



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

FIRST QUARTERLY REPORT
Condensed Interim Financial Information
July 01, 2019 to September 30, 2019
(Un-audited)

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Company profile

Board of Directors

1	Mr. Naveed Ahmed	Chairman
2	Mr. Shahzad Ahmed	Chief Executive Officer
3	Mian Riaz Ahmed	
4	Mr. Kashif Riaz	
5	Mr. Imran Ahmed	
6	Mr. Irfan Ahmed	
7	Mr. Shafqat Masood	
8	Mr. Shahwaiz Ahmed	
9	Mr. Danish Naveed	
10	Sheikh Nishat Ahmed	
11	Mr. Farooq Hassan	

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 Muzaffergarh, 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

INDUS DYEING AND MANUFACTURING COMPANY LIMITED
DIRECTORS' REPORT
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2019

The Board of Directors is pleased to present the un-audited financial statements of the Company for the first quarter ended September 30, 2019.

OPERATING RESULTS

Consolidated turnover for the three months period ending on September 30, 2019 was Rs. 10,088 million against Rs. 9,073 million for the same period last year, whereas the consolidated net profit after tax was Rs. 634 million as compared to Rs. 878 million in the last corresponding period. The Company has shown satisfactory performance during the three months under review despite various challenges such as increased cost of raw material, utilities and other overheads. Due to the consistent efforts of the management in procurement of raw material locally and internationally, sales and cash flow planning, the Company was able to achieve these healthy results. The following are the financial results of the Company for the three months ended September 30, 2019.

FINANCIAL HIGHLIGHTS

	First Quarter Ended September 30, 2019 (Rs. In Millions)	
	2019	2018
Sales-Net	10,088	9,073
Gross Profit	1,133	1,406
Other Operating Income	76	31
Profit Before Taxation	695	954
Taxation	(61)	(76)
Net Profit After Tax	634	878

REVIEW OF OPERATIONS

Sales increased by 11.18 % during the three months under review over the last corresponding period. Gross profit is 11.23 % during the three months period under review where as it was 15.50 % in the last year over the same period.

The towel unit sales during this quarter are RS. 1,817 Million and contributed Rs. 49 Million in net profit after tax.

EARNINGS PER SHARE

The earnings per share for the three months ended September 30, 2019 are Rs. 35.07 per share as compared to Rs. 48.62 per share over the last corresponding period.

FUTURE PROSPECTS

Currently the future outlook seems to be very challenging as the Pakistani economy is confronted by high inflation, unemployment, rising current account and fiscal deficits. However, the good news is that the European Union has pledged its support to the Pakistan's Textile sector in order to bring sustainable growth in the exports of the textile products of Pakistan. Moreover, the current government is keen in bringing the 5-year textile policy in which special measures will be taken to promote the industrialization and growth of textile exports. If the current government consistently implements its plans and policies for textile growth, there will be new opportunities of investment and growth for the textile sector of Pakistan.

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:
October 30, 2019

حصص یافتگان کے لئے ڈائریکٹران کا جائزہ

انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ کے ڈائریکٹران 30 ستمبر 2019 کو ختم ہونے والی سہ ماہی کیلئے گروپ کے مجموعی مالیاتی کوشاروں کے مالی نتائج پیش کرتے ہوئے مسرت محسوس کرتے ہیں۔

امور کی حالت اور مالیاتی نتائج

30 ستمبر 2019 کو ختم ہونے والے تین مہینوں کے لئے مجموعی حسابات سال کی اس مدت کے لئے 10,088 ملین روپے کے مقابلہ میں 9,073 ملین روپے تھا جب کہ ٹیکس کے بعد مستحکم مجموعی منافع اسی مدت کے دوران 634 ملین روپے کے مقابلہ میں پچھلے سال 878 ملین روپے تھا۔ کمپنی نے مختلف مشکلات جیسے کہ خام روئی کی قیمتوں میں اضافہ، گیس بجلی کی لاگتیں اور دیگر اخراجات کے باوجود نظر ثانی کے تحت ششماہی کے دوران تسلی بخش کارکردگی دکھائی۔ ملکی اور غیر ملکی خام مال کی خریداری میں انتظامیہ کی ثابت قدم کوششوں اور کیش فلو پلاننگ کی وجہ سے کمپنی ان نتائج کو حاصل کرنے کی اہل ہوئی تھی۔

