



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**



Condensed Interim Financial Information
Half Year Ended July 01, 2019 to December 31, 2019
(Un-Audited)

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Company Profile

Board of Directors

| | | |
|----|----------------------|-----------------|
| 1 | Mr. Naveed Ahmed | Chairman |
| 2 | Mr. Shahzad Ahmed | Chief Executive |
| 3 | Mr. Riaz Ahmed | |
| 4 | Mr. Kashif Riaz | |
| 5 | Mr. Imran Ahmed | |
| 6 | Mr. Irfan Ahmed | |
| 7 | Mr. Shafqat Masood | |
| 8 | Mr. Shahwaiz Ahmed | |
| 9 | Sheikh Nishat Ahmed | |
| 10 | Mr. Farooq Hassan | |
| 11 | Ms. Azra Yaqub Vawda | |

Audit committee

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

Human resource and remuneration committee

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

Company secretary

Mr. Ahmed Faheem Niazi

Group Chief financial officer

Mr. Zahid Mahmood

Chief financial officer

Mr. Arif Abdul Majeed

Chief Internal auditor

Mr. Yaseen Hamidia

Legal Advisor

Mr. M. Yousuf Naseem (Advocates & Solicitors)

Registered office

Office # 508, Tel. 111 - 404 - 404
5th floor, Beaumont Plaza, Fax. 009221 - 35693593 - 4
Civil Lines Quarters, Karachi.

Symbol of the company IDYM

Website

www.indus-group.com

Auditors

M/s Deloitte Yousuf Adil
Chartered Accountants

Registrar & Share Transfer Office

JWAFPS Registrar (Pvt) Ltd.
407-408, Al - Ameer Centre, Tel. 35662023 - 24
Shahrah-e-Iraq, Saddar, Karachi. Fax. 35221192

Factory location

- | | | | |
|---|--|------|---------------------------------------|
| 1 | P1 S.I.T.E. Hyderabad, Sindh. | Tel. | 0223 - 880219 & 252 |
| 2 | Plot # 3 & 7, Sector - 25, Korangi Industrial Area, Karachi. | Tel. | 021- 35061577 - 9 |
| 3 | Muzaffergarh, Bagga Sher, District Multan. | Tel. | 0662 - 490202 - 205 |
| 4 | Indus Lyallpur Limited. 38th Kilometre, Shaikhupura Road, District Faisalabad. | Tel. | 041 - 4689235 - 6 |
| 5 | Indus Home Limited. 2.5 Kilometre, Off Manga Raiwind Road, Manga Mandi, Lahore. | Tel. | 042 - 35385021 - 7 111 - 404 - 405 |

DIRECTORS' REPORT FOR THE HALF YEAR ENDED DECEMBER 31, 2019

The directors of Indus Dyeing and Manufacturing Company Limited are pleased to present financial results of the Group's Consolidated Interim Financial Statements for the half year ended December 31st 2019.

FINANCIAL RESULTS

Consolidated turnover for the six months period ending on December 31, 2019 is Rs 20,019 million as compared to a turnover of Rs.17,489 million for the same period last year showing an increase of 14.46%. The company performed well during the half year under review but due to various challenges of increased raw cotton prices and other operational costs.

Following are the operating financial results:

| | First Quarter Ended Decmeber 31, 2019 (Rs. In Millions) | |
|-----------------------------|---|--------------|
| | 2019 | 2018 |
| Sales-Net | 20,019 | 17,489 |
| Gross Profit | 2,468 | 2,426 |
| Other Operating Income | 277 | 148 |
| Profit Before Taxation | 1,597 | 1,567 |
| Taxation | (293) | (264) |
| Net Profit After Tax | 1,304 | 1,303 |

REVIEW OF OPERATIONS

Sales increased by Rs. 2,530 million during the six months under review over the last corresponding period. But due to relatively more increase in raw material prices, minimum wages slab, distribution and administrative costs, the gross profit and net profit percentages could not be achieved similar to last year results. The towel unit's sales during the six months period ended December 31, 2019 were Rs. 3,948 million and contributed Rs. 418 million toward profits after tax in the above-mentioned consolidated results.

EARNINGS PER SHARE

On a consolidated basis, the earnings per share for the half year ended December 31, 2019 is Rs. 72.18 per share as compared to Rs. 72.10 per share over the previous corresponding period.

FUTURE PROSPECTS

The textile industry contributes 57% of total export volume and 8.5% of the GDP of Pakistan. Annual exports figure closed last year at USD 25 billion out of which USD 13.53 billion was from textile. The government must consider to facilitate the exporters by extending the DLT facility on yarn and reducing operational and borrowing costs. Pakistan need 15 million bales of cotton for textile consumption where as it produces only 10 million bales on average. In next five years demand will surge to 20 million bales which require special attention towards related agriculture sector including but not limited to availability of quality seeds and fertilizers at affordable rates. The management of the company is committed to perform well despite these challenges and produce profitable results for the upcoming quarters.

ACKNOWLEDGEMENT

The Directors acknowledge the contribution of each and every employee of the Group. 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 Officer

Karachi: February 29, 2020

انڈس ڈائینگ اینڈ مینوفیکچرنگ کمپنی لمیٹڈ

حصص یافتگان کے لئے ڈائریکٹرز کا جائزہ
ایٹرنل اینڈ اینڈ پیپرنگ کمپنی لمیٹڈ کے ڈائریکٹرز 31 دسمبر 2019 کو ختم ہونے والے ششماہی کیلئے گروپ کے مجموعی مالیاتی گوشواروں کے اہل نتائج پیش کرتے ہوئے سمرٹ محسوس کرتے ہیں۔

اسورگی حالت اور مالیاتی نتائج
31 دسمبر 2019 کو ختم ہونے والے چھ مہینوں کے لئے مجموعی حسابات اسی مدت کے لئے 20,019 ملین روپے کے مقابلہ میں پچھلے سال 17,489 ملین روپے جب کہ ٹیکس کے بعد منظم مجموعی منافع اسی مدت کے دوران 1,354 ملین روپے کے مقابلہ میں 1,303 ملین روپے جبکہ سیکلز میں 14.46 فیصد کا اضافہ ہوا۔ یعنی مختلف مشکلات جیسے کہ خام روٹی کی قیمتوں میں اضافہ اور دیگر آپریشنل اخراجات کے باوجود نظر ثانی کے تحت ششماہی کے دوران تسلی بخش کارکردگی دکھائی۔

