT

During the period, the following additions and disposals / transfers were made:

	----- Un-audited -----			
	Three months period			
	Sept 30, 2017		Sept 30, 2016	
	Additions / Transfers	Disposal at carrying value / transfers	Additions / Transfers	Disposal at carrying value / transfers
	----- Rupees in '000' -----			
Assets				
Office building	20,100	-	-	-
Factory building	39,921	-	-	-
Plant and machinery	86,821	(7,836)	120,987	(29,241)
Electric installations	-	-	-	-
Power generator	-	-	1,575	(3,920)
Office equipment	128	-	241	-
Furniture and fixtures	1,468	(10)	2,124	-
Vehicles	17,411	(4,993)	5,352	(913)
Computers	166	-	-	-
Capital work in progress	74,029	-	83,578	-
	240,044	(12,839)	213,857	(34,074)

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		Three months period ended	
		Sept 30, 2017 (Unaudited)	Sept 30, 2016 (Audited)
		-----Rupees in '000'-----	
8. INTANGIBLE ASSETS	Note		
Intangibles under use	8.1	18,186	4,286
Intangibles under implementation		8,100	-
		26,286	-
8.1 Cost		22,874	7,354
Accumulated amortization		(4,688)	(3,068)
Net book value		18,186	4,286
Annual amortization rate		30%	30%
		Sept 30, 2017 (Unaudited)	June 30, 2017 (Audited)
		-----Rupees in '000'-----	
9. LONG TERM INVESTMENTS	Note		
Investment in an associate	9.1	22,775	22,567
9.1 Investment in associate			
Cost		1,716	1,716
Share of post acquisition profits:			
Opening		20,851	19,895
Dividend received		-	(687)
Share of profit from associate for the period		208	1,643
		21,059	20,851
		22,775	22,567
Number of shares held		68,654	68,654
Ownership interest		0.99%	0.99%
Market value (Rupees in '000)		13,044	13,559
Cost of investment (Rupees in '000)		1,716	1,716
		----- Un-audited -----	
		Three months period	
		Sept 30, 2017	Sept 30, 2016
		-----Rupees in '000'-----	
10. COST OF GOODS SOLD	Note		
Raw material consumed		3,969,469	4,124,403
Manufacturing expenses	10.1	1,705,571	1,659,598
Outside purchases - yarn		576,423	379,741
		6,251,463	6,163,742
Work in process			
Opening stock		671,686	467,680
Closing stock		(660,687)	(545,297)
		10,999	(77,617)
Cost of goods manufactured		6,262,462	6,086,125
Finished Goods			
Opening stock		1,103,807	856,153
Closing stock		(948,598)	(1,025,501)
		155,209	(169,348)
		6,417,671	5,916,777

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10.1 Manufacturing expenses

Salaries, wages and benefits	509,645	472,373
Fuel, water and power	525,810	558,348
Stores and spares consumed	246,139	218,815
Packing material consumed	156,164	135,105
Insurance	14,196	10,465
Repairs and maintenance	10,718	11,799
Rent, rate and taxes	1,014	1,316
Depreciation	231,441	244,188
Others	24,279	17,866
Rebate	(13,835)	(10,677)
	1,705,571	1,659,598

11. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In this consolidated condensed interim financial information tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary differences that exist at period end for local operations. It is likely that the income of the Group will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is recognized to the extent of local operations.

12. AGGREGATE TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of an associate (Sunrays Textiles Mills Limited), entities with common directorship, key management personnel and post employment benefit scheme. The Group carries out transactions with related parties on agreed terms. Significant transactions with related parties and balances with them, other than those shown elsewhere in this consolidated condensed interim financial information, are as follows:

12.1 Transactions during the period

Relationship	Nature of transactions	Un-audited	
		Three months period	
		Sept.30	Sept.30
		2017	2016
		-----Rupees in '000'-----	
Associate	Purchase of yarn	95	2,659
	Received conversion cost	9,384	17,269
		Sept.30	June 30,
		2017	2017
		(Unaudited)	(Audited)
		-----Rupees in '000'-----	

12.2 Balances with related parties

Associate - payable	3,182	1,739
Associate - receivable	18,791	-
Balances with other related parties due to common directorship		
- Receivable	-	1,917
- Payable	3,170	1,253

13. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either 'directly' (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets which are carried at fair value:

As at September 30, 2017				
Level 1	Level 2	Level 3	Total	
-----Rupees in '000-----				
Assets				
Other financial assets	444,962	-	-	444,962
As at June 30, 2017				
Level 1	Level 2	Level 3	Total	
-----Rupees in '000-----				
Assets				
Other financial assets	994,123	-	-	994,123


14. DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue on 31st October, 2017 by the Board of Directors of the Group.

15. GENERAL

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

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. No significant reclassifications have been made during the current period.


Arif Abdul Majeed
Chief Financial Officer


Shahzad Ahmed
Chief Executive Officer


Naveed Ahmed
Director