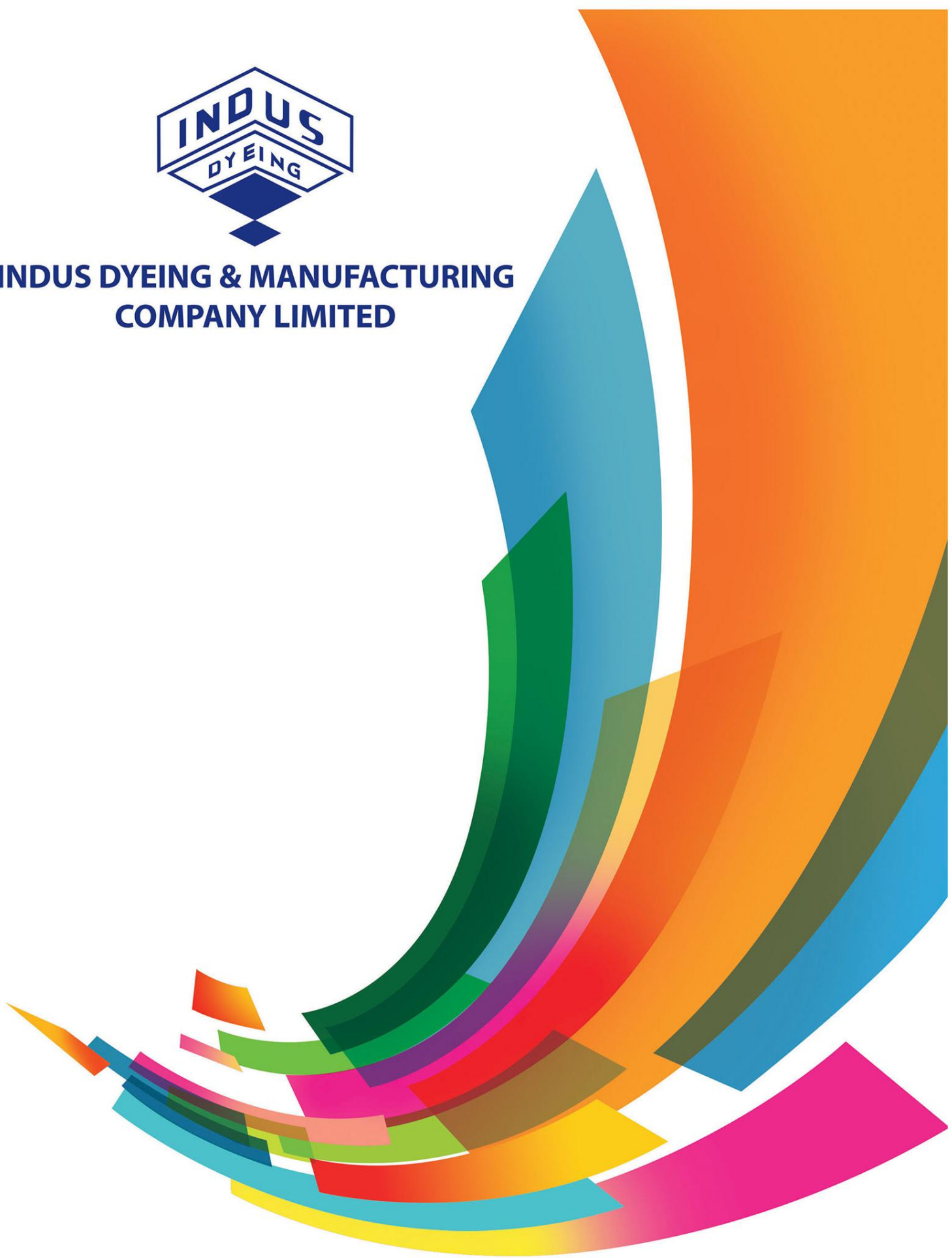




**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**



**Condensed Interim Financial Information
Third Quarter Ended July 01, 2018 to March 31, 2019
(Un-Audited)**

CONTENTS:

Company Information

Directors' Report

Directors' Report (Urdu)

Unconsolidated Condensed Interim Balance Sheet

Unconsolidated Condensed Interim Profit and Loss

Unconsolidated Condensed Interim Statement of Other Comprehensive Income

Unconsolidated Condensed Interim Statement of Changes in Equity

Unconsolidated Condensed Interim Cash Flow Statement

Unconsolidated Interim Notes to the Financial Statement

Consolidated Condensed Interim Balance Sheet

Consolidated Condensed Interim Profit and Loss

Consolidated Condensed Interim Statement of Other Comprehensive Income

Consolidated Condensed Interim Statement of Changes in Equity

Consolidated Condensed Interim Cash Flow Statement

Consolidated Interim Notes to the Financial Statement

Company profile

Board of Directors

1	Mian Mohammad Ahmed	Chairman
2	Mr. Shahzad Ahmed	Chief Executive Officer
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. Shahwaiz Ahmed	Member
3	Mr. Shafqat Masood	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)

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, Al - 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 Muzaffargarh, Bagga Sher, District Multan. Tel. 0662 - 490202 - 205
- 4 Indus Lyallpur Limited. 38th Kilometer, Shaikhupura Road, District Faisalabad. Tel. 041 - 4689235 - 6
- 5 Indus Home Limited. 2.5 Kilometer, Off Manga Raiwind Road, Manga Mandi, Lahore. Tel. 042 - 35385021 - 7
111 - 404 - 405

انڈس ڈاننگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ

ڈائریکٹرز رپورٹ

بابت 9 مہینے کی اختتامی تاریخ 31 مارچ، 2019

بورڈ آف ڈائریکٹرز مسرت کا اظہار کرتے ہوئے سال رواں 31 مارچ، 2019 پر اختتام ہونے والی غیر آڈٹ شدہ کمپنی کے سرمائے کے گوشوارے پیش کرتے ہیں۔

مالیاتی نتائج :

31 مارچ 2019 کو ختم ہونے والے 9 مہینوں میں ایک مضبوط آمدن 26,325 ملین روپے کے مقابلے میں گزشتہ مالی سال میں اسی مدت کیلئے 22,571 ملین روپے تھا جبکہ پچھلے مالی سال کے اسی عرصہ کے 870 ملین روپے کے مقابلے میں بعد کٹوتی ٹیکس کے خالص مالی منافع 1,625 ملین روپے تھا۔ کمپنی نے غیر معمولی کارکردگی کا مظاہرہ کیا۔ پاکستان میں خام مال اور توانائی کی قیمتوں میں اضافہ جیسی مختلف مشکلات کے باوجود سرمائے کے بہاؤ کی بہتر منصوبہ بندی اور مسلسل کوششوں کی وجہ سے کمپنی نے مارچ کے اختتامی نو مہینوں میں ان نتائج کو حاصل کیا۔