آپریٹنگ مالیاتی نتائج متاثر و ذیل ہیں۔

| 31 دسمبر کو ختم ہونے والی ششماہی (روپے ملین میں) | | |
|--|--------|------------------|
| 2018 | 2019 | |
| 17,489 | 20,019 | کل فروخت |
| 2,426 | 2,468 | مجموعی نفع |
| 148 | 277 | دیگر فعال آمدنی |
| 1,567 | 1,597 | ٹیکس سے پہلے نفع |
| (264) | (293) | ٹیکس |
| 1,303 | 1,304 | ٹیکس کے بعد نفع |

جائزہ برائے افعال
پچھلے سال اسی مدت میں جائزہ کے تحت چھ مہینوں کے دوران سیکلز میں 2,530 ملین کا اضافہ ہوا۔ جبکہ اسی مدت کے دوران خام مال کی قیمتوں، کم سے کم تنخواہوں کے سلیب، تہیہ کاری اور انتظامی اخراجات میں مزید اضافہ ہوا۔ جسکی وجہ سے مجموعی منافع اور بعد از ٹیکس منافع میں پچھلے سال کی نسبت اضافہ حاصل نہ ہو سکا۔
31 دسمبر 2019 کو ختم ہونے والے چھ مہینوں کے دوران تالیہ اینڈ فریڈ کی فروخت 3,948 ملین روپے تھی اور اوپر بیان کئے گئے مجموعی نتائج میں ٹیکس کے بعد نفع میں 418 ملین روپے کی معاونت کی۔

فی حصص آمدنی

مجموعی بنیاد پر 31 دسمبر 2019 کو ختم ہونے والی ششماہی کے لئے فی حصص کمائی 72.18 روپے جبکہ پچھلے سال اسی مدت کے دوران فی حصص کمائی 72.10 تھی۔

مستقبل کے امکانات

یکسٹائل کی صنعت کل برآمدی حجم کا 57% اور پاکستان کا GDP کا 8.5% حصہ ڈالتی ہے۔ سالانہ برآمدات کا اعداد و شمار 25 ارب امریکی ڈالر پر بند ہوا جن میں سے 13.53 ملین ڈالر کا ٹیکسٹائل تھا۔ حکومت کو دھاگہ پر DLT ٹیکس میں توسیع کر کے اور آپریشنل اور قرض لینے والے اخراجات کو کم کر کے برآمد کنندگان کی سہولت پر غور کرنا چاہیے۔ پاکستان کو ٹیکسٹائل کے استعمال کے لئے 15 ملین گائٹھ کپاس کی ضرورت ہے جہاں وہ اوسطاً صرف 10 ملین گائٹھوں کی پیداوار کرتی ہے۔ اگلے پانچ سالوں میں طلب 20 ملین گائٹھوں تک پہنچ سکتی ہے جس میں متعلقہ زراعت کے شعبے کی طرف خصوصی توجہ کی ضرورت ہے جس میں سنبھنے زرخوں پر معیاری بیج اور کھاد کی دستیابی تک محدود نہیں ہے۔ کپھٹی کی انتظامیہ ان مشکلات کے باوجود بھی کارکردگی کا مظاہرہ کرنے والے لوگوں کے لئے منافع بخش نتائج پیش کرنے کے لئے پرعزم ہے۔

اظہار تشکر

ہم اپنی کپھٹی کے پر ملازم، مصارفین، بینکرز اور حصص یافتگان کے مشکور ہیں جنھوں نے کپھٹی کے مقاصد میں اپنا حصہ لیا اور ہم پر اعتماد کیا۔

منجانب

بورڈ کی جانب سے

Shadman

شہزاد احمد

چیف ایگزیکٹو آفیسر

کراچی تااریخ: 29 فروری، 2020

INDEPENDENT AUDITORS' REVIEW REPORT Report on review of unconsolidated condensed interim financial statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of Indus Dyeing and Manufacturing Company Limited (the Company) as at December 31, 2019 and the related unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of cash flows, unconsolidated condensed interim statement of changes in equity and notes to the unconsolidated condensed interim financial statements for the six months period then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial statements based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income and related notes for the three months period ended December 31, 2019 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2019.

The engagement partner on the review resulting in this independent auditor's review report is Nadeem Yousuf.



Chartered Accountants

Date: February 29, 2020

Place: Karachi

INDUS DYEING & MANUFACTURING COMPANY LIMITED


UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2019

| | December 31, 2019 (Un-Audited) | June 30, 2019 (Audited) | | December 31, 2019 (Un-Audited) | June 30, 2019 (Audited) |
|---|--------------------------------------|-------------------------------|---|--------------------------------------|-------------------------------|
| Note | ----- Rupees in '000' ----- | | Note | ----- Rupees in '000' ----- | |
| EQUITY AND LIABILITIES | | | ASSETS | | |
| Authorised share capital 45,000,000 ordinary shares of Rs. 10/- each | | | Non-current assets | | |
| | 450,000 | 450,000 | Property, plant and equipment | 6,501,162 | 6,677,739 |
| Share capital and reserves | | | Intangibles | 12,346 | 14,524 |
| Issued, Subscribed and Paid-up Capital | | | Long-term investments | 3,880,471 | 3,789,912 |
| 18,073,732 ordinary shares of Rs. 10/- each | 180,737 | 180,737 | Long-term deposits | 6,287 | 5,725 |
| Reserves | 7,000,000 | 7,000,000 | | 10,400,266 | 10,487,900 |
| Unappropriated profits | 5,856,449 | 5,322,368 | Current assets | | |
| | 13,037,186 | 12,503,105 | Stores, spares and loose tools | 312,340 | 314,889 |
| Non-current liabilities | | | Stock-in-trade | 7,029,601 | 6,384,163 |
| Long-term financing | 1,833,970 | 1,853,861 | Trade debts | 3,985,423 | 4,480,116 |
| Deferred liabilities | 452,287 | 461,775 | Loans and advances | 122,371 | 117,253 |
| | 2,286,257 | 2,315,636 | Trade deposits and short-term prepayments | 5,979 | 7,727 |
| Current liabilities | | | Other receivables | 42,445 | 39,313 |
| Trade and other payables | 3,104,180 | 2,387,171 | Other financial assets | 199,317 | 143,717 |
| Unclaimed dividend | 72,998 | 11,744 | Tax refundable | 478,642 | 566,396 |
| Interest / mark-up payable | 38,319 | 116,605 | Cash and bank balances | 251,804 | 175,510 |
| Short-term borrowings | 4,107,556 | 5,140,499 | | 12,427,922 | 12,229,084 |
| Current portion of long-term financing | 181,692 | 242,224 | | 22,828,188 | 22,716,984 |
| CONTINGENCIES AND COMMITMENTS | | | | | |
| | 7,504,745 | 7,898,243 | | | |
| | 22,828,188 | 22,716,984 | | | |

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.


