



# **TATA TEXTILE MILLS LIMITED**

**Condensed Interim Financial Information  
For The Nine - Month Period Ended March 31, 2018**

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**COMPANY INFORMATION****BOARD OF DIRECTORS  
CHAIRMAN:**

Mr. Anwar Ahmed Tata

**CHIEF EXECUTIVE:**

Mr. Shahid Anwar Tata

**DIRECTORS:**Mr. Adeel Shahid Tata  
Mr. Bilal Shahid Tata  
Mr. Asif Saleem  
Ms. Shahbanoo Hameed (NIT)  
Mr. Muhammad Naseem**AUDIT COMMITTEE****CHAIRMAN:**

Mr. Muhammad Naseem

**MEMBERS:**Mr. Asif Saleem  
Mr. Bilal Shahid Tata**SECRETARY:**

Mr. Owais Ahmed Abbasi

**HUMAN RESOURCE & REMUNERATION  
COMMITTEE****CHAIRMAN:**

Mr. Muhammad Naseem

**MEMBERS:**Mr. Shahid Anwar Tata  
Mr. Bilal Shahid Tata**SECRETARY:**

Mr. Aadil Riaz

**COMPANY SECRETARY &  
CHIEF FINANCIAL OFFICER:**

Mr. Farooq Advani

**BANKERS:**Faysal Bank Limited  
Dubai Islamic Bank (Pakistan) Limited  
Bank Alfalah Limited  
Meezan Bank Limited  
The Bank of Punjab  
MCB Bank Limited  
National Bank of Pakistan  
Soneri Bank Limited  
Allied Bank Limited  
Bank Islami Pakistan Limited  
JS Bank Limited  
Askari Bank Limited  
Samba Bank Limited**AUDITORS:**M/s. Deloitte Yousuf Adil  
Chartered Accountants**LEGAL ADVISOR:**

Rajwana &amp; Rajwana Advocates

**SHARE REGISTRAR:**Central Depository Company of Pakistan Limited  
CDC House, 99 – B, Block 'B',  
S.M.C.H.S., Main Shahra-e-Faisal  
Tel# (Toll Free) 0800-CDCPL (23275)  
Fax: (92-21) 34326053**REGISTERED OFFICE:**6th Floor Textile Plaza,  
M.A Jinnah Road Karachi.  
Tel# 32412955-3 Lines 32426761-2-4  
Fax# 32417710**WEB SITE ADDRESS:**[www.tatapakistan.com](http://www.tatapakistan.com)**E- MAIL ADDRESS:**[ttm.corporate@tatapakistan.com](mailto:ttm.corporate@tatapakistan.com)**MILLS:**10th K.M. M.M. Road  
Khanpur-Baggasher,  
District Muzaffargarh

**Directors' Report****Assalam-o-Alaikum**

The Financial Statements (un-audited) of the Company for the third quarter ended, March 31, 2018 is being presented to you.

Alhamdulillah, the financial statement of the Company for the 3rd quarter ended March 31, 2018 has shown a good improvement. During the 3rd quarter under review, the Company incurred a pre-tax profit of Rs.81.005 Million as compared to a pre-tax profit of Rs.17.049 Million during the corresponding period of last year.

**Textile Industry**

Alhamdulillah, your Company has shown a positive enhancement in its Profits for the Quarter under review which was basically due to the Management's decision of procuring Cotton during Peak season, both from local and international market, at competitive prices, followed by an increase in the cost of Cotton during the later season. Other factors contributing to the Company's profits was the long over-due depreciation of Pak Rupee and the Government's incentive to continue with the Export Rebate, but at a reduced rate of 2%, (i.e. 50% of 4% earlier) which is yet to be realized.

**Cotton Crop**

The Cotton Crop has yet again failed in Punjab, though, Sindh harvested a record crop of 4.25 Million bales. The authorities responsible for Agriculture in Punjab need to be proactive and should find out the reasons for such poor performance of Cotton Crops, since the last three years. Further, there is an urgent need for framing a new agriculture Policy, wherein, Cotton Crop should be given preference over other crops. Our Cotton consumption is estimated at 14.5 Million bales and we have to import around 3 Million bales yearly. We hope and pray for increase in Cotton production and for quality crop during the next year.