آپریٹنگ مالیاتی نتائج درج ذیل ہیں۔

30 ستمبر 2019 کو ختم ہونے والی سہ ماہی (روپے ملین میں)		
2018	2019	
9,073	10,088	کل فروخت
1,406	1,133	مجموعی نفع
31	76	دیگر فعال آمدنی
954	695	ٹیکس سے پہلے نفع
(76)	(61)	ٹیکس
878	634	ٹیکس کے بعد نفع

جائزہ برائے افعال

پچھلے سال اس مدت میں جائزہ کے تحت تین مہینوں کے دوران سبز میں % 11.18 کا اضافہ ہوا۔ مجموعی منافع کی شرح ان تین مہینوں میں % 11.23 رہی جبکہ پچھلی اسی مدت میں % 15.50 تھی۔

تین مہینوں کے دوران تولیہ یونٹ کی فروخت 1,817 ملین روپے تھی۔ ٹیکس کے بعد نفع میں 49 ملین روپے کی معاونت کی۔

فی حصص آمدنی

مجموعی بنیاد پر 30 ستمبر 2019 کو ختم ہونے والی ششماہی کے لئے فی حصص کمائی 35.07 روپے جبکہ پچھلے سال اسی مدت کے دوران فی حصص کمائی 48.62 تھی۔

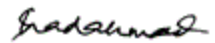
مستقبل کے امکانات

فی الحال مستقبل کا نظارہ بہت مشکل نظر آتا ہے کیونکہ پاکستان کی معیشت اعلیٰ افراط زر، بے روزگاری، بڑھتے ہوئے کرنٹ اکاؤنٹ اور مالی خسارے سے دوچار ہے۔ تاہم، خوشخبری یہ ہے کہ یورپی یونین نے پاکستان کے ٹیکسٹائل مصنوعات کی درآمد میں پائیدار ترقی لانے کے لئے پاکستان کے ٹیکسٹائل سیکٹر میں اپنی حمایت کا وعدہ کیا ہے۔ مزید یہ کہ موجودہ حکومت 5 سالہ ٹیکسٹائل پالیسی لانے کے خواہاں ہے جس میں صنعتی اور ٹیکسٹائل کی برآمدات کو بڑھانے کے لئے خصوصی اقدامات اٹھائے جائیں گے۔ اگر موجودہ حکومت ٹیکسٹائل کی نمو کے لئے اپنے منصوبوں اور پالیسیوں کو مستقل طور پر نافذ کرتی ہے تو پاکستان کے ٹیکسٹائل سیکٹر کے لئے سرمایہ کاری اور نمو کے نئے مواقع میسر آئیں گے۔

اظہار تشکر

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۔

بورڈ کی جانب سے



شہزاد احمد

چیف ایگزیکٹو آفیسر

کراچی

30-October-2019

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2019

	SEPTEMBER 30, 2019 (Un - Audited) Note	June 30, 2019 (Audited) ----- Rupees in '000' -----		SEPTEMBER 30, 2019 (Un - Audited) Note	June 30, 2019 (Audited) ----- 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	6,533,473	6,677,739
Share capital and reserves			Intangibles		13,435	14,524
Issued, subscribed and paid-up capital	180,737	180,737	Long-term investments	7	3,729,680	3,729,680
18,073,732 ordinary shares of Rs. 10/- each			Long-term deposits		5,725	5,725
Reserves	7,000,000	7,000,000			10,282,314	10,427,668
Unappropriated profit	5,421,903	5,322,368				
	12,602,640	12,503,105				
Non-current liabilities			Current assets			
Long-term financing	1,826,827	1,853,861	Stores, spares and loose tools		330,601	314,889
Deferred liabilities	452,052	461,775	Stock-in-trade		4,861,480	6,384,163
	2,278,878	2,315,636	Trade debts		3,390,588	4,480,116
Current liabilities			Loans and advances		163,585	177,485
Trade and other payables	2,832,162	2,387,171	Trade deposits and short-term prepayments		914	7,727
Dividend payable	75,045	11,744	Other receivables		30,935	39,313
Interest / mark-up payable	69,281	116,605	Other financial assets		269,856	143,717
Short-term borrowings	1,891,197	5,140,499	Tax refundable		492,965	566,396
Current portion of long-term financing	226,099	242,224	Cash and bank balances		152,065	175,510
	5,093,784	7,898,243			9,692,988	12,289,316
CONTINGENCIES AND COMMITMENTS	4				19,975,302	22,716,984
	<u>19,975,302</u>	<u>22,716,984</u>			<u>19,975,302</u>	<u>22,716,984</u>