مالیاتی گوشوارے کے نکات:

9 مہینے کا اختتام 31 مارچ، 2019		
2018	2019	
22,571	26,325	مجموعی فروختگی
2,253	3,240	مجموعی منافع
53	220	دیگر فعال آمدنی
1,173	1,978	منافع قبل کٹوتی ٹیکس
(303)	(353)	ٹیکس
870	1,625	مجموعی منافع بعد کٹوتی ٹیکس

آپریشن کا جائزہ:

پچھلے سال اسی مدت میں جائزے کے تحت 9 مہینوں کے دوران فروختگی میں 16.63 فیصد کا اضافہ ہوا۔ دھاگے کی قیمتوں میں اضافہ اور روپے کی قدر میں کمی کے باعث ایسی فروختگی کا حذف حاصل ہو سکا۔ پچھلی اسی مدت کے مقابلے میں بعد کٹوتی ٹیکس کے 755 ملین روپے کا اضافہ ہوا۔

فی حصص آمدن:

گزشتہ مدت کے 48.16 فیصد فی حصص کے مقابلے میں نو مہینے کی اختتامی تاریخ 31 مارچ، 2019 تک فی آمدن حصہ 89.91 روپے تھا۔

مستقبل کے امکانات:

کپڑے اور دھاگے کی مصنوعات کی عالمی منڈی میں مقابلہ کار چھان ہے جس سے چیزوں کو زیادہ بہتر کرنے کے مقابلے بڑھ رہے ہیں، ویت نام، کمبوڈیا اور سری لنکا جیسے ممالک ان منڈیوں میں پھیل چکے ہیں اور عالمی دھاگے کی مصنوعات کا ایک بڑا حصہ حاصل کرنے کے لئے مقابلہ کر رہے ہیں۔ پاک چین اقتصادی راہداری (CPEC) کی روشنی میں پاکستان زیادہ آگے ہے، پاکستان کونسل کی جانب سے حالیہ جاری رپورٹ کے مطابق، CPEC کے اقدامات کے باعث کپڑے اور دھاگے کی صنعت پر بہتر اثرات، توانائی کی فراہمی، بہتر رابطے اور نقل و حمل کے ساتھ ساتھ نئی بین الاقوامی منڈیوں سے منسلک ہو سکتے ہیں۔

کپاس اور توانائی کی قیمتوں میں اضافہ ہونے والی مشکلات کے باوجود کمپنی کے مستقبل میں مزید بہتری کی قوی امید ہے۔

تاہم کپڑے اور دھاگے کی صنعت کے لئے حکومتی اقدامات جیسے "پرائم منسٹری ایکسپورٹ انہاسمنٹ سکیمنج" بھی برآمدگی کی حوصلہ افزائی کرے گا اور جدید ایٹمیٹری اور ٹیکنیکس کو متعارف کرنے کی وجہ سے صنعتی شعبے کو مزید تیزی ملے گی۔ ان اصلاحات کے ساتھ ہم مالی سال 2018-2019 کی چوتھی سہ ماہی میں بہتر منافع کی توقع رکھتے ہیں

منظوری:

ہم اپنی کمپنی کے ہر ملازم، صارفین، بینکرز اور حصص یافتگان کے مشکور ہیں جنہوں نے کمپنی کے مقاصد میں اپنا حصہ لیا اور ہم پر اعتماد کیا۔

منجانب

شہزاد احمد،

Chief Executive Officer

چیف ایگزیکٹو

کراچی تاریخ: 30 اپریل، 2019

INDUS DYEING AND MANUFACTURING COMPANY LIMITED
DIRECTORS' REPORT
FOR THE NINE MONTHS ENDED MARCH 31st, 2019

The Board of Directors is pleased to present the un-audited financial statements of the Company for the nine months ended March 31, 2019.

OPERATING RESULTS

Consolidated turnover for the nine-month period ending on March 31, 2019 was Rs. 26,325 million against Rs. 22,571 million for the same period last year, whereas the consolidated net profit after tax was Rs. 1,625 million as compared to Rs. 870 million in the last corresponding period. The Company has shown extraordinary performance during the nine months under review despite various challenges such as increased cost of raw material and higher energy prices in Pakistan. Due to the persistent efforts of the management in procurement of raw material, sales and cash flow planning the Company was able to achieve these results. The following are the financial results of the Company for the nine months ended March 31, 2019.

FINANCIAL HIGHLIGHTS

	Nine Months Ended March 31 (Rs. In Millions)	
	2019	2018
Sales-Net	26,325	22,571
Gross Profit	3,240	2,253
Other Operating Income	220	53
Profit Before Taxation	1,978	1,173
Taxation	(353)	(303)
Net Profit After Tax	1,625	870

REVIEW OF OPERATIONS

Sales increased by 16.63% during the nine months under review over the last corresponding period. Due to the increase in yarn prices and devaluation of Pak Rupee, net profit after tax has increased by Rs. 755 over the last corresponding period.

EARNINGS PER SHARE

The earnings per share for the nine months ended March 31, 2019 is Rs. 89.91 per share as compared to Rs. 48.16 per share over the previous corresponding period.

FUTURE PROSPECTS

Competition is on rise in the global apparel and textile markets and things are going to heat up even more. Countries like Vietnam, Cambodia and Sri Lanka have become the new disruptors and are competing to get a bigger share of the global textile pie. The stakes are even higher for Pakistan especially in light of the China Pak Economic Corridor (CPEC). According to the recently released report by the Pakistan Business Council, the impact of CPEC is likely to include improved energy supply for the industry, better internal connectivity and logistics as well as new international market linkages as a result. Despite challenging scenarios of increased cotton and energy prices, your company is highly optimistic for the future outlook of the Company. However, the government initiatives for textile industry such as "Prime Minister Export Enhancement Package" will encourage the export-oriented industry and incentivize the industrial sector for introducing the innovative, modern and cost-cutting technologies. With these improvements we expect better profit margins in the fourth quarter of the financial year 2018-19.