Nowadays, the Department of Plant Protection is hindering the Yarn Industry by unnecessarily delaying issuance of Cotton Import Permits especially for Indian Cotton. Moreover, we fail to understand the Government Policy according to which we can import Indian Cotton only through Karachi Port or via Port Qasim. However, the import of Cotton from Wagah Border is not permitted, resulting in additional cost to imports, which is borne by the Pakistan Textile Industry.

**Burden of Taxes**

There is an excessive burden of Withholding Taxes in numbers as well as values. Though, most of these taxes are our responsibility, however, lot of other taxes which we deduct from our suppliers are added to our cost, as they are not registered with the Tax Authorities. Furthermore, tax deducted by supplier on our behalf is accumulating as refunds, since many years. Besides, the Industry is also burdened with various Government levies, i.e. Infrastructure Cess, Textile Cess, Education Cess, GIDC Cess, PESSI, EOBI, etc.

The Government should at least fulfil its promises and release the refunds of pending Sales and Income Taxes and Export Rebate Claims, as the pending refunds are seriously hitting the viability of the Textile Industry.

**Power and Gas**

The power cost has remained high, especially in Punjab because of less availability of System Gas and high cost of RLNG at Rs.1300/ per MMBTU. This has been linked to high crude oil prices creating disparity with other provinces. The Government should endeavor to rationalize the difference in tariff rate and make an even playing field for Industries.

**Going Forward**

We have done well in the quarter under review. Going forward, we see a healthy pattern of demand for Yarn both locally and internationally. At present we have enough stock of Cotton and our Mill efficiency and quality standards are being maintained at the highest level. We have opened L/Cs for upgradation of existing machineries to meet the market demand for Slub and Lycra. Inshallah, we shall close the fiscal year with healthier profits.

**Acknowledgment**

We acknowledge the contribution of each and every employee of the Company. We also like to express our thanks to our customers for the trust shown in our products and the bankers for their continued support to the company. We are also grateful to our shareholders for their confidence in our Management.

On behalf of the Board of Directors




**CONDENSED INTERIM BALANCE SHEET  
AS AT MARCH 31, 2018**

		March 31, 2018 (Unaudited)	June 30, 2017 (Audited) (Restated)
		.....'Rupees in 000.....	
<b>ASSETS</b>	<b>Note</b>		
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	2	3,204,634	2,945,461
Intangible assets		362	472
Long term deposits		2,100	2,227
		<b>3,207,096</b>	2,948,160
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		55,625	50,823
Stock-in-trade		1,851,467	1,114,902
Trade debts		400,237	408,950
Loans and advances		405,185	221,309
Trade deposits and short-term prepayments		5,185	1,710
Other receivables		77,269	21,771
Other financial assets		19,670	269,361
Sales tax refundable		112,676	61,727
Cash and bank balances		21,810	88,322
		<b>2,949,124</b>	2,238,875
<b>TOTAL ASSETS</b>		<b>6,156,220</b>	5,187,035
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Authorized share capital			
20,000,000 Ordinary shares of Rs. 10 each		<b>200,000</b>	200,000
Share capital		173,248	173,247
General reserve		1,000,000	1,000,000
Unappropriated profit		580,554	400,247
Revaluation reserve of property, plant and equipment		1,174,365	1,236,795
		<b>2,928,167</b>	2,810,289
<b>NON-CURRENT LIABILITIES</b>			
Long-term finance	3	538,429	234,984
Deferred liabilities		252,799	235,080
		<b>791,228</b>	470,064
<b>CURRENT LIABILITIES</b>			
Trade and other payables		310,138	231,719
Interest / mark-up accrued on borrowings		36,518	16,373
Short-term borrowings		1,980,651	1,563,772
Current portion of long-term finance		59,374	61,874
Provision for income tax		50,144	32,944
		<b>2,436,825</b>	1,906,682
<b>CONTINGENCIES AND COMMITMENTS</b>	4		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>6,156,220</b>	5,187,035

The annexed notes form an integral part of this condensed interim financial information.