The annexed notes 1 to 12 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Note	Three months period ended	
		SEPTEMBER 30, 2019	SEPTEMBER 30, 2018
		----- Rupees in '000' -----	
Sales - net		7,617,917	6,563,606
Cost of goods sold	8	(6,693,316)	(5,480,891)
Gross profit		924,601	1,082,715
Other income		17,088	7,332
		941,689	1,090,047
Distribution cost		(90,620)	(70,156)
Administrative expenses		(78,458)	(73,887)
Other operating expenses		(45,262)	(79,923)
Finance cost		(96,271)	(74,836)
Profit before taxation		631,077	791,245
Taxation	9	(79,699)	(48,530)
Profit after taxation		551,378	742,715
Earnings per share - Basic and diluted		30.51	41.09

The annexed notes 1 to 12 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Three months period ended	
	SEPTEMBER 30, 2019	SEPTEMBER 30, 2018
	----- Rupees in '000' -----	
Profit after taxation	551,378	742,715
Other comprehensive income	-	-
Total comprehensive income for the period	551,378	742,715

The annexed notes 1 to 12 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Reserves					Total
	Issued, subscribed and paid-up capital	Capital		Revenue		
		Share Premium	Merger Reserve	General Reserve	Un- appropriated Profit	
----- Rupees in '000' -----						
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 three months period ended SEPTEMBER 30, 2018	-	-	-	-	742,715	742,715
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	742,715	742,715
Balance at SEPTEMBER 30, 2018 (Un - Audited)	180,737	10,920	11,512	6,977,568	4,632,661	11,813,398
Balance at June 30, 2019 (Audited)	180,737	10,920	11,512	6,977,568	5,322,368	12,503,105
Comprehensive Income						
Profit for the three months period ended SEPTEMBER 30, 2019	-	-	-	-	551,378	551,378
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	551,378	551,378
Transaction with owners:						
Final cash dividend for the year ended June 30, 2019 @ Rs. 25/- per share	-	-	-	-	(451,843)	(451,843)
Balance at SEPTEMBER 30, 2019 (Un - Audited)	180,737	10,920	11,512	6,977,568	5,421,903	12,602,640


The annexed notes 1 to 12 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Three months period ended	
	SEPTEMBER 30, 2019	SEPTEMBER 30, 2018
	-----Rupees in '000'-----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	631,077	791,245
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	153,145	145,617
Amortization on intangibles	1,089	862
Provision for gratuity	24,442	25,976
Unrealized loss / (gain) on revaluation of foreign currency loans	5,986	
Unrealized gain / (loss) on foreign currency loans	2,544	
(Gain) / loss on disposal of property, plant and equipment	(8,265)	963
Unrealized loss on revaluation of other financial assets	-	5,010
Dividend income	(156)	(441)
Finance cost	96,272	74,836
Cash generated before working capital changes	906,134	1,044,068
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(15,712)	(8,315)
Stock in trade	1,522,683	(285,061)
Trade debts	1,089,529	(1,386,049)
Loans and advances	(14,033)	(30,761)
Trade deposits and short-term prepayments	6,813	72
Long Term Deposits	-	(21)
Other receivables	8,379	21,830
	2,597,659	(1,688,305)
Increase / (decrease) in current liabilities		
Trade and other payables	193,512	2,305,978
Cash generated from operations	3,697,305	1,661,741
Income taxes paid	(12,498)	(28,927)
Finance cost paid	(143,596)	(78,357)
Gratuity paid	(10,459)	(10,023)
Net cash generated from / (used in) operating activities	3,530,752	1,544,434
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for acquisition of property, plant and equipment	(16,512)	(109,718)
Proceeds from disposal of property, plant and equipment	17,942	1,133
Other financial assets	(132,125)	(2,860)
Increase in long term deposits		
Payment made for investment in other financial assets	-	
Dividend received	156	441
Net cash used in investing activities	(130,539)	(111,004)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	18,857	83,744
Repayment of long-term financing	(62,017)	(201,770)
Dividend paid	(388,542)	(5)
Net cash used in financing activities	(431,702)	(118,031)
Net decrease in cash and cash equivalent (A+B+C)	2,968,511	1,315,399
Cash and cash equivalents at beginning of the period	(3,369,701)	(3,428,086)
Cash and cash equivalents at end of the period	(401,190)	(2,112,687)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	152,065	75,119
Short-term running finance	(553,255)	(2,187,806)
	(401,190)	(2,112,687)