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



SHAHZAD AHMED
Chief Executive

Karachi:
April 30, 2019

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	March 31, 2019 (Un - Audited)	June 30, 2018 (Audited)		March 31, 2019 (Un - Audited)	June 30, 2018 (Audited)
Note	----- Rupees in '000' -----		Note	----- Rupees in '000' -----	
EQUITY AND LIABILITIES			ASSETS		
Authorised share capital			Non-current assets		
45,000,000 ordinary shares of Rs. 10/- each	<u>450,000</u>	<u>450,000</u>	Property, plant and equipment	6	6,387,126
Share capital and reserves			Intangibles		15,994
Issued, subscribed and paid-up capital			Long-term investments	7	3,689,680
18,073,732 ordinary shares of Rs. 10/- each	180,737	180,737	Long-term deposits		4,831
Reserves	7,000,000	7,000,000			10,097,631
Unappropriated profit	4,869,540	3,889,946			10,024,661
	<u>12,050,277</u>	<u>11,070,683</u>			
Non-current liabilities			Current assets		
Long-term financing	1,554,892	1,323,195	Stores, spares and loose tools		313,772
Deferred liabilities	425,988	373,007	Stock-in-trade		4,632,144
	<u>1,980,880</u>	<u>1,696,202</u>	Trade debts		4,134,974
Current liabilities			Loans and advances		74,153
Trade and other payables	1,491,331	1,920,207	Trade deposits and short-term prepayments		4,866
Unclaimed dividend	12,222	11,080	Other receivables		41,303
Interest / mark-up payable	81,312	44,631	Other financial assets		101,848
Short-term borrowings	4,236,819	4,594,774	Tax refundable		589,508
Current portion of long-term financing	254,991	353,889	Cash and bank balances		117,633
	<u>6,076,675</u>	<u>6,924,581</u>			10,010,201
CONTINGENCIES AND COMMITMENTS					9,666,805
5					<u>20,107,832</u>
	<u>20,107,832</u>	<u>19,691,466</u>			<u>19,691,466</u>

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2019

	Note	Nine months period ended		Three months period ended	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
----- Rupees in '000' -----					
Sales - net		18,486,524	16,381,134	6,351,416	5,539,303
Cost of goods sold	8	(16,197,387)	(14,718,005)	(5,807,180)	(4,873,177)
Gross profit		2,289,137	1,663,129	544,236	666,126
Other income		115,585	32,360	37,466	3,550
		2,404,722	1,695,489	581,702	669,676
Distribution cost		(258,661)	(242,182)	(102,266)	(79,018)
Administrative expenses		(215,336)	(185,575)	(74,446)	(56,613)
Other operating expenses		(117,676)	(94,419)	(7,770)	(18,389)
Finance cost		(281,178)	(171,133)	(101,303)	(80,168)
Profit before taxation		1,531,871	1,002,180	295,917	435,488
Taxation	9	(263,097)	(231,285)	(68,105)	(120,347)
Profit after taxation		1,268,774	770,895	227,812	315,141
Earnings per share - Basic and diluted		70.20	42.65	12.60	17.44

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS PERIOD ENDED MARCH 31, 2019

	Nine months period ended		Three months period ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	----- Rupees in '000' -----			
Profit after taxation	1,268,774	770,895	227,812	315,141
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	1,268,774	770,895	227,812	315,141

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

	Issued, subscribed and paid-up capital	Reserves			Un- appropriated Profit	Total
		Capital	Revenue			
	Share Premium	Merger Reserve	General Reserve			
----- Rupees in '000' -----						
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 nine months period ended March 31, 2018	-	-	-	-	770,895	770,895
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	770,895	770,895
Transaction with owners:						
Final cash dividend for the year ended June 30, 2017 @ Rs. 13/- per share	-	-	-	-	(234,959)	(234,959)
Balance at March 31, 2018 (Un - Audited)	180,737	10,920	11,512	6,977,568	3,278,731	10,459,468
Balance at June 30, 2018 (Audited)	180,737	10,920	11,512	6,977,568	3,889,946	11,070,683
Comprehensive Income						
Profit for the nine months period ended March 31, 2019	-	-	-	-	1,268,774	1,268,774
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	1,268,774	1,268,774
Transaction with owners:						
Final cash dividend for the year ended June 30, 2018 @ Rs. 16/- per share	-	-	-	-	(289,180)	(289,180)
Balance at March 31, 2019 (Un - Audited)	180,737	10,920	11,512	6,977,568	4,869,540	12,050,277

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

	Nine months period ended	
	March 31, 2019	March 31, 2018
-----Rupees in '000' -----		
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,531,871	1,002,180
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	460,943	443,600
Amortisation on intangibles	3,598	3,694
Provision for gratuity	59,328	50,719
Unrealised loss / (gain) on revaluation of foreign currency loans	26,972	(1,890)
Unrealised gain on revaluation of foreign currency debtors	41,340	-
(Gain) / loss on disposal of property, plant and equipment	(6,172)	13,144
Unrealised loss on revaluation of other financial assets	9,780	18,645
Dividend income	(2,769)	(3,444)
Finance cost	281,178	171,133
Cash generated before working capital changes	2,406,069	1,697,781
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(48,049)	(34,246)
Stock in trade	83,884	(1,303,848)
Trade debts	(642,341)	(821,131)
Loans and advances	(336)	(37,847)
Trade deposits and short-term prepayments	(3,219)	(7,666)
Other receivables	22,245	(3,483)
	(587,816)	(2,208,221)
Increase / (decrease) in current liabilities		
Trade and other payables	(428,877)	131,987
Cash generated from operations	1,389,376	(378,453)
Income taxes paid	(248,002)	(166,238)
Finance cost paid	(244,497)	(143,585)
Gratuity paid	(37,736)	(32,454)
Net cash generated from / (used in) operating activities	859,141	(720,730)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for acquisition of property, plant and equipment	(575,084)	(636,837)
Proceeds from disposal of property, plant and equipment	45,986	27,082
Proceeds from disposal of other financial assets	208,718	-
Increase in long term deposits	(21)	(747)
Payment made for investment in other financial assets	-	227,489
Dividend received	2,769	3,444
Net cash used in investing activities	(317,632)	(379,569)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	412,001	520,287
Repayment of long-term financing	(279,202)	(306,586)
Dividend paid	(288,037)	(198,374)
Net cash used in financing activities	(155,238)	15,327
Net decrease in cash and cash equivalent (A+B+C)	386,271	(1,084,972)
Cash and cash equivalents at beginning of the period	(4,478,485)	(3,661,076)
Cash and cash equivalents at end of the period	(4,092,214)	(4,746,048)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	117,633	231,716
Short-term running finance	(4,236,819)	(4,975,874)
Effect of exchange rate changes on cash and cash equivalents	26,972	(1,890)
	(4,092,214)	(4,746,048)

The annexed notes 1 to 13 form an integral part of these unconsolidated condensed interim financial statements.



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2019

1. LEGAL STATUS AND NATURE OF BUSINESS

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. 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 has the following investees:

- 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 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These unconsolidated condensed interim financial statements are unaudited. However, a limited scope review of these condensed interim financial statements have been performed by the external auditors of the Company in accordance with the requirements of Regulation 27 of Listed Companies (Code of Corporate Governance) Regulations, 2018 and they have issued their review report thereon. These unconsolidated condensed interim financial statements are submitted to the shareholders as required by section 237 of the Companies Act, 2017.

2.3 These unconsolidated condensed interim financial statements has been prepared under the historical cost convention modified by: -

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.