  
**SHAHID ANWAR TATA**  
 CHIEF EXECUTIVE

  
**FAROOQ ADVANI**  
 CHIEF FINANCIAL OFFICER

  
**ANWAR AHMED TATA**  
 CHAIRMAN / DIRECTOR


**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2018**

	Note	Nine-month period ended		Three-month period ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Rupees in '000'			
Sales		4,351,752	3,729,033	1,480,058	1,096,597
Cost of goods sold	5	(3,961,800)	(3,491,557)	(1,314,576)	(1,011,226)
<b>Gross profit</b>		<b>389,952</b>	237,476	<b>165,482</b>	85,371
Distribution cost		(74,552)	(68,655)	(24,883)	(18,739)
Administrative expenses		(96,777)	(95,062)	(34,862)	(24,745)
Other operating expenses		(29,853)	(4,541)	(6,532)	(3,073)
Finance cost		(109,042)	(72,856)	(45,726)	(29,729)
		(310,224)	(241,114)	(112,003)	(76,286)
Other income		68,097	10,160	27,526	7,964
<b>Profit before taxation</b>		<b>147,825</b>	6,522	<b>81,005</b>	17,049
Provision for taxation		(29,947)	(43,845)	4,712	(16,325)
<b>Profit/(loss) for the period</b>		<b>117,878</b>	(37,323)	<b>85,717</b>	724
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>117,878</b>	(37,323)	<b>85,717</b>	724
Earnings/(Loss) per share - Basic and diluted (Rupees)		6.80	(2.15)	4.95	0.04

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**CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)  
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2018**

	March 31, 2018	March 31, 2017
	-----Rupees in 000-----	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	147,825	6,522
Adjustments for :		
Depreciation	113,417	110,330
Amortization of intangibles	115	1,325
Provision for staff gratuity	25,102	24,599
Provision of compensated absences	6,177	4,345
Provision for doubtful debts	(679)	593
Finance cost	109,042	72,856
Loss on disposal of property, plant and equipment	19,528	1,904
Operating cash flows before changes in working capital	420,527	222,474
(Increase) / decrease in current assets		
Stores, spares and loose tools	(4,802)	(1,910)
Stock-in-trade	(736,565)	(324,610)
Trade debts	9,392	(134,216)
Loans and advances	(147,782)	683
Trade deposits and short-term prepayments	(3,475)	16,228
Other receivables	(55,498)	(7,688)
Other financial assets	249,691	(4,509)
Sales tax refundable	(50,949)	(23,118)
Increase / (Decrease) in current liabilities		
Trade and other payables	78,442	22,332
Cash used in from operations	(241,019)	(234,334)
Finance cost paid	(88,897)	(61,096)
Income taxes paid	(36,094)	(28,914)
Staff gratuity paid	(20,443)	(11,263)
Staff compensated absences paid	(5,862)	(5,192)
Net cash used in operating activities	(392,315)	(340,799)
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(405,181)	(203,914)
Proceeds from disposal of property, plant and equipment	13,056	3,396
Purchase of intangible assets	-	(465)
Long-term deposits	127	-
Net cash used in investing activities	(391,998)	(200,983)
<b>C. CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long-term finance obtained	347,483	138,125
Repayment of long-term finance	(46,538)	(49,058)
Short-term borrowings repaid-net	(214,835)	(277,499)
Dividend paid	(23)	(2)
Net cash generated from/(used in) financing activities	86,087	(188,434)
Net decrease in cash and cash equivalents (A+B+C)	(698,226)	(730,216)
<b>Cash and cash equivalents at July 01</b>	(1,053,071)	(385,911)
<b>Cash and cash equivalents at March 31</b>	(1,751,297)	(1,116,127)
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	21,810	30,071
Short - term running finance - under markup arrangements	(1,773,107)	(1,146,198)
	(1,751,297)	(1,116,127)

The annexed notes form an integral part of these condensed interim financial information

  
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CHIEF EXECUTIVE

  
FAROOQ ADVANI  
CHIEF FINANCIAL OFFICER


  
ANWAR AHMED TATA  
CHAIRMAN / DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)  
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2018**