Shahzad Ahmed
Chief Executive Officer


Imran Ahmed
Director


Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED


UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Six months period ended | | Three months period ended | |
|--|-----------------------------|--------------|---------------------------|--------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2019 | 2018 | 2019 | 2018 |
| Note | ----- Rupees in '000' ----- | | | |
| Sales - net | 14,885,334 | 12,135,108 | 7,267,417 | 5,571,502 |
| Cost of goods sold | (13,164,105) | (10,390,207) | (6,470,789) | (4,909,316) |
| Gross profit | 1,721,229 | 1,744,901 | 796,628 | 662,186 |
| Other income | 63,037 | 78,119 | 45,949 | 70,787 |
| | 1,784,266 | 1,823,020 | 842,577 | 732,973 |
| Distribution cost | (185,634) | (156,395) | (95,014) | (86,239) |
| Administrative expenses | (158,724) | (140,890) | (80,266) | (67,003) |
| Other operating expenses | (68,930) | (109,906) | (23,668) | (29,983) |
| Finance cost | (162,727) | (179,875) | (66,456) | (105,039) |
| Profit before taxation | 1,208,251 | 1,235,954 | 577,173 | 444,709 |
| Taxation | (222,327) | (194,992) | (142,628) | (146,462) |
| Profit after taxation | 985,924 | 1,040,962 | 434,545 | 298,247 |
| Earnings per share - Basic and diluted | 54.55 | 57.60 | 24.04 | 16.50 |

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.


Shahzad Ahmed
Chief Executive Officer


Imran Ahmed
Director

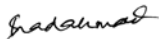

Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Six months period ended | | Three months period ended | |
|--|-------------------------|------------------|---------------------------|----------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2019 | 2018 | 2019 | 2018 |
| ----- Rupees in '000' ----- | | | | |
| Profit after taxation | 985,924 | 1,040,962 | 434,545 | 298,247 |
| Other comprehensive income | - | - | - | - |
| Total comprehensive income for the period | 985,924 | 1,040,962 | 434,545 | 298,247 |

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED


UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Capital | | Reserves | | | |
|---|---------------|----------------|-----------------|-------------------------|-----------|------------|
| | Share Premium | Merger Reserve | General Reserve | Un-appropriated Profits | | |
| Issued, subscribed and paid-up capital | | | | | | Total |
| ----- 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 six months period ended December 31, 2018 | - | - | - | - | 1,040,962 | 1,040,962 |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | - | 1,040,962 | 1,040,962 |
| Final cash dividend for the year ended June 30, 2018 @ Rs. 16/- per share | - | - | - | - | (289,180) | (289,180) |
| Balance at December 31, 2018 (Un-Audited) | 180,737 | 10,920 | 11,512 | 6,977,568 | 4,641,728 | 11,822,465 |
| 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 six months period ended December 31, 2019 | - | - | - | - | 985,924 | 985,924 |
| Other comprehensive income | - | - | - | - | - | - |
| Total comprehensive income | - | - | - | - | 985,924 | 985,924 |
| Transaction with owners: | | | | | | |
| Interim cash dividend for the year ended June 30, 2019 @ Rs. 25/- per share | - | - | - | - | (451,843) | (451,843) |
| Balance at December 31, 2019 (Un-Audited) | 180,737 | 10,920 | 11,512 | 6,977,568 | 5,856,449 | 13,037,186 |

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.


Shahzad Ahmed
Chief Executive Officer


Imran Ahmed
Director

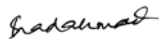

Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED


UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Six months period ended | |
|---|---------------------------|----------------------|
| | December 31, 2019 | December 31, 2018 |
| | -----Rupees in '000'----- | |
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 1,208,251 | 1,235,954 |
| Adjustments for non-cash items: | | |
| Depreciation of property, plant and equipment | 307,289 | 293,690 |
| Amortisation on intangibles | 2,178 | 2,129 |
| Provision for gratuity | 58,857 | 45,269 |
| Unrealised loss / (gain) on revaluation of foreign currency loans | (4,611) | 26,958 |
| Loss on revaluation of foreign currency debtors | 6,159 | 41,340 |
| Gain on disposal of property, plant and equipment | (5,597) | 4,615 |
| Gain on disposal of other financial assets | - | (573) |
| Gain on forward booking | (6,677) | - |
| Unrealised Gain/ (loss) on revaluation of other financial assets | (6,488) | 10,977 |
| Dividend income | (5,954) | (2,700) |
| Finance cost | 162,727 | 179,875 |
| Cash generated before working capital changes | 1,716,134 | 1,837,534 |
| Working capital changes | | |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | 2,549 | (54,425) |
| Stock in trade | (645,438) | (2,585,137) |
| Trade debts | 488,294 | 950,736 |
| Loans and advances | (43,340) | (38,417) |
| Trade deposits and short-term prepayments | 1,748 | (5,832) |
| Other receivables | (3,132) | 14,624 |
| | (199,319) | (1,718,451) |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 646,028 | 243,791 |
| Short Term Borrowings | 822,847 | - |
| Cash generated from operations | 2,985,690 | 362,874 |
| Income taxes paid | (112,941) | (121,249) |
| Finance cost paid | (241,013) | (139,286) |
| Gratuity paid | (30,166) | (26,089) |
| Net cash generated from / (used in) operating activities | 2,601,570 | 76,250 |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments made for acquisition of property, plant and equipment | (147,225) | (240,658) |
| Payment for advance against shares | (90,559) | - |
| Proceeds from disposal of property, plant and equipment | 22,110 | 4,326 |
| Proceeds from disposal of other financial assets | 56,946 | 13,128 |
| Increase in long term deposits | (562) | (21) |
| Payment made for investment in other financial assets | (106,058) | (6,611) |
| Dividend received | 5,954 | 2,700 |
| Net cash used in investing activities | (259,393) | (227,136) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term financing | 71,360 | 114,812 |
| Repayment of long-term financing | (151,783) | (212,800) |
| Dividend paid | (390,589) | (248,536) |
| Net cash used in financing activities | (471,012) | (346,524) |
| Net increase / (decrease) in cash and cash equivalents (A+B+C) | 1,871,165 | (497,410) |
| Cash and cash equivalents at beginning of the period | (3,369,701) | (4,478,485) |
| Cash and cash equivalents at end of the period | (1,498,536) | (4,975,895) |
| CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 251,804 | 131,909 |
| Short-term running finance | (1,754,951) | (5,134,762) |
| Effect of exchange rate changes on cash and cash equivalents | 4,611 | 26,958 |
| | (1,498,536) | (4,975,895) |

The annexed explanatory notes from 1 to 14 form an integral part of these condensed interim financial statements.