2.4 These unconsolidated condensed interim financial statements does not include all of the information required for annual audited financial statements and therefore should be read in conjunction with the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2018.

2.5 These unconsolidated condensed interim financial statements is presented in Pakistani Rupees which is also the Company's functional currency.

2.6 The comparative statement of financial position presented has been extracted from unconsolidated annual audited financial statements for the year ended June 30, 2018, whereas comparative unconsolidated condensed interim statement of profit and loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows and unconsolidated condensed interim statement of changes in equity presented in these unconsolidated condensed interim financial statements have been extracted from the unaudited unconsolidated condensed interim financial statement for the nine months period ended March 31, 2018.

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

3.1 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognised prospectively commencing from the period of revision.

The accounting policies, underlying estimates and methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements 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, 2018 except for as disclosed in note 3.3 and 3.4.

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, 2018.

3.3 IFRS 15 " Revenue from contracts with customers " is applicable for periods beginning on or after July 01, 2018. The changes laid down by this standard do not have any significant impact on these condensed interim financial statements of the Company.

3.4 Securities and Exchange Commission of Pakistan (SECP), through SRO 1007 (I) / 2017, dated October 4, 2017, had notified IFRS 9 " Financial Instruments ", replacing the International Accounting Standard (IAS) 39 " Financial Instruments: Recognition and Measurement " with effect from reporting periods starting July 1, 2018 which has further been deferred upto June 30, 2019, through SRO 229 (I) / 2019 dated February 14, 2019. Accordingly the requirements of IFRS 9 have not been considered in the preparation of these condensed interim financial statements.

4. CHANGES ARISING FROM FINANCING ACTIVITIES

The table below states changes in the Company's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Company's statement of cash flows as cash flows from financing activities.

	Audited	(Un - Audited)			March 31, 2019
	June 30, 2018	Financing cash inflows	Financing cash outflows	Non Cash changes - Transfer current portion	
	----- (Rupees in '000) -----				
Long-term financing	1,323,195	412,001	-	(180,304)	1,554,892
Current portion of long-term financing	353,889	-	(279,202)	180,304	254,991
Short-term borrowing	4,594,774	(384,927)	-	26,972	4,236,819
Dividend payable	11,080	-	(288,038)	289,180	12,222

	Audited	(Un - Audited)			
	June 30, 2017	Financing cash inflows	Financing cash outflows	Non Cash changes - Transfer current portion	March 31, 2018
----- (Rupees in '000) -----					
Long-term financing	1,048,036	520,287	-	(266,633)	1,301,690
Current portion of long-term financing	429,503	-	(306,585)	266,633	389,551
Short-term borrowing	3,911,125	1,096,537	-	(31,788)	4,975,874
Dividend payable	6,326	-	(198,375)	234,959	42,910

March 31, June 30,
2019 2018
(Un - Audited) (Audited)
 -----Rupees in '000'-----

5. CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

5.1.1	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.	<u>453</u>	<u>453</u>
5.1.2	Guarantees issued by banks in favour of custom authorities on behalf of the Company	<u>3,817</u>	<u>3,817</u>
5.1.3	Guarantees issued by banks in favour of gas / electric companies	<u>104,768</u>	<u>104,768</u>
5.1.4	Bank guarantees against payment of infrastructure cess	<u>340,542</u>	<u>296,042</u>
5.1.5	Other contingencies are not materially changed as disclosed in the note 12.1 to the annual financial statements for the year ended June 30, 2018 except for the contingency as disclosed in 12.1.2 related to inadmissible input tax which has been decided in favour of the Company through order N. STA / 185 / LTU / 2018 / 08 dated December 12, 2018 by the Tax Authorities.		

March 31, June 30,
2019 2018
(Un - Audited) (Audited)
 -----Rupees in '000'-----

5.2 Commitments

Letters of credit for raw material and stores and spares	<u>2,694,448</u>	<u>1,098,318</u>
Letters of credit for property, plant and equipment	<u>550,135</u>	<u>203,663</u>
Sales contracts to be executed	<u>1,456,425</u>	<u>2,530,447</u>

6. PROPERTY, PLANT AND EQUIPMENT

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

----- (Un - Audited) -----				
Nine months period ended				
March 31, 2019		March 31, 2018		
Additions / transfers	Disposal at carrying value / transfers	Additions / transfers	Disposal at carrying value / transfers	
-----Rupees in '000'-----				
Assets				
Factory building	30,014	-	41,940	-
Office building	-	(22,709)	20,100	-
Power generator	80,711	(3,166)	62,574	(1,826)
Plant and machinery	163,634	(8,299)	485,498	(33,257)
Electric installation	7,650	-	2,963	-
Office equipment	185	-	-	-
Furniture and fixtures	1,313	-	1,838	(2,134)
Vehicles	50,744	(3,422)	33,266	(3,009)
Software (Intangible)	8,100	-	-	-
Capital work in progress	-	(240,833)	-	(3,242)
	342,351	(278,429)	648,179	(43,468)

		March 31, 2019 (Un - Audited)	June 30, 2018 (Audited)
		-----Rupees in '000'-----	
		Note	
7.	LONG TERM INVESTMENTS		
	Investment in an associate - at cost	13,476	13,476
	Investment in subsidiaries - at cost	7.1 3,676,204	3,676,204
		3,689,680	3,689,680
7.1	Investment in 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)	7.1.2 -	-
		3,676,204	3,676,204
7.1.2	Indus Wind Energy Limited (IWE)		
	Opening	40,000	40,000
	Impairment on investment	(40,000)	(40,000)
	Closing	-	-

----- (Un - Audited) -----	
Nine months period ended	Three months period ended

March 31, **March 31,** **March 31,** **March 31,**
2019 **2018** **2019** **2018**
Note -----Rupees in '000'-----

8. COST OF GOODS SOLD

Raw material consumed	13,186,155	11,405,027	4,693,472	3,822,833
Manufacturing expenses	3,079,759	3,016,140	1,071,579	1,056,090
Outside purchases	91,471	115,258	36,239	78,345
	16,357,385	14,536,425	5,801,290	4,957,268
Work in process				
Opening stock	242,775	218,812	275,129	238,110
Closing stock	(243,743)	(233,625)	(243,743)	(233,625)
	(968)	(14,813)	31,386	4,485
Cost of goods manufactured	16,356,417	14,521,612	5,832,676	4,961,753
Finished Goods				
Opening stock	531,034	644,450	664,568	359,481
Closing stock	(690,064)	(448,057)	(690,064)	(448,057)
	(159,030)	196,393	(25,496)	(88,576)
	16,197,387	14,718,005	5,807,180	4,873,177

----- (Un - Audited) -----

Nine months period ended		Three months period ended	
March 31,	March 31,	March 31,	March 31,
2019	2018	2019	2018
-----Rupees in '000'-----			

8.1 Manufacturing expenses

Salaries, wages and benefits	973,923	895,505	301,752	295,118
Fuel, water and power	1,034,521	1,139,491	364,654	426,328
Stores and spares consumed	342,087	292,806	133,632	95,854
Packing material consumed	218,298	197,695	73,703	68,769
Insurance	15,316	22,162	7,586	7,690
Repairs and maintenance	32,103	28,823	19,899	8,925
Rent, rate and taxes	2,099	2,297	1,368	1,430
Depreciation	436,936	421,858	159,188	145,966
Others	24,476	15,503	9,797	6,010
	3,079,759	3,016,140	1,071,579	1,056,090

9. 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 these unconsolidated condensed interim financial statements 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 Company 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.

10. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries Indus Lyallpur Limited, Indus Home Limited, Indus Home USA Inc. and Indus Wind Energy Limited, the associates (Sunrays Textiles Mills Limited, Indus Heartland Limited, Riaz Cotton Factory and Haji Mola Buksh Cotton Company Limited) and key management personnel. The Company carries out transactions with related parties as per agreed terms. Transactions with related parties during the period and balances with them at period end are as follows:

		Nine months period ended	
		Un - Audited	Un - Audited
		March 31	March 31
		2019	2018
		-----Rupees in '000'-----	
10.1	Transactions during the period		
	Relationship with the Company	Nature of transactions	
	Subsidiaries	Sale of yarn	27,618
		Received yarn conversion cost	102,745
		Paid yarn conversion cost	280,719
			27,303
	Associate	Reimbursement of expenses	11,736
			8,420
	Key management personnel	Remuneration paid	43,412
			124,526
		March 31,	June 30,
		2019	2018
		(Un - Audited)	(Audited)
		-----Rupees in '000'-----	
10.2	Balances with related parties:		
	Subsidiaries - receivable	28,793	-
	Subsidiaries - advance	26,423	-
	Subsidiaries - payable	19,808	3,236
	Associate - payable	3,170	3,295
	Associate - receivable	3,059	-

11. 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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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 Company's financial assets which are carried at fair value:

	Carrying Amount				Fair Value			
	Fair value through profit and loss account - held-for-trading	Loans and advances	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at March 31, 2019 (Un - Audited) -----								
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Other financial assets	101,848	-	-	101,848	101,848	-	-	101,848
Financial assets not measured at fair value (note 11.1)								
Long-term deposits	-	4,831	-	4,831				
Trade debts	-	4,134,974	-	4,134,974				
Loans and advances	-	30,790	-	30,790				
Trade deposits	-	1,522	-	1,522				
Other receivables	-	34,919	-	34,919				
Bank balances	-	109,374	-	109,374				
Cash in Hand	-	8,259	-	8,259				
Unclaimed dividend	-	12,222	-	12,222				
	-	4,336,891	-	4,336,891				
Financial liabilities not measured at fair value (note 11.1)								
Long-term financing	-	-	1,809,883	1,809,883				
Trade and other payables	-	-	170,990	170,990				
Short-term borrowings	-	-	4,236,819	4,236,819				
Interest / mark-up payable	-	-	81,312	81,312				
	-	-	6,299,004	6,299,004				
	Carrying Amount				Fair Value			

	Fair value through profit and loss account held-for-trading	Loans and advances	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at June 30, 2018 (Audited) -----								
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Other financial assets	315,213	-	-	315,213	315,213	-	-	315,213
Financial assets not measured at fair value (note 11.1)								
Long-term deposits	-	4,810	-	4,810				
Trade debts	-	3,533,973	-	3,533,973				
Loans and advances	-	30,179	-	30,179				
Trade deposits	-	1,577	-	1,577				
Other receivables	-	63,547	-	63,547				
Bank balances	-	109,951	-	109,951				
Cash in Hand	-	6,338	-	6,338				
	-	3,750,375	-	3,750,375				
Financial liabilities not measured at fair value (note 11.1)								
Long-term financing	-	-	1,677,084	1,677,084				
Trade and other payables	-	-	843,639	843,639				
Unclaimed dividends	-	-	11,080	11,080				
Short-term borrowings	-	-	4,594,774	4,594,774				
Interest / mark-up payable	-	-	44,631	44,631				
Unclaimed dividend	-	-	11,080	11,080				
	-	-	7,182,288	7,182,288				

11.1 The Company has not disclosed the fair values of these financial assets and liabilities as their carrying amounts are reasonable approximation of their fair values.

11.2 Transfers during the period

There were no transfers of items between various levels of fair value hierarchy during the period.

12. DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorised for issue on April 30, 2019 by the Board of Directors of the Company.

13. GENERAL

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

13.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation, the effect of which is not material.

13.3 The figures for the three months period ended March 31, 2019 in these unconsolidated condensed interim financial statements, wherever appearing, have not been reviewed by the auditors.



Chief Executive Officer



Chief Financial Officer



Director

**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

Consolidated Condensed Interim Financial Information

July 01, 2018 to March 31, 2019

(Un - Audited)

INDUS DYEING & MANUFACTURING COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN - AUDITED)
AS AT MARCH 31, 2019

	March 31, 2019 Note (Un-Audited) ----- (Rupees in '000) -----	June 30, 2018 (Audited)		March 31, 2019 Note (Un-Audited) ----- (Rupees in '000) -----	June 30, 2018 (Audited)
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	8 11,186,349	10,638,926
Reserves	7,000,000	7,000,157	Intangible assets	23,821	21,861
Unappropriated profit	7,664,632	6,328,375	Long-term investments	9 29,637	26,784
	<u>14,845,369</u>	<u>13,509,269</u>	Long-term deposits	15,426	15,475
				<u>11,255,233</u>	<u>10,703,046</u>
Non-current liabilities					
Long-term financing	6 2,485,331	1,813,143	Current assets		
Deferred liabilities	633,908	563,847	Stores, spares and loose tools	745,922	578,782
	3,119,239	2,376,990	Stock-in-trade	7,877,906	7,384,547
Current liabilities			Trade debts	6,296,097	5,194,308
Trade and other payables	2,583,087	2,742,665	Loans and advances	158,882	256,670
Unclaimed dividend	12,222	11,080	Trade deposits and short-term prepayments	5,604	4,374
Interest / mark-up payable	109,876	65,406	Other receivables	163,397	183,261
Short-term borrowings	7,690,451	6,541,667	Other financial assets	700,273	317,838
Current portion of long-term financing	6 322,172	394,567	Tax refundable	946,286	746,122
Taxation	23,240	-	Cash and bank balances	556,056	272,696
	<u>10,741,048</u>	<u>9,755,385</u>		<u>17,450,423</u>	<u>14,938,598</u>
CONTINGENCIES AND COMMITMENTS					
	7			<u>28,705,656</u>	<u>25,641,644</u>
	<u>28,705,656</u>	<u>25,641,644</u>		<u>28,705,656</u>	<u>25,641,644</u>

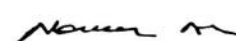
The annexed notes from 1 to 15 form an integral part of this consolidated condensed interim financial information.