	Revenue reserve			Revaluation Reserve of Property Plant & Equipment	Total
	Issued, subscribed and paid up capital	General reserve	Unappropriated profit / (Loss)		
	Rupees in '000'				
<b>Balance at July 01, 2016 as previously reported</b>	173,248	1,000,000	287,263	-	1,460,511
Impact of change in accounting policy - note 1.5	-	-	-	1,357,456	1,357,456
<b>Balance at July 01, 2016 - restated</b>	<b>173,248</b>	<b>1,000,000</b>	<b>287,263</b>	<b>1,357,456</b>	<b>2,817,967</b>
<b>Total comprehensive income for the Nine-month period ended March 31, 2017</b>					
Loss for the period	-	-	(37,323)	-	(37,323)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	(37,323)	-	(37,323)
Transferred from surplus on revaluation of property, plant and equipment on account of:					
- incremental depreciation	-	-	46,987	(46,987)	-
- disposal of property, plant and equipment	-	-	3,161	(3,161)	-
	-	-	50,148	(50,148)	-
<b>Balance at March 31, 2017 (Unaudited)</b>	<b>173,248</b>	<b>1,000,000</b>	<b>300,088</b>	<b>1,307,308</b>	<b>2,780,644</b>
<b>Total comprehensive income for the Three-month period ended June 30, 2017</b>					
Profit for the period	-	-	79,692	-	79,692
<b>Other comprehensive income</b>					
Gain on remeasurement of defined benefit plan - net of deferred tax	-	-	805	-	805
Total comprehensive income for the period	-	-	80,497	-	80,497
Transferred from surplus on revaluation of property, plant and equipment on account of:					
- incremental depreciation	-	-	15,896	(15,896)	-
- disposal of property, plant and equipment	-	-	3,765	(3,765)	-
	-	-	19,661	(19,661)	-
Adjustment due to change in rate on income subject to final tax regime	-	-	-	(50,852)	(50,852)
<b>Balance at June 30, 2017 (Audited)</b>	<b>173,248</b>	<b>1,000,000</b>	<b>400,246</b>	<b>1,236,795</b>	<b>2,810,289</b>
<b>Total comprehensive income for the Nine-month period ended March 31, 2018</b>					
Profit for the period	-	-	117,878	-	117,878
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	117,878	-	117,878
Transferred from surplus on revaluation of property, plant and equipment on account of:					
- incremental depreciation	-	-	52,333	(52,333)	-
- disposal of property, plant and equipment	-	-	10,097	(10,097)	-
	-	-	62,430	(62,430)	-
<b>Balance at March 31, 2018</b>	<b>173,248</b>	<b>1,000,000</b>	<b>580,554</b>	<b>1,174,365</b>	<b>2,928,167</b>

  
**SHAHID ANWAR TATA**  
 CHIEF EXECUTIVE

  
**FAROOQ ADVANI**  
 CHIEF FINANCIAL OFFICER

  
**ANWAR AHMED TATA**  
 CHAIRMAN / DIRECTOR



## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE-MONTH PERIOD MARCH 31, 2018

### 1 STATUS AND NATURE OF BUSINESS

- 1.1 Tata Textile Mills Limited (the company) was incorporated in Pakistan on April 15, 1987 as a public limited company under the Companies Ordinance, 1984 and listed on Pakistan Stock Exchange Limited. The registered office of the company is situated at 6th floor Textile Plaza M.A Jinnah Road, Karachi. The principal activity of the company is manufacturing and sale of yarn. The company's manufacturing facilities are located at District of Muzaffargarh in province of Punjab.
- 1.2 This condensed interim financial information of the Company has been prepared in accordance with the International Financial Reporting Standards, International Accounting Standard (IAS) 34: Interim Financial Reporting as notified under the Companies Act, 2017 and the directives issued under the Act and in compliance with the requirement of section 237 of the Companies Act, 2017 and Rule Book of the Pakistan Stock Exchange Limited.
- 1.3 This condensed interim financial information has been prepared under historical cost convention modified by:  
- revaluation of certain property, plant and equipment and  
- recognition of certain staff retirement benefits at present value
- 1.4 The accounting policies and methods of computation followed in preparation of this condensed financial information are the same as those of the published annual financial statements for the period ended June 30, 2017 except for change in accounting treatment relating to revaluation of fixed assets, as described in note 1.5.
- 1.5 The surplus on revaluation of fixed assets, which was previously disclosed in the balance-sheet of the company after capital and reserves, will now be included as part of equity with corresponding inclusion in statement of changes in equity. The change has been accounted for retrospectively in accordance with IAS 8 –Accounting Policies, Changes in Accounting Estimates and Errors.