The annexed notes 1 to 12 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 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.

Manufacturing Unit

Karachi
Hyderabad
Muzaffargarh

Address

Plot No. 03 & 07, Sector 25, Korangi Industrial Area, Karachi.
P - 1, S.I.T.E. Hyderabad Sindh.
Muzaffargarh, Bagga Sher, District Multan.

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 Financial Reporting Standards (IFRS) 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 from the IFRS standards, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These unconsolidated condensed interim financial statements in conformity with accounting and reporting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgment that effect 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 recognized prospectively commencing from the period of revision.

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.
- useful life and residual values of depreciable assets

The Company also prepares consolidated financial statements in accordance with IFRS - 10 Consolidated Financial Statements.

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, 2019.

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, 2019, 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 three months period ended SEPTEMBER 30, 2018.

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 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, 2019.
- 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, 2019.
- 3.3 IFRS 15 " Revenue from contracts with customers " is applicable from 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.

4 CONTINGENCIES AND COMMITMENTS

4.1 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>
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- 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>
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- 5.1.3 Guarantees issued by banks in favour of gas / electric companies

<u>104,768</u>	<u>104,768</u>
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- 5.1.4 Bank guarantees against payment of infrastructure cess

<u>354,542</u>	<u>354,542</u>
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SEPTEMBER 30,	June 30,
2019	2019
(Un - Audited)	(Audited)
-----Rupees in '000'-----	

5.2 Commitments

Letters of credit for raw material and stores and spares

<u>323,177</u>	<u>270,405</u>
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Letters of credit for property, plant and equipment

<u>29,426</u>	<u>24,622</u>
---------------	---------------

Sales contracts to be executed

<u>1,056,288</u>	<u>2,697,132</u>
------------------	------------------

6. PROPERTY, PLANT AND EQUIPMENT

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

----- (Un - Audited) -----			
Three months period ended			
<u>SEPTEMBER 30, 2019</u>		<u>SEPTEMBER 30, 2018</u>	
Additions / transfers	Disposal at carrying value / transfers	Additions / transfers	Disposal at carrying value / transfers
-----Rupees in '000'-----			

Assets

Factory building	-	-	-	-
Office building	-	-	-	-
Power generator	1,280	-	10,007	-
Plant and machinery	26,814	(4,849)	85,317	(1,977)

Electric installation	-	-	-	-
Office equipment	1,456	-	130	-
Furniture and fixtures	69	-	692	-
Vehicles	232	(2,783)	17,223	(124)
Software (Intangible)	-	-	-	-
Capital work in progress	-	(37,864)	-	-
	29,851	(45,496)	113,369	(2,101)