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN - AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS ENDED MARCH 31, 2019

	Note	Nine months ended		Three months ended	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
----- (Rupees in '000) -----					
Sales - net		26,325,140	22,571,202	8,836,485	7,781,012
Cost of goods sold	10	(23,084,753)	(20,317,767)	(8,022,195)	(6,889,435)
Gross profit		3,240,387	2,253,435	814,290	891,577
Other income		219,755	53,352	71,444	15,605
		3,460,142	2,306,787	885,734	907,182
Distribution cost		(519,508)	(441,729)	(194,233)	(141,978)
Administrative expenses		(375,797)	(322,957)	(124,034)	(102,369)
Other operating expenses		(168,548)	(125,813)	(6,521)	(33,186)
Finance cost		(421,594)	(244,446)	(150,591)	(105,776)
		(1,485,447)	(1,134,945)	(475,379)	(383,309)
Share of profit from associate - net of tax	9.1	3,471	1,338	743	912
Profit before taxation		1,978,166	1,173,180	411,098	524,785
Taxation	11	(353,085)	(302,719)	(89,095)	(158,141)
Profit for the period - attributable to ordinary share holders of the Holding Company		1,625,081	870,461	322,003	366,644
Earnings per share - basic and diluted		89.91	48.16	17.82	22.29


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



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN - AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS ENDED MARCH 31, 2019

	Nine months ended		Three months ended	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
	----- (Rupees in '000) -----			
Profit for the period	1,625,081	870,461	322,003	366,644
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss				
Exchange gain / (loss) on translation of balances of foreign subsidiary	-	250	-	12
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	1,625,081	870,711	322,003	366,656

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



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS ENDED MARCH 31, 2019

	Reserves						Total
	Issued, subscribed and paid up capital	Capital			Revenue		
		Share premium	Merger reserve	Exchange translation reserve	General reserve	Unappropriated profit	
----- (Rupees in '000) -----							
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 nine months period ended March 31, 2018	-	-	-	-	-	870,461	870,461
Exchange gain on translation of foreign subsidiary	-	-	-	250	-	-	250
Total comprehensive income for the period	-	-	-	250	-	870,461	870,711
Transactions with owners recorded directly in equity							
Final cash dividend for the year ended June 30, 2017 @ Rs. 13/- per share	-	-	-	-	-	(234,959)	(234,959)
Balance at March 31, 2018 (Un - Audited)	180,737	10,920	11,512	(306)	6,977,568	5,421,752	12,602,183
Balance at June 30, 2018 (Audited)	180,737	10,920	11,512	157	6,977,568	6,328,375	13,509,269
Comprehensive income for the period							
Profit for the nine months period ended March 31, 2019	-	-	-	-	-	1,625,081	1,625,081
Exchange gain on translation of foreign subsidiary	-	-	-	199	-	-	199
Total comprehensive income for the period	-	-	-	199	-	1,625,081	1,625,280
Transactions with owners recorded directly in equity							
Final cash dividend for the year ended June 30, 2018 @ Rs. 16/- per share	-	-	-	-	-	(289,180)	(289,180)
Balance at March 31, 2019 (Un - Audited)	180,737	10,920	11,512	356	6,977,568	7,664,276	14,845,369

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



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW STATEMENT (UN - AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS ENDED MARCH 31, 2019

	Nine months ended	
	March 31, 2019	March 31, 2018
	----- (Rupees in '000) -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,978,166	1,173,180
Adjustments for:		
Depreciation and Amortization	776,443	750,576
Provision for gratuity	73,139	95,734
Share of profit from associate	(3,471)	(1,338)
Unrealised loss / (gain) on revaluation of foreign currency loans	26,972	2,931
Loss on disposal of property, plant and equipment	5,210	10,703
Unrealised loss / (gain) on revaluation of other financial assets	11,610	16,755
Unrealised (gain) on revaluation of foreign currency debtors	41,340	-
Finance cost	421,594	244,446
Dividend income	(2,082)	(3,444)
Cash generated before working capital changes	3,328,921	2,289,543
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(167,140)	44,131
Stock in trade	(493,359)	(1,449,885)
Trade debts	(1,101,786)	(1,445,760)
Loans and advances	(54,069)	(10,188)
Long term deposits	(21)	(758)
Trade deposits and short-term prepayments	(1,230)	(36,267)
Other receivables	19,864	24,414
	(1,797,741)	(2,874,313)
Increase in current liabilities		
Trade and other payables	(159,578)	138,453
Cash generated from operations	1,371,602	(446,317)
Income taxes paid	(310,928)	(155,850)
Finance cost paid	(376,968)	(206,150)
Gratuity / w.p.p.f paid	(74,262)	(76,551)
Net cash generated from / (used in) operating activities	609,444	(884,868)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(1,571,063)	(1,126,858)
Proceeds from disposal of property, plant and equipment	62,023	8,634
Proceeds from disposal of other financial assets	208,718	-
Payments for other financial assets	(461,610)	636,547
Dividend received	2,082	3,444
Net cash used in investing activities	(1,759,850)	(478,233)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	906,847	905,409
Long term finance repaid -net	(307,054)	(319,737)
Dividend paid	(288,038)	(198,374)
Net cash generated from / (used in) financing activities	311,755	387,298
Net (decrease) / increase in cash and cash equivalents (A+B+C)	(838,651)	(975,803)
Cash and cash equivalents at beginning of the period	(6,268,971)	(5,405,304)
Effects of exchange rate changes on cash and cash equivalents	199	250
Cash and cash equivalents at end of the period	(7,107,423)	(6,380,857)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	556,056	285,733
Short-term borrowings	(7,690,451)	(6,669,521)
Effect of exchange rate changes on cash and cash equivalents	26,972	2,931
	(7,107,423)	(6,380,857)

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



Chief Executive Officer



Chief Financial Officer



Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN - AUDITED)
FOR THE NINE MONTHS AND THREE MONTHS ENDED MARCH 31, 2019

1. THE GROUP AND ITS OPERATIONS

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

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 (subsequently replaced by the repealed Companies Ordinance, 1984 and now Companies Act 2017). Registered office of the Holding Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company is currently 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 addresses of these facilities are as follows:

Manufacturing Unit	Address
Hyderabad	P-1, S.I.T.E, Hyderabad, Sindh
Karachi	Plot No. 03 & 07, Sector 25, Korangi Industrial Area, Karachi
Muzaffargarh	Muzaffargarh, Bagga Sher, District Multan.
Faisalabad	Chak No. 61 R/B, Mouza Bedianwala, Tehsil Jaranwala at 38-Km,Sheikhpura Road, District Faisalabad.
Lahore	Raiwand Road, Manga Mandi, Lahore.