	Note	March 31, 2018 (Unaudited)	June 30, 2017 (Audited)
----- Rupees in '000' -----			
<b>2 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating assets	2.1	3,193,623	2,895,595
Capital work-in-progress		11,011	49,866
		<b>3,204,634</b>	<b>2,945,461</b>

- 2.1 Following additions, transfers and disposals in operating assets were made:

	Additions/ transfers from CWIP	Disposals (written down value)	Sale proceeds
----- Rupees in '000' -----			
<b>During the Three-month ended March 31, 2018 (Unaudited)</b>			
Building on freehold land	69,544	-	-
Plant and machinery	335,565	1,832	400
Factory and workshop equipment	-	57	-
Furniture and fixtures	692	-	-
Office equipment	1,081	9	-
Vehicles	-	10	13
	<b>406,882</b>	<b>1,908</b>	<b>413</b>

### During the year ended June 30, 2017 (Audited)

Freehold land	1,991	-	-
Building on freehold land	25,280	-	-
Plant and machinery	171,012	10,667	4,663
Factory and workshop equipment	2,743	-	-
Electric installations	1,336	-	-
Furniture and fixtures	939	-	-
Office equipment	15,737	-	-
Vehicles	9,458	931	2,097
	<b>228,496</b>	<b>11,598</b>	<b>6,760</b>

### 3 LONG TERM FINANCES

#### Banking companies - secured

	March 31, 2018 (Unaudited)	June 30, 2017 (Audited)
----- Rupees in '000' -----		
Demand finances	41,334	66,135
Term finances	376,488	40,844
SBP-LTFF	138,125	138,125
Export oriented projects (EOP)	29,205	34,359
Diminishing Musharka	12,651	17,395
	<b>597,803</b>	<b>296,858</b>

	March 31, 2018 (Unaudited)	June 30, 2017 (Audited)
	----- Rupees in '000' -----	
<b>Less: current portion shown under current liabilities</b>		
Demand finances	33,067	33,067
Term finances	13,109	15,609
Export oriented projects (EOP)	6,872	6,872
Diminishing Musharka	6,326	6,326
	<b>59,374</b>	<b>61,874</b>
	<b>538,429</b>	<b>234,984</b>

3.1 These finances are secured against first pari passu charge on all present and future fixed assets including land, building, property, plant and equipment of the Company, vehicles acquired from such finance, specific charge over new machinery and personal guarantee of directors. These finances are subject to mark-up at the rates ranging from 3.50% to 7.91 % per annum (June 30, 2017: 3.5% TO 7.57% Per annum).

### 3.2 Long term financing

Balance as on	296,858	223,127
Additions	347,483	138,125
Repayment	(46,538)	(64,394)
Balance as on	597,803	296,858
Less: current portion of long term financing	(59,374)	(61,874)
	<b>538,429</b>	<b>234,984</b>

## 4 CONTINGENCIES AND COMMITMENTS

### 4.1 Contingencies

Sui Northern Gas Pipeline Limited (SNGPL) applied tariff for Captive Consumers in their billing to the Company, while the Company claims to be an Industrial Consumer. The Company challenged the applicability of tariff on the Company before the Lahore High Court, Multan Bench. The amount of claim is Rs. 7.89 million (June 30, 2017: Rs. 7.89 million). Management is confident of favourable outcome and, therefore no provision has been made.