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 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 (subsequently replaced by repealed Companies Ordinance, 1984 and now Companies Act, 2017). 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 comprise 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 do 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 are 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 statements for the six months period ended December 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, 2019 except for as disclosed in note 3.3.

- 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 Changes in accounting standards, amendments / interpretations and IFRSs which are effective during the half year ended December 31, 2019.

3.3.1 First time adoption of IFRS 16-Leases

During the period IFRS 16-Leases is applicable to the company. IFRS 16 replaces IAS 17 "Accounting For Leases" and related interpretations and set out the principles for recognition, measurement, presentation and disclosure of leases. The standard introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short term leases and leases for Low-value items. An entity does not need to apply IFRS 16 to existing contracts that did not meet the definition of a lease applying the requirements of IAS 17 and IFRIC 4.

During the period, management implemented requirements of IFRS 16, but has not recognized any lease liability and corresponding right of use asset because the existing contract of rent is about to expire in next 6 months that is excluded from the requirements of the said IFRS.

Therefore there is no impact on statement of financial position and profit or loss account for the period ended December 31, 2019.

| | December 31, 2019 (Un-Audited) -----Rupees in '000'----- | June 30, 2019 (Audited) |
|---|---|-------------------------------|
| 4. CONTINGENCIES AND COMMITMENTS | | |
| 4.1 Contingencies | | |
| 4.1.1 Claim of arrears of social security contribution not acknowledged. Appeal is pending in the Honorable High Court of Sindh. The management is hopeful for favorable outcome. | <u>453</u> | <u>453</u> |
| 4.1.2 Guarantees issued by banks in favour of custom authorities on behalf of the Company | <u>3,817</u> | <u>3,817</u> |
| 4.1.3 Guarantees issued by banks in favour of gas / electric companies | <u>104,491</u> | <u>104,768</u> |
| 4.1.4 Bank guarantees against payment of infrastructure cess | <u>377,452</u> | <u>354,452</u> |

- 4.1.5 Contingencies are not materially changed as disclosed in the note 12.1 to the annual financial statements for the year ended June 30, 2019.

| | December 31, 2019 (Un-Audited) -----Rupees in '000'----- | June 30, 2019 (Audited) |
|--|---|-------------------------------|
| 4.2 Commitments | | |
| Letters of credit for raw material and stores and spares | <u>2,323,153</u> | <u>270,405</u> |
| Letters of credit for property, plant and equipment | <u>149,005</u> | <u>24,622</u> |
| Sales contracts to be executed | <u>1,254,174</u> | <u>2,697,132</u> |

| 5. PROPERTY, PLANT AND EQUIPMENT | | | |
|---|-----|------------------|------------------|
| Operating fixed assets - owned | 5.1 | <u>6,369,249</u> | 6,584,413 |
| Capital work in progress | 5.2 | <u>131,913</u> | 93,326 |
| | | <u>6,501,162</u> | <u>6,677,739</u> |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

December 31,
2019
(Un-Audited)
-----Rupees in '000'-----

June 30,
2019
(Audited)

5.1 Operating fixed assets - owned

| | | |
|--|-----------|-----------|
| Opening written down value | 6,584,413 | 6,295,541 |
| Additions during the period / year | | |
| Factory building | - | 57,887 |
| Plant and machinery | 81,239 | 710,746 |
| Electric installations | 6,580 | 17,897 |
| Power generators | 4,780 | 86,133 |
| Office equipment | 1,660 | 533 |
| Furniture and fixtures | 850 | 2,215 |
| Vehicles | 13,529 | 62,056 |
| | 108,638 | 937,467 |
| Written down value of property, plant and equipment disposed off | (16,513) | (36,064) |
| Depreciation charged during the period / year | (307,289) | (612,531) |
| | 6,369,249 | 6,584,413 |

5.2 Capital work in progress

| | | |
|------------------------------------|----------|-----------|
| Opening balance | 93,326 | 15,038 |
| Additions during the period / year | 76,451 | 506,227 |
| Transfers during the period / year | (37,864) | (427,939) |
| | 131,913 | 93,326 |

6. SHORT-TERM BORROWINGS - Banking companies - secured

| | | |
|--------------------------|-----------|-----------|
| Running finance | 1,754,951 | 3,610,741 |
| Foreign currency finance | 2,352,605 | 1,529,758 |
| | 4,107,556 | 5,140,499 |

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 |
| Advance against shares - Indus Wind Energy Limited | 150,791 | 60,232 |
| | 3,880,471 | 3,789,912 |

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) | 40,000 | 40,000 |
| | 3,716,204 | 3,716,204 |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| ----- (Un-Audited) ----- | | | |
|-----------------------------|----------------------|---------------------------|----------------------|
| Six months period ended | | Three months period ended | |
| December 31, 2019 | December 31, 2018 | December 31, 2019 | December 31, 2018 |
| ----- Rupees in '000' ----- | | | |

8. COST OF GOODS SOLD

| | | | | |
|----------------------------|-------------------|-------------------|------------------|------------------|
| Raw material consumed | 10,436,368 | 8,492,683 | 5,273,031 | 4,030,804 |
| Manufacturing expenses | 2,692,830 | 2,008,180 | 1,305,261 | 946,339 |
| Outside purchases | 100,923 | 55,232 | 34,849 | 40,562 |
| | 13,230,121 | 10,556,095 | 6,613,141 | 5,017,705 |
| Work in process | | | | |
| Opening stock | 269,740 | 242,775 | 294,841 | 287,984 |
| Closing stock | (299,503) | (275,129) | (299,502) | (275,129) |
| | (29,763) | (32,354) | (4,661) | 12,855 |
| Cost of goods manufactured | 13,200,358 | 10,523,741 | 6,608,480 | 5,030,560 |
| Finished Goods | | | | |
| Opening stock | 774,412 | 531,034 | 672,975 | 543,324 |
| Closing stock | (810,666) | (664,568) | (810,666) | (664,568) |
| | (36,254) | (133,534) | (137,691) | (121,244) |
| | 13,164,105 | 10,390,207 | 6,470,789 | 4,909,316 |

| ----- (Un-Audited) ----- | | | |
|-----------------------------|----------------------|---------------------------|----------------------|
| Six months period ended | | Three months period ended | |
| December 31, 2019 | December 31, 2018 | December 31, 2019 | December 31, 2018 |
| ----- Rupees in '000' ----- | | | |