		SEPTEMBER 30,	June 30,
		2019	2019
		(Un - Audited)	(Audited)
	Note	-----Rupees in '000'-----	
7. LONG TERM INVESTMENTS			
Investment in an associate - at cost		13,476	13,476
Investment in subsidiaries - at cost	7.1	3,716,204	3,716,204
		3,729,680	3,729,680
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	40,000	40,000
		3,716,204	3,716,204
7.1.2 Indus Wind Energy Limited (IWE)			
Opening		40,000	-
Reversal of Impairment on investment		-	40,000
		40,000	40,000
Closing		40,000	40,000
		----- (Un - Audited) -----	
		Three months period ended	
		SEPTEMBER 30,	SEPTEMBER 30,
		2019	2018
		-----Rupees in '000'-----	
8. COST OF GOODS SOLD			
Raw material consumed	8.1	5,163,337	4,461,879
Manufacturing expenses		1,387,569	1,061,841
Outside purchases		66,074	14,670
		6,616,980	5,538,390
Work in process			
Opening stock		269,740	242,775
Closing stock		(294,841)	(287,984)
		(25,101)	(45,209)

Cost of goods manufactured	6,591,879	5,493,181
Finished Goods		
Opening stock	774,412	531,034
Closing stock	(672,975)	(543,324)
	101,437	(12,290)
	6,693,316	5,480,891

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

Three months period ended

SEPTEMBER 30,	SEPTEMBER 30,
2019	2018

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

8.1 Manufacturing expenses

Salaries, wages and benefits	373,148	345,831
Fuel, water and power	585,582	390,846
Stores and spares consumed	122,494	82,162
Packing material consumed	81,340	90,486
Insurance	3,747	2,825
Repairs and maintenance	10,021	6,722
Rent, rate and taxes	1,180	767
Depreciation	145,429	138,557
Others	64,627	3,645
	1,387,569	1,061,841

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:

Three months period ended

Un - Audited	Un - Audited
SEPTEMBER 30,	SEPTEMBER 30,
2019	2018

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

10.1

Transactions during the period

Relationship with the Company**Nature of transactions**

Subsidiaries	Sale of yarn	-	130
	Received yarn conversion cost	115,869	95,896
	Received yarn doubling cost	1,508	-
	Paid yarn conversion cost	60,039	11,233

SEPTEMBER 30, June 30,
2019 2019
(Un - Audited) (Audited)
-----Rupees in '000'-----

10.2**Balances with related parties:**

Subsidiaries - receivable	Indus Wind Energy Ltd.	<u>69,698</u>	<u>60,232</u>
Subsidiaries - receivable	Indus Home Ltd.	<u>38,042</u>	<u>16,766</u>
Subsidiaries - payable	Indus Lyallpur Ltd.	<u>31,691</u>	<u>15,925</u>
Associate - payable	Indus Heartland Ltd.	<u>1,049</u>	<u>1,498</u>
Associate - payable	Riaz Cotton Factory	<u>1,917</u>	<u>1,917</u>
Associate - payable	Haji Moula Buksh Cotton Factory	<u>1,253</u>	<u>1,253</u>

11 DATE OF AUTHORISATION FOR ISSUE

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

12. GENERAL

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

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

12.3 The figures for the three months period ended SEPTEMBER 30, 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

FIRST QUARTERLY REPORT
Condensed Interim Financial Information
July 01, 2019 to September 30, 2019
(Un-audited)

INDUS DYEING & MANUFACTURING COMPANY LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN - AUDITED)
AS AT SEPTEMBER 30, 2019