		March 31, 2018 (Unaudited)	June 30, 2017 (Audited)
	Note	----- Rupees in '000' -----	
<b>4.2 Commitments</b>			
(i) Letters of credit			
- plant and machinery		2,175	718,478
- stores and spares		2,952	18,769
- raw material		232,387	273,426
(ii) Bank guarantees issued on behalf of the Company	4.2.1	177,128	171,018
(iii) Bills discounted with recourse			
- Export		498,570	312,165
- Local		50,128	34,007
		<b>548,698</b>	<b>346,172</b>
(iv) Rentals under ijarah finance agreements	4.2.2		
- Not later than one year		52,410	57,126
- Later than one year but not later than five years		114,015	152,087
		<b>166,425</b>	<b>209,213</b>

4.2.1 This includes bank guarantee for Sindh Development Infrastructure Cess amounting to Rs. 57.20 million (June 30, 2017: Rs. 51.40 million) for which provision amounting to Rs. 75.53 million (June 30, 2017 : Rs. 69.72 million) has been made.

4.2.2 The commitment represents ijarah agreements entered into with an Islamic Bank in respect of machinery. Total future ijarah payments under agreements are Rs. 166.43 million (June 30, 2017: Rs. 209.21 million) and are payable in quarterly installments latest by June 2022. These commitments are secured against the exclusive ownership of machinery and third ranking charge against property, plant and equipment with 25% margin.

	Note	Nin-month period ended		Three-month period ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		----- (Unaudited) -----			
----- Rupees in '000' -----					
<b>5 COST OF GOODS SOLD</b>					
Opening finished goods		271,813	301,423	200,249	203,625
Cost of goods manufactured	5.1	3,884,945	3,525,810	1,330,552	1,175,690
		<b>4,156,758</b>	3,827,233	<b>1,530,801</b>	1,379,315
Closing finished goods		(216,225)	(368,089)	(216,225)	(368,089)
Cost of manufactured goods sold		3,940,533	3,459,144	1,314,576	1,011,226
Cost of raw material sold		21,267	32,413	-	-
		<b>3,961,800</b>	<b>3,491,557</b>	<b>1,314,576</b>	<b>1,011,226</b>

	Nine-month period ended		Three-month period ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- Unaudited -----			
	----- Rupees in '000' -----			
<b>5.1 Cost of goods manufactured</b>				
Raw material	2,988,466	2,630,838	1,034,695	889,134
Stores and spares	62,564	75,213	18,055	29,306
Packing material	57,452	43,592	19,598	14,255
Power and fuel	345,760	367,682	116,122	122,948
Salaries, wages and benefits	257,919	241,023	84,744	70,739
Depreciation	108,564	104,573	38,717	35,105
Insurance	6,891	14,781	2,401	5,284
Repairs and maintenance	3,373	5,172	1,154	2,523
Ijarah rentals	45,509	45,784	15,067	15,166
Other overheads	5,821	9,391	1,987	3,471
	<b>3,882,319</b>	<b>3,538,049</b>	<b>1,332,540</b>	<b>1,187,931</b>
Work-in-process				
Opening stock	51,824	41,589	47,210	41,587
Closing stock	(49,198)	(53,828)	(49,198)	(53,828)
	<b>2,626</b>	<b>(12,239)</b>	<b>(1,988)</b>	<b>(12,241)</b>
	<b>3,884,945</b>	<b>3,525,810</b>	<b>1,330,552</b>	<b>1,175,690</b>
<b>5.1.1 Raw material consumed</b>				
Opening stock	791,265	514,637	2,036,661	1,323,559
Purchases - net	3,783,245	2,876,543	584,078	325,917
	<b>4,574,510</b>	<b>3,391,180</b>	<b>2,620,739</b>	<b>1,649,476</b>
Closing stock	(1,586,044)	(760,342)	(1,586,044)	(760,342)
	<b>2,988,466</b>	<b>2,630,838</b>	<b>1,034,695</b>	<b>889,134</b>

- 5.2 Net realizable value of finished goods was lower than its cost, resulting in a write-down of Rs. 0.58 million (March 31, 2017: Rs. 3.36 million) charged to cost of goods sold.