8.1 Manufacturing expenses

| | | | | |
|------------------------------|------------------|------------------|------------------|----------------|
| Salaries, wages and benefits | 777,664 | 672,171 | 404,516 | 326,340 |
| Fuel, water and power | 1,166,679 | 669,867 | 581,096 | 279,021 |
| Stores and spares consumed | 248,866 | 208,455 | 126,372 | 126,293 |
| Packing material consumed | 166,651 | 144,595 | 85,311 | 54,109 |
| Insurance | 2,433 | 7,730 | (1,314) | 4,905 |
| Repairs and maintenance | 26,343 | 12,204 | 16,322 | 5,482 |
| Rent, rate and taxes | 955 | 731 | (225) | (36) |
| Depreciation | 291,642 | 277,748 | 146,213 | 139,191 |
| Others | 11,597 | 14,679 | (53,030) | 11,034 |
| | 2,692,830 | 2,008,180 | 1,305,261 | 946,339 |

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:

| | | Six months period ended | |
|--|-------------------------------|--------------------------------|--------------|
| | | December 31 | December 31 |
| | | 2019 | 2018 |
| | | (Un-Audited) | (Un-Audited) |
| | | ----- Rupees in '000' ----- | |
| 10.1 Transactions during the period | | | |
| Relationship with the Company | Nature of transactions | | |
| Subsidiaries | Sale of yarn | 80,328 | 9,926 |
| | Received yarn conversion cost | 235,635 | 182,954 |
| | Paid yarn conversion cost | 20,013 | 22,088 |
| | Received doubling cost | 4,624 | - |
| Key management personnel | Remuneration paid | 53,146 | 30,262 |
| | | December 31, | June 30, |
| | | 2019 | 2019 |
| | | (Un-Audited) | (Audited) |
| | | ----- Rupees in '000' ----- | |
| 10.2 Balances with related parties: | | | |
| Subsidiaries - receivable | | 580,333 | 16,766 |
| Subsidiaries - advance | | 150,791 | 60,232 |
| Subsidiaries - payable | | - | 15,925 |
| Associate - payable | | 7,842 | 4,668 |

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).

INDUS DYEING & MANUFACTURING COMPANY LIMITED

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 | Fair value through Other Comprehensive Income | Amortized cost | Total | Level 1 | Level 2 | Level 3 Total |
| ----- As at December 31, 2019 (Un-Audited) ----- | | | | | | | |
| ----- (Rupees in '000) ----- | | | | | | | |
| Financial assets measured at fair value | | | | | | | |
| Other financial assets | 199,317 | - | - | 199,317 | 199,317 | - | - 199,317 |
| Financial assets not measured at fair value (note 11.1) | | | | | | | |
| Long-term deposits | - | - | 6,287 | 6,287 | | | |
| Trade debts | - | - | 3,985,423 | 3,985,423 | | | |
| Loans to staff | - | - | 28,800 | 28,800 | | | |
| Trade deposits | - | - | 5,979 | 5,979 | | | |
| Other receivables | - | - | 42,445 | 42,445 | | | |
| Bank balances | - | - | 242,076 | 242,076 | | | |
| Cash in Hand | - | - | 9,727 | 9,727 | | | |
| | - | - | 4,320,737 | 4,320,737 | | | |
| Financial liabilities not measured at fair value (note 11.1) | | | | | | | |
| Long-term financing | - | - | 2,015,662 | 2,015,662 | | | |
| Trade and other payables | - | - | 3,033,199 | 3,033,199 | | | |
| Short-term borrowings | - | - | 4,107,556 | 4,107,556 | | | |
| Interest / mark-up payable | - | - | 38,319 | 38,319 | | | |
| | - | - | 9,194,736 | 9,194,736 | | | |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

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 | Fair value through Other Comprehensive Income | Amortized cost | Total | Level 1 | Level 2 | Level 3 Total |
| ----- As at June 30, 2019 (Audited) ----- | | | | | | | |
| ----- (Rupees in '000) ----- | | | | | | | |
| Financial assets measured at fair value | | | | | | | |
| Other financial assets | 87,617 | 56,100 | - | 143,717 | 87,617 | - | - 87,617 |
| Financial assets not measured at fair value (note 11.1) | | | | | | | |
| Long-term deposits | - | - | 5,725 | 5,725 | | | |
| Trade debts | - | - | 4,480,116 | 4,480,116 | | | |
| Loans and advances | - | - | 26,716 | 26,716 | | | |
| Trade deposits | - | - | - | - | | | |
| Other receivables | - | - | 39,313 | 39,313 | | | |
| Bank balances | - | - | 170,622 | 170,622 | | | |
| Cash in Hand | - | - | 4,888 | 4,888 | | | |
| | - | - | 4,727,380 | 4,727,380 | | | |
| Financial liabilities not measured at fair value (note 11.1) | | | | | | | |
| Long-term financing | - | - | 2,096,085 | 2,096,085 | | | |
| Trade and other payables | - | - | 11,744 | 11,744 | | | |
| Unclaimed dividends | - | - | 5,140,499 | 5,140,499 | | | |
| Short-term borrowings | - | - | 116,605 | 116,605 | | | |
| Interest / mark-up payable | - | - | 8,088,084 | 8,088,084 | | | |

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 February 29, 2020 by the Board of Directors of the Company.

13 SUBSEQUENT EVENT

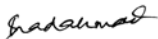
The Board of Directors Proposed an interim cash dividend for the year ended June 30, 2020 of Rs 15 per share (2019: 16 per share) at their meeting held on January 3, 2020 for approval of members at the Annual General Meeting. These financial statements do not reflect this dividend payable which will be accounted for in the period in which it is approved.

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.

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



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

The background of the page features a large, stylized geometric pattern. It consists of a large, dark grey triangle pointing downwards, which is filled with a pattern of smaller, overlapping triangles in various shades of grey and black. The left side of the page is filled with a pattern of thin, parallel, light grey lines that converge towards the top right corner.

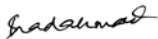
**Condensed Interim Financial Information
Half Year Ended July 01, 2019 to December 31, 2019
(Un-Audited)**

INDUS DYEING & MANUFACTURING COMPANY LIMITED


CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED) AS AT DECEMBER 31, 2019