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 (subsequently replaced by the repealed Companies Act 2017). 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 (subsequently replaced by the repealed Companies Act 2017). 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 (subsequently replaced by the repealed Companies Act 2017). 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.

2. BASIS OF CONSOLIDATION

- These consolidated condensed interim financial statements includes the condensed interim financial statements of the Holding Company, its subsidiaries and an associate company collectively referred to as " the Group " in these financial statements.
- 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 statements 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

3.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprises of :

- International accounting standards (IAS)34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act , 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of (IAS) 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

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

4.1 The preparation of the condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

The accounting policies, underlying estimates and methods of computations adopted in the preparation of these consolidated condensed interim financial statements are the applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended June 30, 2018 except for as disclosed in note 4.3 and 4.4.

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, 2018.

4.3 IFRS 15 " Revenue from contracts with customers " is applicable for periods beginning on or after July 01, 2018. The changes laid down by this standard do not have any significant impact on these consolidated condensed interim financial statements of the Group.

4.4 Securities and Exchange Commission of Pakistan (SECP), through SRO 1007 (I) / 2017, dated October 4, 2017, had notified IFRS 9 " Financial Instruments ", replacing the Accounting Standard (IAS) 39 " Financial Instruments: Recognition and Measurement " with effect from reporting periods starting July 1, 2018 which has further been deferred 2019, through SRO 229 (I) / 2019 dated February 14, 2019. Accordingly the requirements of IFRS 9 have not been considered in the preparation of these consolidated condensed financial statements of the Group.

5. BASIS OF PREPARATION

5.1 These consolidated condensed interim financial statements has been prepared under the historical cost convention modified by: -

- recognition of certain employee retirement benefits at present value.
- recognition of certain financial instruments at fair value.

5.2 These consolidated condensed interim financial statements does not include all of the information required for annual audited financial statements and therefore should be read in conjunction with the annual audited consolidated financial statements of the Group for the year ended June 30, 2018.

5.3 These unconsolidated condensed interim financial statements is presented in Pakistani Rupees which is also the Group's functional currency.

5.4 The comparative consolidated statement of financial position presented has been extracted from annual consolidated audited financial statements for the year ended June 30 comparative consolidated condensed interim statement of profit and loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flows and consolidated condensed interim statement of changes in equity presented in these consolidated condensed interim financial statements have been extracted from unaudited consolidated condensed interim financial statement for the nine months period ended March 31, 2018.

6 CHANGES ARISING FROM FINANCING ACTIVITIES

The table below states changes in the Group's liabilities arising from financing activities, including cash and non-cash changes. Liabilities arising from financing activities are those for which cash flows were, or future cash flows will be, classified in the Group's statement of cash flows as cash flows from financing activities.

	Audited	(Un - Audited)			March 31,
	June 30,	Financing cash	Financing	Non Cash changes -	
	2018	inflows	cash	Transfer current portion	
			outflows		
	----- (Rupees in '000) -----				
Long-term finances	<u>1,813,143</u>	<u>906,847</u>	<u>-</u>	<u>(234,659)</u>	<u>2,485,331</u>
Current portion of long term finances	<u>394,567</u>	<u>-</u>	<u>(307,054)</u>	<u>234,659</u>	<u>322,172</u>
Short term borrowing	<u>6,541,667</u>	<u>-</u>	<u>-</u>	<u>26,972</u>	<u>7,690,451</u>
Dividend payable	<u>11,080</u>	<u>-</u>	<u>(288,038)</u>	<u>289,180</u>	<u>12,222</u>
	Audited	(Un - Audited)			March 31,
	June 30,	Financing cash	Financing	Non Cash changes -	
	2017	inflows	cash	Transfer current portion	
			outflows		
	----- (Rupees in '000) -----				
Long-term finances	<u>1,193,821</u>	<u>905,409</u>	<u>-</u>	<u>(289,432)</u>	<u>1,809,798</u>
Current portion of long term finances	<u>448,442</u>	<u>-</u>	<u>(319,737)</u>	<u>289,432</u>	<u>418,137</u>
Short term borrowing	<u>5,691,516</u>	<u>991,089</u>	<u>-</u>	<u>(13,084)</u>	<u>6,669,521</u>
Dividend payable	<u>6,326</u>	<u>-</u>	<u>(198,375)</u>	<u>234,959</u>	<u>42,910</u>

March 31, June 30,
2019 2018
(Un - Audited) (Audited)
----- (Rupees in '000)-----

7. CONTINGENCIES AND COMMITMENTS

7.1 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
Bank guarantees in favour of Collector of Customs on behalf of the Group	3,817	3,817
Guarantees issued by banks in favour of gas and electric distribution companies	308,800	279,460
Bank guarantees against payment of infrastructure cess	420,696	328,042
Bank guarantees in favour of Collector of Customs	-	3,040
Bank guarantees in favour of Government of Sindh	-	43,154

7.2 Commitments

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

	3,550,303	1,862,873
Civil work contracts	5,408	12,832
Sales contract to be executed	2,245,871	2,530,447

Other contingencies are not materially changed as disclosed in the note 13.1 to the annual consolidated financial statements for the year ended June 30, 2018 except for the contingency as disclosed in 13.1.2 related to inadmissible input tax which has been decided in favour of the Company through order N. STA / 185 / LTU / 2018 / 08 dated December 12, 2018 by the Tax Authorities.

8. PROPERTY, PLANT AND EQUIPMENT

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

	----- Un - Audited -----			
	Nine months ended			
	March 31, 2019	March 31, 2018		
Additions / Transfers	Disposal at carrying value / transfers	Additions / Transfers	Disposal at carrying value / transfers	
----- (Rupees in '000) -----				
Assets				
Land	143,247	-	-	-
Factory building	34,390	-	47,994	-
Non factory building	30,385	-	-	-
Office building	-	(22,708)	20,100	-
Plant and machinery	591,619	(31,492)	592,769	(34,288)
Electric installations	7,650	-	2,963	-
Power generator	80,711	(3,166)	62,574	-
Office equipment	185	(103)	241	(10)
Factory equipment	800	-	-	-
Furniture and fixtures	2,713	(115)	2,399	-
Vehicles	58,670	(5,552)	55,185	(8,882)
Software (Intangible)	8,100	-	-	-
Computers	849	(4)	1,134	(29)
Capital work in progress	-	(745,203)	-	(360,733)
	959,319	(808,343)	785,359	(403,942)