## 6 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, directors, key management personnel and their relatives. The transactions between the Company and the related parties are carried out as per agreed terms. Significant transactions with related parties are as follows:

Relationship with the party	Nature of transactions	Three-month period ended	
		March 31, 2018	March 31, 2017
		----- (Unaudited) -----	
		----- Rupees in '000' -----	
<b>Associated undertakings</b>	Share of expenses received	418	345
	Share of expenses paid	2,285	2,888
	Purchase of goods	135	-
<b>Key management personnel</b>	Remuneration	13,031	27,042
<b>Directors</b>	Remuneration	2,796	2,788
	Meetings fee	90	60
	Rent expense		
	-godown	60	60
	-office premises	1,023	716

## 7 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on April 25, 2018 by the Board of Directors of the Company.

SHAHID ANWAR TATA  
CHIEF EXECUTIVE

FAROOQ ADVANI  
CHIEF FINANCIAL OFFICER

ANWAR AHMED TATA  
CHAIRMAN / DIRECTOR

## ڈائریکٹرز رپورٹ اسلامیہ ٹیکسٹائل

31 مارچ 2018 کو ختم ہونے والی تیسری سہ ماہی کیلئے کمپنی کے مالیاتی حسابات (غیر آڈٹ شدہ) آپ کیلئے پیش کئے جا رہے ہیں۔

الحمد للہ، 31 مارچ 2018 کو ختم ہونے والی تیسری سہ ماہی میں کمپنی کے مالیاتی حسابات میں واضح بہتری آئی ہے۔ زبر جائزہ مدت کے دوران کمپنی نے نقل اولیکس منافع مبلغ 81.005 ملین روپے حاصل کیا جس کا موازنہ گزشتہ سال کی اسی مدت کے نقل اولیکس منافع 17.049 ملین روپے سے کیا جاسکتا ہے۔

### ٹیکسٹائل صنعت:

الحمد للہ آپ کی کمپنی نے زبر جائزہ سہ ماہی مدت کے دوران ٹیکسٹائل کی صنعت میں مثبت منافع حاصل کیا ہے جبکہ بنیادی طور پر پیکی بیزنس کے دوران مقامی اور عالمی مارکیٹ میں کمپاس کی خریداری مناسب قیمت میں انتظامیہ کے بروقت فیصلوں کی وجہ سے ہوا۔ جبکہ بعد کے بیزنس کے دوران کمپاس کی قیمت میں اضافہ ہوا۔ کمپنی کے منافع میں اضافہ کے دیگر عوامل میں پاکستانی روپے کی قدر میں کمی جو کہ ایک عرصہ سے زری ہوئی تھی۔ ایک اور حوصلہ افزا امور جو کہ حکومت کی جانب سے برآمدات پر چھوٹ ہے جو کہ 2% فیصد ہو گیا ہے (گزشتہ 4% کا 50%) جو ابھی تک وصول ہونا باقی ہے۔

### کمپاس کی فصل:

پنجاب میں کمپاس کی فصل کو اب تک ناکامی کا سامنا ہے جبکہ سندھ میں ریکارڈ فصل 4.25 ملین ہیلز حاصل ہوئی ہیں۔ پنجاب میں زراعت کے لئے کام زد مدار ہیں انہیں چاہئے کہ وہ کمپاس کی فصل کی خراب کارکردگی کیلئے اس کے اسباب کا جائزہ لیں جسے گزشتہ تین سالوں سے ناکامی کا سامنا ہے۔ مزید یہ کہ فوری نوعیت کے طور پر نئی زرعی پالیسی کو تشکیل دینے کی ضرورت ہے جس میں کمپاس کی فصل کو دیگر فصلوں کے مقابلے میں ترجیح دی جانی چاہئے۔ ہماری کمپاس کا تخمینہ 14.5 ملین ہیلز ہے اور ہمیں ہرسال تقریباً 3 ملین ہیلز اپورٹ کرنا پڑتی ہے۔ ہمیں امید ہے اور ہم دعا کرتے ہیں کہ اگلے سال کے دوران کمپاس کی پیداوار اوسطی کوالٹی میں اضافہ ہو۔