| | Note | December 31, 2019 (Un-Audited) | June 30, 2019 (Audited) | | Note | December 31, 2019 (Un-Audited) | June 30, 2019 (Audited) |
|--|------|--------------------------------------|-------------------------------|--|------|--------------------------------------|-------------------------------|
| | | ----- Rupees in '000' ----- | ----- Rupees in '000' ----- | | | ----- Rupees in '000' ----- | ----- 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 <input type="checkbox"/> 7 | | 12,908,422 | 11,724,965 |
| Share capital and reserves | | | | Intangibles | | 13,695 | 16,112 |
| Issued, subscribed and paid-up capital | | | | Long-term investments | 8 | 33,452 | 31,642 |
| 18,073,732 ordinary shares of Rs. 10/- each | | 180,737 | 180,737 | Long-term deposits | | 17,568 | 24,065 |
| Reserves | | 7,000,672 | 7,000,691 | | | 12,973,137 | 11,796,784 |
| Unappropriated profit | | 9,219,212 | 8,362,963 | | | | |
| | | 16,400,621 | 15,544,391 | | | | |
| Non-current liabilities | | | | Current assets | | | |
| Long-term financing | | 3,791,567 | 2,853,967 | Stores, spares and loose tools | | 742,089 | 602,625 |
| Deferred liabilities | | 600,955 | 655,239 | Stock-in-trade | | 11,480,013 | 9,179,288 |
| | | 4,392,522 | 3,509,206 | Trade debts | | 4,819,268 | 6,482,457 |
| Current liabilities | | | | Loans and advances | | 243,272 | 199,416 |
| Trade and other payables | | 4,090,156 | 3,377,094 | Trade deposits and short-term prepayments | | 59,780 | 30,394 |
| Unclaimed dividend | | 72,998 | 11,744 | Other receivables | | 158,088 | 117,185 |
| Interest / mark-up payable | | 68,645 | 166,309 | Other financial assets | | 863,085 | 544,963 |
| Short-term borrowings | | 7,760,442 | 7,696,456 | Tax refundable | | 1,069,130 | 895,717 |
| Current portion of long-term financing | | 305,794 | 323,466 | Cash and bank balances | | 683,316 | 779,837 |
| | | 12,298,035 | 11,575,069 | | | 20,118,041 | 18,831,882 |
| CONTINGENCIES AND COMMITMENTS | 5 | | | | | 33,091,178 | 30,628,666 |
| | | <u>33,091,178</u> | <u>30,628,666</u> | | | <u>33,091,178</u> | <u>30,628,666</u> |

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED


CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Six months period ended | | Three months period ended | |
|---|-----------------------------|------------------|---------------------------|----------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2019 | 2018 | 2019 | 2018 |
| Note | ----- Rupees in '000' ----- | | | |
| Sales - net | 20,019,267 | 17,488,655 | 9,931,190 | 8,414,982 |
| Cost of goods sold | 9 (17,550,900) | (15,062,558) | (8,596,001) | (7,394,901) |
| Gross profit | 2,468,367 | 2,426,097 | 1,335,189 | 1,020,081 |
| Other income | 276,891 | 148,311 | 200,639 | 117,069 |
| | 2,745,258 | 2,574,408 | 1,535,828 | 1,137,150 |
| Distribution cost | (413,615) | (325,275) | (233,684) | (171,789) |
| Administrative expenses | (372,803) | (251,763) | (222,142) | (131,127) |
| Other operating expenses | (101,575) | (162,027) | (51,816) | (65,103) |
| Finance cost | (263,791) | (271,003) | (129,816) | (157,651) |
| | 1,593,475 | 1,564,340 | 898,371 | 611,480 |
| Share of profit from Associate - net of tax | 3,526 | 2,728 | 3,585 | 1,118 |
| Profit before taxation | 1,597,001 | 1,567,068 | 901,956 | 612,598 |
| Taxation | 10 (292,517) | (263,990) | (231,247) | (188,179) |
| Profit after taxation | 1,304,484 | 1,303,078 | 670,709 | 424,419 |
| Earnings per share - Basic and diluted | 72.18 | 72.10 | 37.11 | 23.48 |

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.


Shahzad Ahmed
Chief Executive Officer


Imran Ahmed
Director

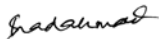

Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED


CONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Six months period ended | | Three months period ended | |
|--|-----------------------------|------------------|---------------------------|----------------|
| | December 31, | December 31, | December 31, | December 31, |
| | 2019 | 2018 | 2019 | 2018 |
| | ----- Rupees in '000' ----- | | | |
| Profit after taxation | 1,304,484 | 1,303,078 | 670,709 | 424,419 |
| Other comprehensive income | (19) | | (7) | |
| Total comprehensive income for the period | 1,304,465 | 1,303,078 | 670,702 | 424,419 |

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED


CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS AND THREE MONTHS ENDED DECEMBER 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, 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 half year ended December 31, 2018 | - | - | - | - | - | 1,303,078 | 1,303,078 |
| Exchange gain on translation of foreign subsidiary | - | - | - | 312 | - | - | 312 |
| Total comprehensive income for the period | - | - | - | 312 | - | 1,303,078 | 1,303,390 |
| Transactions with owners recorded directly in equity | | | | | | | |
| Final cash dividend for the year ended June 30, 2018 @ Rs. 16/- per share | - | - | - | - | - | (289,190) | (289,190) |
| Balance at December 31, 2018 (unaudited) | 180,737 | 10,920 | 11,512 | 469 | 6,977,568 | 7,342,263 | 14,523,469 |
| 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 half year ended December 31, 2019 | - | - | - | - | - | 1,304,484 | 1,304,484 |
| Exchange gain/(Loss) on translation of foreign subsidiary | - | - | - | (19) | - | - | (19) |
| Total comprehensive income for the period | - | - | - | (19) | - | 1,304,484 | 1,304,465 |
| Transactions with owners recorded directly in equity | | | | | | | |
| Interim cash dividend for the year ended June 30, 2019 @ Rs. 25/- per share | - | - | - | - | - | (448,235) | (448,235) |
| Balance at December 31, 2019 (unaudited) | 180,737 | 10,920 | 11,512 | 672 | 6,977,568 | 9,219,212 | 16,400,621 |

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial statements.


Shahzad Ahmed
Chief Executive Officer


Imran Ahmed
Director


Arif Abdul Majeed
Chief Financial Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