	SEPTEMBER 30, 2019 Note (Un-Audited) ----- (Rupees in '000) -----	June 30, 2019 (Audited)		SEPTEMBER 30, 2019 Note (Un-Audited) ----- (Rupees in '000) -----	June 30, 2019 (Audited)
EQUITY AND LIABILITIES			ASSETS		
Share capital and reserves			Non-current assets		
Authorized 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 11,657,061	11,724,965
Reserves	7,000,679	7,000,691	Intangible assets	14,904	16,112
Unappropriated profit	8,544,895	8,362,963	Long-term investments	8 31,583	31,642
	<u>15,726,311</u>	<u>15,544,391</u>	Long-term deposits	25,982	24,065
				<u>11,729,530</u>	<u>11,796,784</u>
Non-current liabilities					
Long-term financing	6 3,089,120	2,853,967	Current assets		
Deferred liabilities	641,467	655,239	Stores, spares and loose tools	774,684	602,625
	<u>3,730,587</u>	<u>3,509,206</u>	Stock-in-trade	7,911,288	9,179,288
Current liabilities			Trade debts	5,272,930	6,482,457
Trade and other payables	4,013,656	3,377,094	Loans and advances	178,523	199,416
Dividend payable	75,045	11,744	Trade deposits and short-term prepayments	35,119	30,394
Interest / mark-up payable	87,241	166,309	Other receivables	143,309	117,185
Short-term borrowings	4,602,130	7,696,456	Other financial assets	919,397	544,963
Current portion of long-term financing	323,409	323,466	Tax refundable	1,045,276	895,717
Taxation			Cash and bank balances	548,323	779,837
	<u>9,101,481</u>	<u>11,575,069</u>		<u>16,828,849</u>	<u>18,831,882</u>
CONTINGENCIES AND COMMITMENTS					
	6 <u>28,558,379</u>	<u>30,628,666</u>		<u>28,558,379</u>	<u>30,628,666</u>

The annexed notes from 1 to 14 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Note	Three months ended	
		SEPTEMBER 30, 2019	SEPTEMBER 30, 2018
----- (Rupees in '000) -----			
Sales - net		10,088,077	9,073,673
Cost of goods sold	9	(8,954,899)	(7,667,657)
Gross profit		1,133,178	1,406,016
Other income		76,252	31,242
		1,209,430	1,437,258
Distribution cost		(179,931)	(153,486)
Administrative expenses		(150,661)	(120,636)
Other operating expenses		(49,759)	(96,924)
Finance cost		(133,975)	(113,352)
		(514,326)	(484,398)
Share of loss / profit from associate - net of tax	8.1	(59)	1,610
Profit before taxation		695,046	954,470
Taxation	11	(61,270)	(75,811)
Profit for the period - attributable to ordinary share holders of the Holding Company		633,775	878,659
Earnings per share - basic and diluted		35.07	48.62

The annexed notes from 1 to 14 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	<u>Nine months ended</u>	
	<u>SEPTEMBER 30,</u> 2019	<u>SEPTEMBER 30,</u> 2018
	----- (Rupees in '000) -----	
Profit for the period	633,775	878,659
Other comprehensive income		
Items that may be reclassified subsequently to profit and loss		
Exchange loss / gain on translation of balances of foreign subsidiary	(12)	263
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	633,763	878,922

The annexed notes from 1 to 14 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 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, 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 three months period ended SEPTEMBER 30, 2018	-	-	-	-	-	878,659	878,659
Exchange gain on translation of foreign subsidiary	-	-	-	263	-	-	263
Total comprehensive income for the period	-	-	-	263	-	878,659	878,922
Balance at SEPTEMBER 30, 2018 (Un - Audited)	180,737	10,920	11,512	420	6,977,568	7,207,034	14,388,191
Balance at June 30, 2019 (Audited)	180,737	10,920	11,512	691	6,977,568	8,362,963	15,544,391
Comprehensive income for the period							
Profit for the three months period ended SEPTEMBER 30, 2019	-	-	-	-	-	633,775	633,775
Exchange loss on translation of foreign subsidiary	-	-	-	(12)	-	-	(12)
Total comprehensive income for the period	-	-	-	(12)	-	633,775	633,763
Transactions with owners recorded directly in equity							
Final cash dividend for the year ended June 30, 2019 @ Rs. 25/- per share	-	-	-	-	-	(451,843)	(451,843)
Balance at SEPTEMBER 30, 2019 (Un - Audited)	180,737	10,920	11,512	679	6,977,568	8,544,895	15,726,311