9. LONG TERM INVESTMENTS	Note	March 31,	June 30,
		2019 (Un - Audited)	2018 (Audited)
		----- (Rupees in '000) -----	
Investment in an associate	9.1	<u>29,637</u>	<u>26,784</u>
9.1 Investment in associate			
Cost		1,716	1,716
Share of post acquisition profits:			
Opening		25,068	20,851
Dividend received		(618)	(275)
Share of profit from associate for the period		3,471	4,492
		<u>27,921</u>	<u>25,068</u>
		<u>29,637</u>	<u>26,784</u>
Number of shares held		68,654	68,654
Ownership interest		0.99%	0.99%
Market value (Rupees in '000)		12,873	11,702
Cost of investment (Rupees in '000)		1,716	1,716

		----- Un - Audited -----			
		Nine months ended		Three months ended	
		March 31,	March 31,	March 31,	March 31,
		2019	2018	2019	2018
		----- (Rupees in '000) -----			
10. COST OF GOODS SOLD	Note				
Raw material consumed		17,369,242	12,632,385	5,989,003	3,372,467
Manufacturing expenses	10.1	5,826,695	5,257,959	1,984,392	1,865,662
Outside purchases		107,454	2,365,873	44,922	1,925,716
		<u>23,303,391</u>	<u>20,256,217</u>	<u>8,018,317</u>	<u>7,163,845</u>
Work in process					
Opening stock		811,992	671,686	775,743	589,020
Closing stock		(867,611)	(743,107)	(867,611)	(743,107)
		<u>(55,619)</u>	<u>(71,421)</u>	<u>(91,868)</u>	<u>(154,087)</u>
Cost of goods manufactured		<u>23,247,772</u>	<u>20,184,796</u>	<u>7,926,449</u>	<u>7,009,758</u>
Finished Goods					
Opening stock		1,098,374	1,103,809	1,357,139	850,515
Closing stock		(1,261,393)	(970,838)	(1,261,393)	(970,838)
		<u>(163,019)</u>	<u>132,971</u>	<u>95,746</u>	<u>(120,323)</u>
		<u>23,084,753</u>	<u>20,317,767</u>	<u>8,022,195</u>	<u>6,889,435</u>
10.1 Manufacturing expenses					
Salaries, wages and benefits		1,705,926	1,558,933	542,128	524,543
Fuel, water and power		1,840,783	1,786,161	638,134	683,467
Stores and spares consumed		891,325	788,690	315,200	264,087
Packing material consumed		468,442	457,293	142,034	159,378
Insurance		30,050	35,511	12,179	11,751
Repairs and maintenance		77,028	37,937	38,405	14,288
Rent, rate and taxes		2,099	2,297	1,369	1,430
Depreciation		732,069	709,583	263,871	243,320
Others		78,973	59,935	31,072	22,483
Rebate		-	(178,381)	-	(59,085)
		<u>5,826,695</u>	<u>5,257,959</u>	<u>1,984,392</u>	<u>1,865,662</u>

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. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate (Sunrays Textiles Mills Limited) and entities where directors held interest (Riaz Cotton Factory and Haji Moula Bux) 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:

		----- Un - Audited ----- Nine months ended	
		March,31 2019	March,31 2018
		----- (Rupees in '000) -----	
12.1	Transactions during the period		
	Relationship	Nature of transactions	
	Associate		
		Purchase of yarn	10,355
		Paid yarn conversion cost	43,990
		70,689	
		54,088	
	Key management personnel		
		Remuneration paid	209,038
		136,254	
		March 31,	June 30,
		2019	2018
		(Un - Audited)	(Audited)
		----- (Rupees in '000) -----	
12.2	Balances with related parties		
	Associate - payable	6,083	4,812
	Associate - receivable	3,059	62
	Balances with other related parties due to common directorship		
	- Payable	3,170	3,170

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. Consequently, differences can arise between carrying values and the fair value estimates.

Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets (i.e. listed equity shares) are based on the quoted market prices at the close of trading on the reporting date. The quoted market price used for financial assets held by the Company is current bid price.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

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:

	Carrying Amount				Fair Value			
	Fair value through profit and loss account held-for-trading	Loans and advances	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at March 31, 2019 (Un - Audited) -----								
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Other financial assets	700,273	-	-	700,273	700,273	-	-	700,273
Financial assets not measured at fair value								
	13.1							
Long-term deposits	-	15,426	-	15,426				
Trade debts	-	6,296,097	-	6,296,097				
Loans and advances	-	88,896	-	88,896				
Trade deposits	-	1,522	-	1,522				
Other receivables	-	35,695	-	35,695				
Bank balances	-	453,510	-	453,510				
Cash in hand	-	102,751	-	102,751				
Unclaimed dividend	-	12,222	-	12,222				
	-	7,006,119	-	7,006,119				
Financial liabilities not measured at fair value								
	13.1							
Long-term financing	-	-	2,807,503	2,807,503				
Trade and other payables	-	-	1,004,757	1,004,757				
Short-term borrowings	-	-	7,690,451	7,690,451				
Interest / mark-up payable	-	-	109,876	109,876				
	-	-	11,612,587	11,612,587				

	Carrying Amount			Fair Value				
	Fair value through profit and loss account held-for-trading	Loans and advances	Amortized cost	Total	Level 1	Level 2	Level 3	Total
----- As at June 30, 2018 (Audited) -----								
----- (Rupees in '000) -----								
Financial assets measured at fair value								
Other financial assets	317,838	-	-	317,838	317,838	-	-	317,838
Financial assets not measured at fair value 13.1								
Long-term deposits	-	15,475	-	15,475				
Trade debts	-	5,194,308	-	5,194,308				
Loans and advances	-	39,353	-	39,353				
Trade deposits	-	4,302	-	4,302				
Other receivables	-	114,384	-	114,384				
Bank balances	-	272,696	-	272,696				
	-	5,640,518	-	5,640,518				
Financial liabilities not measured at fair value 13.1								
Long-term financing	-	-	2,207,710	2,207,710				
Trade and other payables	-	-	2,240,155	2,240,155				
Unclaimed dividend	-	-	11,080	11,080				
Short-term borrowings	-	-	6,541,667	6,541,667				
Interest / mark-up payable	-	-	65,406	65,406				
	-	-	11,066,018	11,066,018				

13.1 The Group has not disclosed the fair values of all this financial assets and liabilities as their carrying amounts are reasonable approximation of their fair values.

Transfers during the period

There were no transfers of items between various levels of fair value hierarchy during the period.

14 DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue on April 30, 2019 by the Board of Directors of the Group.

15. GENERAL

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

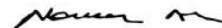
15.2 Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of better presentation. the effect of which is not material.



Chief Executive Officer



Chief Financial Officer



Director