| | Six months period ended | |
|--|---------------------------|----------------------|
| | December 31, 2019 | December 31, 2018 |
| | -----Rupees in '000'----- | |
| A. CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 1,593,475 | 1,567,068 |
| Adjustments for non-cash items: | | |
| Depreciation and Amortization | 512,199 | 497,373 |
| Provision for gratuity | 99,488 | 71,651 |
| Share of profit from Associate | (3,613) | (2,728) |
| Unrealised (gain) / loss on revaluation of foreign currency loans | (4,611) | 26,958 |
| Gain on Forward Booking | (6,678) | - |
| Gain on disposal of property, plant and equipment | (1,368) | 15,997 |
| Unrealised gain / (loss) on revaluation of foreign debtors | 6,159 | - |
| Unrealised gain / (loss) on revaluation of other financial assets | (19,373) | 18,783 |
| Finance cost | 263,791 | 271,003 |
| Dividend income | (2,341) | (2,082) |
| Cash generated before working capital changes | 2,437,128 | 2,464,023 |
| Working capital changes | | |
| (Increase) / decrease in current assets | | |
| Stores, spares and loose tools | (139,464) | (100,400) |
| Stock in trade | (2,300,725) | (3,101,208) |
| Trade debts | 1,663,189 | 862,921 |
| Loans and advances | (43,856) | (86,518) |
| Increase in Long Term Deposits | 6,497 | (21) |
| Trade deposits and short-term prepayments | (29,386) | (5,242) |
| Other receivables | (40,903) | 15,545 |
| | (884,648) | (2,414,923) |
| Increase / (decrease) in current liabilities | | |
| Trade and other payables | 642,081 | 366,057 |
| Short Term Borrowing | 376,884 | - |
| Cash generated from operations | 2,571,445 | 415,157 |
| Income taxes paid | (183,862) | (187,871) |
| Finance cost paid | (361,388) | (214,328) |
| Gratuity paid | (147,898) | (56,406) |
| Net cash generated from / (used in) operating activities | 1,878,297 | (43,448) |
| B. CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Payments made for acquisition of property, plant and equipment | (1,742,070) | (845,780) |
| Proceeds from disposal of property, plant and equipment | 49,731 | 6,178 |
| Proceeds from disposal of other financial assets | 53,511 | 13,128 |
| | 6,497 | (6,611) |
| Purchase of Other Financial Assets | (355,558) | (877,556) |
| Dividend received | 2,341 | 2,082 |
| Net cash used in investing activities | (1,985,548) | (1,708,559) |
| C. CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Proceeds from long-term financing | 1,108,187 | 478,120 |
| Long term finance repaid -net | (188,259) | (230,719) |
| Dividend paid | (390,589) | (248,535) |
| Net cash used in financing activities | 529,339 | (1,134) |
| Net decrease in cash and cash equivalent (A+B+C) | 422,088 | (1,753,141) |
| Cash and cash equivalents at beginning of the period | (4,046,998) | (6,268,971) |
| Effects of exchange rate changes on cash and cash equivalents | - | 312 |
| Cash and cash equivalents at end of the period | (3,624,910) | (8,021,800) |
| CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 683,316 | 240,421 |
| Short-term running finance | (4,312,837) | (8,289,179) |
| Effect of exchange rate changes on cash and cash equivalents | 4,611 | 26,958 |
| | (3,624,910) | (8,021,800) |



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 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, Sheikhupura 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 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 consolidated condensed interim financial statements are the same as those applied in the preparation of the annual audited consolidated financial statements of the Group for the year ended June 30, 2019.

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, 2019.

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, 2019.

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, 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 six months period ended December 31, 2018.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| | December 31, 2019 (Un-Audited) ----- (Rupees in '000)----- | June 30, 2019 (Audited) |
|---|---|-------------------------------|
| 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. | <u>453</u> | <u>453</u> |
| Bank guarantees in favour of Collector of Customs on behalf of the Group | <u>3,817</u> | <u>3,817</u> |
| Guarantees issued by banks in favour of gas and electric distribution companies | <u>188,799</u> | <u>300,827</u> |
| Bank guarantees against payment of infrastructure cess | <u>608,195</u> | <u>439,696</u> |
| Bank guarantees in favour of Government of Sindh | <u>24</u> | <u>-</u> |
| Bank guarantees in favour of Pakistan State Oil Company Limited | <u>-</u> | <u>8,750</u> |
| 6.2 Commitments | | |
| Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases | <u>3,971,061</u> | <u>1,691,395</u> |
| Civil work contracts | <u>-</u> | <u>2,086</u> |
| Post dated cheques in favour of Revenue Department - Government of Pakistan | <u>396,728</u> | <u>969,414</u> |
| Sales contract to be executed | <u>2,394,702</u> | <u>2,437,020</u> |

7. PROPERTY, PLANT AND EQUIPMENT

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

| | ----- Un-Audited ----- Six months ended | | | |
|------------------------------|--|--|--------------------------|--|
| | December 31, 2019 | | December 31, 2018 | |
| | Additions / Transfers | Disposal at carrying value / transfers | Additions / Transfers | Disposal at carrying value / transfers |
| ----- (Rupees in '000) ----- | | | | |
| Assets | | | | |
| Free hold land | - | - | 143,247 | - |
| Factory building | - | - | 6,958 | - |
| Non factory building | 208,773 | - | 30,386 | - |
| Office building | - | - | - | - |
| Plant and machinery | 81,239 | (10,865) | 98,413 | (18,672) |
| Electric installations | 6,580 | - | - | - |
| Power generator | 4,780 | - | 4,345 | (3,166) |
| Office equipment | 1,735 | - | - | (103) |
| Factory equipment | - | - | 800 | - |
| Furniture and fixtures | 2,111 | - | 2,643 | (115) |
| Vehicles | 28,780 | (5,648) | 39,151 | (172) |
| Computers | 361 | - | 674 | - |
| Capital work in progress | 1,425,066 | - | - | (113,382) |
| | <u>1,759,425</u> | <u>(16,513)</u> | <u>326,617</u> | <u>(135,610)</u> |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| | | December 31, 2019 (Unaudited) ----- (Rupees in '000) ----- | June 30, 2019 (Audited) |
|------------|---|---|-------------------------------|
| 8. | LONG TERM INVESTMENTS | Note | |
| | Investment in an associate | 8.1 | 31,642 |
| | | | <u>33,539</u> |
| 8.1 | Investment in associate | | |
| | Cost | | 1,716 |
| | Share of post acquisition profits: | | |
| | Opening | | 25,068 |
| | Dividend received | | (615) |
| | Share of profit from associate for the period | | 5,473 |
| | | | <u>29,926</u> |
| | | | <u>31,736</u> |
| | | | <u>33,452</u> |
| | Number of shares held | | 68,654 |
| | Ownership interest | | 0.99% |
| | Market value (Rupees in '000) | | 15,486 |
| | Cost of investment (Rupees in '000) | | 1,716 |