The annexed notes from 1 to 14 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Three months ended	
	SEPTEMBER 30, 2019	SEPTEMBER 30, 2018
	----- (Rupees in '000) -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	695,046	954,470
Adjustments for:		
Depreciation and Amortization	266,600	233,752
Provision for gratuity	47,388	34,729
Share of loss / (profit) from associate	59	(1,610)
Unrealized loss / (gain) on revaluation of foreign currency loans	2,544	-
Loss on disposal of property, plant and equipment	953	963
Unrealized gain / (loss) on revaluation of other financial assets	(8,265)	16,077
Unrealized (gain) on revaluation of foreign currency debtors	(5,371)	-
Finance cost	134	113,352
Dividend income	(156)	(441)
Cash generated before working capital changes	998,932	1,351,292
Working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(172,059)	(170,965)
Stock in trade	1,268,000	(734,499)
Trade debts	1,209,527	(1,547,169)
Loans and advances	(13,255)	92,291
Long term deposits	(1,917)	(21)
Trade deposits and short-term prepayments	(4,725)	2,797
Other receivables	(26,124)	(87,467)
Other financial assets	(374,434)	1,550
	1,885,013	(2,443,483)
Increase in current liabilities		
Trade and other payables	636,562	255,743
Cash generated from operations	3,520,506	(836,448)
Income taxes paid	(46,630)	(60,569)
Finance cost paid	(213,015)	(122,847)
Gratuity / w.p.f paid	(17,357)	(14,235)
Net cash generated from / (used in) operating activities	3,243,504	(1,034,099)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of property, plant and equipment	(178,270)	(349,744)
Proceeds from disposal of property, plant and equipment	28,342	1,133
Proceeds from disposal of other financial assets	(32,125)	
Payments for other financial assets	98,083	(2,860)
Dividend received	156	441
Net cash used in investing activities	(83,814)	(351,030)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	294,044	112,084
Long term finance repaid -net	(68,300)	(209,065)
Dividend paid	(388,542)	(5)
Net cash generated from / (used in) financing activities	(162,798)	(96,986)
Net (decrease) / increase in cash and cash equivalents (A+B+C)	2,996,892	(1,482,115)
Cash and cash equivalents at beginning of the period	(6,916,619)	(4,181,547)
Effects of exchange rate changes on cash and cash equivalents	(12)	263
Cash and cash equivalents at end of the period	(3,919,739)	(5,663,399)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	548,323	210,610
Short-term borrowings	(4,468,062)	(5,874,009)
	(3,919,739)	(5,663,399)

The annexed notes from 1 to 14 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 THREE MONTHS PERIOD ENDED SEPTEMBER 30, 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
Karachi	Plot No. 03 & 07, Sector 25, Korangi Industrial Area, Karachi.
Karachi	P - 1 , S.I.T.E.. Hyderabad, Sindh.
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. Registered Office is situated at Office No. 508, 5th Floor, Beaumont Plaza, Civil Lines , Karachi.

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 Financial Reporting Standards (IFRS) 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 from the IFRS standards, 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 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 recognized prospectively commencing from the period of revision.

4.2 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.
- useful life and residual values of depreciable assets

4.3 These consolidated condensed interim financial statements does not include all of the information required for annual audited financial statements including financial risk management information and therefore should be read in conjunction with the annual audited consolidated financial statements of the Company for the year ended June 30, 2019.

4.4 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.

5. BASIS OF PREPARATION

5.1 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, 2019.

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

5.3 The comparative consolidated statement of financial position presented has been extracted from annual consolidated audited financial statements for the year ended June 30, 2019, whereas comparative consolidated condensed interim statement of profit and loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of cash flows and consolidated condensed interim statement of changes in equity presented in these consolidated condensed interim financial statements have been extracted from the unaudited consolidated condensed interim financial statement for the three months period ended September 30, 2018.

SEPTEMBER 30, June 30,
2019 2019
(Un - Audited) (Audited)
 ----- (Rupees in '000)-----

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

Claim of arrears of social security contribution not acknowledged. Appeal is pending in Honourable High Court of Sindh. The management is hopeful for favourable outcome.