ان ڈوں پلانٹ پر ڈیکلشن ڈی پارٹمنٹ غیر ضروری طور پر کمپاس کی اپورٹ پرمٹ بالخصوص ہندوستانی بارڈر کے لئے تاخیر کی حربے استعمال کر رہا ہے۔ مزید یہ کہ ہم یہ سمجھتے تھے کہ قاصر ہیں کہ حکومت کی پالیسیاں جس کے مطابق ہم کراچی اپورٹ یا پورٹ ٹھام کے توسط سے انڈین کمپاس اپورٹ کر سکتے ہیں جبکہ واہگہ بارڈر سے کمپاس کی اپورٹ کی اجازت نہیں ہے جس کے نتیجے میں اپورٹ کے حوالے سے پاکستان ٹیکسٹائل انڈسٹری کو اضافی اخراجات برداشت کرنے پڑے ہیں۔

### مصولات کا بوجھ:

وہ ہولڈنگ ٹیکسز کا بوجھ اضافی طور پر ڈالا جا رہا ہے جبکہ ان ٹیکسز کو ادا کرنا ہماری ذمہ داری ہے جبکہ دیگر ٹیکسز کی کوئی ہم اپنے پائلٹرز کرتے ہیں اور اسے اپنے اخراجات میں شامل کرتے ہیں کیونکہ وہ ٹیکس اٹھارٹیز میں رجسٹرڈ نہیں ہیں۔ اس کے علاوہ حکومت کی جانب سے مختلف اجراءات بشمول کسٹمز ڈیویژن، انفراسٹرکچر بیس، سروس ٹیکس، ٹیکسٹائل ٹیکس، ایجوکیشن ٹیکس، جی آئی ڈی ٹیکس، پی ای ایس ایس آئی، اے او بی آئی اور سندھ سٹریٹیکس وغیرہ ہے۔ حکومت کو چاہئے کہ وہ اپنے وعدے پورے کرے اور سٹریٹیکس و ایجوکیشن ریت بیٹ کے گلیجز کے تحت ریٹرنڈ جاری کرے کیونکہ اس ریٹرنڈ میں تاخیر سے ٹیکسٹائل انڈسٹری کو شدید نقصان پہنچ رہا ہے۔

### توانائی اور گیس:

توانائی کی قیمتیں ابھی بھی زائد ہیں بالخصوص پنجاب میں کیونکہ گیس سسٹم کی دستاویزی اور RLNG کا زیادہ رینٹیٹی مبلغ 1300 MMBTU ہے۔ اس کا تعلق خام تیل کی زیادہ قیمتیں ہیں جس کی وجہ سے دیگر موبوں میں عدم مساوات ہے۔ حکومت کو چاہئے کہ وہ ہیرف رینٹ میں جو فرق ہے اسے ختم کرے اور صنعتوں کیلئے سہولت فراہم کرے۔

### اگلا قدم:

ہم نے زبر جائزہ سہ ماہی میں بہترین کارکردگی دکھائی ہے۔ اگلے قدم کے طور پر ہم ملکی اور عالمی طور پر پیمانے کی طلب میں بہتری دیکھ رہے ہیں۔ اس وقت ہمارے پاس کمپاس کا کافی اسٹاک موجود ہے اور ہماری مل بہترین معیار کو برقرار رکھے ہوئے ہے۔ ہم نے موجودہ مشینریز کو مزید تفتوح کیلئے L/Cs کھولی ہیں تاکہ سب اور انگریہ کی مارکیٹ ڈیمانڈ کو پورا کر سکیں۔ انشاء اللہ ہم اس مالیاتی سال کو بہترین منافعوں کے ساتھ مکمل کریں گے۔

### اعتراف:

ہم اپنی ٹیم کی محنت اور کوششوں کا اعتراف کرتے ہیں جنہوں نے کمپنی کی کامیابی اور ترقی میں مسلسل اپنا کردار ادا کیا۔ ہم اپنے پیکیئر، خریداریان اور صارفین کا بھی مکمل تعاون پر شکر ادا کرتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے

محمد

شاہد انوار ناٹا  
چیف ایگزیکٹو

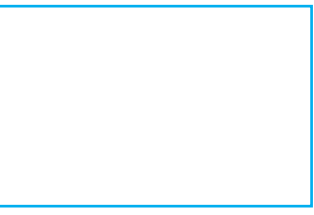
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