| | | ----- Un-Audited ----- | | | |
|-----------|----------------------------|------------------------------|--------------------------|--------------------------|-------------------------|
| | | Six months ended | | Three months ended | |
| | | December 31, 2019 | December 31, 2018 | December 31, 2019 | December 31, 2018 |
| | | ----- (Rupees in '000) ----- | | | |
| 9. | COST OF GOODS SOLD | Note | | | |
| | Raw material consumed | | 12,858,214 | 11,380,239 | 6,072,150 |
| | Manufacturing expenses | 9.1 | 4,618,199 | 3,842,303 | 2,301,958 |
| | Outside purchases | | 360,135 | 62,532 | 294,061 |
| | | | <u>17,836,547</u> | <u>15,285,074</u> | <u>8,668,168</u> |
| | Work in process | | | | |
| | Opening stock | | 845,787 | 811,992 | 1,007,898 |
| | Closing stock | | (1,079,447) | (775,743) | (1,079,447) |
| | | | <u>(233,658)</u> | <u>36,249</u> | <u>(71,549)</u> |
| | Cost of goods manufactured | | <u>17,602,888</u> | <u>15,321,323</u> | <u>8,596,620</u> |
| | Finished Goods | | | | |
| | Opening stock | | 1,341,416 | 1,098,374 | 1,392,788 |
| | Closing stock | | (1,393,407) | (1,357,139) | (1,393,407) |
| | | | <u>(51,990)</u> | <u>(258,765)</u> | <u>(619)</u> |
| | | | <u>17,550,900</u> | <u>15,062,558</u> | <u>8,596,001</u> |
| | | | <u><u>17,550,900</u></u> | <u><u>15,062,558</u></u> | <u><u>8,596,001</u></u> |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| Note | ----- Un-Audited ----- | | | |
|-----------------------------------|------------------------------|----------------------|----------------------|----------------------|
| | Six months ended | | Three months ended | |
| | December 31, 2019 | December 31, 2018 | December 31, 2019 | December 31, 2018 |
| | ----- (Rupees in '000) ----- | | | |
| 9.1 Manufacturing expenses | | | | |
| Salaries, wages and benefits | 1,338,970 | 1,163,798 | 692,890 | 572,661 |
| Fuel, water and power | 1,553,587 | 1,202,649 | 658,507 | 559,690 |
| Stores and spares consumed | 659,691 | 576,125 | 369,453 | 311,173 |
| Packing material consumed | 369,638 | 326,408 | 200,321 | 147,590 |
| Insurance | 12,781 | 17,871 | 3,529 | 9,915 |
| Repairs and maintenance | 82,002 | 38,623 | 50,667 | 28,578 |
| Rent, rate and taxes | 1,415 | 730 | (275) | (37) |
| Depreciation | 559,683 | 468,198 | 306,722 | 234,446 |
| Others | 40,432 | 47,901 | 20,144 | 33,897 |
| Rebate | - | - | - | - |
| | 4,618,199 | 3,842,303 | 2,301,958 | 1,897,913 |
| | 4,618,199 | 3,842,303 | 2,301,958 | 1,897,913 |

10. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In this 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.

11. 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:

| 11.1 Transactions during the period | Relationship | Nature of transactions | ----- Un-Audited ----- | |
|---|--|-------------------------------|------------------------------|---------------------|
| | | | Six months ended | |
| | | | December,31 2019 | December,31 2018 |
| ----- (Rupees in '000) ----- | | | | |
| | Associate | Purchase of yarn | - | 26,790 |
| | | Sale of Yarn | 40,173 | - |
| | | Received yarn conversion cost | 49,159 | 47,527 |
| | | Received yarn doubling cost | 420 | - |
| | | Paid yarn doubling cost | 622 | - |
| | | | December 31, 2019 | June 30, 2019 |
| | | | (Un-Audited) | (Audited) |
| 11.2 Balances with related parties | | | ----- (Rupees in '000) ----- | |
| | Associate - payable | | 6,589 | 2,586 |
| | Associate - receivable | | - | 6 |
| | Balances with other related parties due to common directorship | | | |
| | - Payable | | 1,253 | 3,170 |

12. 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 | Fair Value through OCI | Amortized cost | Total | Level 1 | Level 2 | Level 3 | Total |
| ----- As at December 31, 2019 (Un-Audited) ----- | | | | | | | | |
| ----- (Rupees in '000) ----- | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Other financial assets | 863,085 | - | - | 863,085 | 863,085 | - | - | 863,085 |
| Financial assets not measured at fair value | | | | | | | | |
| 12.1 | | | | | | | | |
| Long-term deposits | - | 17,568 | - | 17,568 | | | | |
| Trade debts | - | 4,819,268 | - | 4,819,268 | | | | |
| Loans to Staff | - | 43,350 | - | 43,350 | | | | |
| Trade deposits | - | 59,780 | - | 59,780 | | | | |
| Other receivables | - | 158,088 | - | 158,088 | | | | |
| Bank balances | - | 683,316 | - | 683,316 | | | | |
| | - | 5,781,370 | - | 5,781,370 | | | | |
| Financial liabilities not measured at fair value | | | | | | | | |
| 12.1 | | | | | | | | |
| Long-term financing | | | 4,097,361 | 4,097,361 | | | | |
| Trade and other payables | | | 4,019,175 | 4,019,175 | | | | |
| Short-term borrowings | | | 7,760,442 | 7,760,442 | | | | |
| Interest / mark-up payable | | | 68,645 | 68,645 | | | | |
| | | | 15,945,623 | 15,945,623 | | | | |

INDUS DYEING & MANUFACTURING COMPANY LIMITED

| | Carrying Amount | | | | Fair Value | | | |
|---|------------------------------------|------------------------|----------------|------------|------------|---------|---------|---------|
| | Fair value through profit and loss | Fair Value through OCI | Amortized cost | Total | Level 1 | Level 2 | Level 3 | Total |
| As at June 30, 2019 (Un-Audited) | | | | | | | | |
| (Rupees in '000) | | | | | | | | |
| Financial assets measured at fair value | | | | | | | | |
| Other financial assets | 87,617 | 86,600 | 370,746 | 544,963 | 174,217 | - | - | 174,217 |
| Financial assets not measured at fair value | | | | | | | | |
| 12.1 | | | | | | | | |
| Long-term deposits | - | 24,065 | - | 24,065 | | | | |
| Trade debts | - | 6,482,457 | - | 6,482,457 | | | | |
| Loans to staff | - | 42,009 | - | 42,009 | | | | |
| Other receivables | - | 117,185 | - | 117,185 | | | | |
| Bank balances | - | 779,837 | - | 779,837 | | | | |
| | - | 7,445,553 | - | 7,445,553 | | | | |
| Financial liabilities not measured at fair value | | | | | | | | |
| 12.1 | | | | | | | | |
| Long-term financing | - | - | 3,177,433 | 3,177,433 | | | | |
| Trade and other payables | - | - | 1,951,305 | 1,951,305 | | | | |
| Unclaimed dividend | - | - | 11,744 | 11,744 | | | | |
| Short-term borrowings | - | - | 7,696,456 | 7,696,456 | | | | |
| Interest / mark-up payable | - | - | 166,309 | 166,309 | | | | |
| | - | - | 13,003,247 | 13,003,247 | | | | |

- 12.1 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.

13 DATE OF AUTHORISATION FOR ISSUE

This consolidated condensed interim financial information was authorised for issue on February 29, 2020 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.



Shahzad Ahmed
Chief Executive Officer



Imran Ahmed
Director



Arif Abdul Majeed
Chief Financial Officer



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