453 453

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

307,074 300,827

Bank guarantees against payment of infrastructure cess

463,696 439,696

Bank guarantees in favour of Government of Sindh

24,010 -

6.2 Commitments

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

2,648,071 1,691,395

Sales contract to be executed

2,330,749 781,852

7. PROPERTY, PLANT AND EQUIPMENT

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

	----- Un - Audited -----				
	Three months ended				
	SEPTEMBER 30, 2019		SEPTEMBER 30, 2018		
Additions / Transfers	Disposal at carrying value / transfers	Additions / Transfers	Disposal at carrying value / transfers		
----- (Rupees in '000) -----					
Assets					
Land	-	-	-		
Factory building	-	-	-		
Non factory building	-	-	30,386		
Office building	-	-	143,247		
Plant and machinery	227,275	(14,525)	86,640		(1,977)
Electric installations	-	-	-		
Power generator	1,280	-	10,007		
Office equipment	1,456	-	130		(103)
Factory equipment	-	-	-		-
Furniture and fixtures	690	-	692		(106)
Vehicles	387	(4,460)	17,223		(124)
Software (Intangible)	-	-	-		
Computers	59	-	-		
Capital work in progress	-	(239,005)			(108,105)
	<u>231,147</u>	<u>(257,990)</u>	<u>288,325</u>		<u>(110,415)</u>

	SEPTEMBER 30, 2019 (Un - Audited) ----- (Rupees in '000) -----	June 30, 2019 (Audited)
8. LONG TERM INVESTMENTS		
Investment in an associate	<u>31,583</u>	<u>31,642</u>
8.1 Investment in associate		
Cost	1,716	1,716
Share of post acquisition profits:		
Opening	29,926	25,068
Dividend received		(615)
Share of loss / profit from associate for the period	(59)	5,473
	<u>29,867</u>	<u>29,926</u>
	<u>31,583</u>	<u>31,642</u>
Number of shares held	68,654	68,654
Ownership interest	0.99%	0.99%
Market value (Rupees in '000)	13,995	15,486
Cost of investment (Rupees in '000)	1,716	1,716

	Three months ended	
	SEPTEMBER 30, 2019	SEPTEMBER 30, 2018
9. COST OF GOODS SOLD		
	Note	
Raw material consumed	10 <u>6,786,064</u>	5,926,367
Manufacturing expenses	2,316,242	1,944,390
Outside purchases	66,074	14,670
	<u>9,168,380</u>	7,885,427
Work in process		
Opening stock	845,787	811,992
Closing stock	(1,007,898)	(917,454)
	<u>(162,111)</u>	<u>(105,462)</u>
Cost of goods manufactured	<u>9,006,270</u>	7,779,965
Finished Goods		
Opening stock	1,341,417	1,098,374
Closing stock	(1,392,788)	(1,210,682)
	<u>(51,371)</u>	<u>(112,308)</u>
	<u>8,954,899</u>	7,667,657

10 Manufacturing expenses		
Salaries, wages and benefits	646,080	591,137
Fuel, water and power	895,080	642,959
Stores and spares consumed	290,238	264,952
Packing material consumed	169,317	178,818
Insurance	9,252	7,956
Repairs and maintenance	31,335	10,045
Rent, rate and taxes	1,690	767
Depreciation	252,961	233,752
Others	20,288	14,004
Rebate		-
	<u>2,316,242</u>	<u>1,944,390</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 Buksh) 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 ----- Three months ended	
		SEPTEMBER 30 2019	SEPTEMBER 30 2018
		----- (Rupees in '000) -----	
12.1	Transactions during the period		
	Relationship	Nature of transactions	
	Associate		
	Shareholding : 0.99% (Sunrays Textile Mills Ltd.)	Sale of yarn	- 22,532
		Received conversion cost	- 38,961
		Purchase of yarn	64,460 -
		Sep 30,	June 30,
		2019	2019
		(Un - Audited)	(Audited)
		----- (Rupees in '000) -----	
12.2	Balances with related parties		
	Associate - payable	Sunrays Textile Mills Ltd.	- 2,586
	Balances with other related parties due to common directorship		
	- Receivable	Indus Heart Land Ltd.	1,049 6
	- Payable	Riaz Cotton Factory	1,917 1,917
		Haji Moula Buksh Cotton Company	1,253 1,253

13 **DATE OF AUTHORISATION FOR ISSUE**

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

14. **GENERAL**

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

14.2 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



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COMPANY LIMITED**

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