



**Interim Financial Report**  
for the nine months ended

**March 31, 2019**



Samin Textiles Limited



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# Company Information

## Board of Directors

### Non-Executive Directors

Mrs. Mehvash Amin	Chairman
Mr. Shehryar Amin	
Mr. Tariq Jilani	
Mr. Jamil Masud	

### Executive Directors

Mr. Jehanzeb Amin	Chief Executive
Mr. Safder Hussain Tariq	

### Independent Director

Mr. Qamber Hamid

### Audit Committee

Mr. Qamber Hamid	Chairman
Mr. Jamil Masud	Member
Mr. Tariq Jilani	Member

### Human Resource & Remuneration Committee

Mr. Qamber Hamid	Chairman
Mr. Tariq Jilani	Member
Mr. Shehryar Amin	Member

### Chief Financial Officer

Mr. Safder Hussain Tariq

### Company Secretary

Mr. Muhammad Tayyab

### Chief Internal Auditor

Mrs. Nayab Ayaz

### Auditors

Grant Thornton Anjum Rahman  
Chartered Accountants

### Legal Advisor

Imtiaz Saddiqui & Associates

## Leading Banks

National Bank of Pakistan  
Askari Bank Limited  
Bank Alfalah Limited  
Summit bank Limited  
NIB Bank Limited  
Allied Bank Limited  
Pak Libya Holding Company (Private) Limited  
Pak Oman Investment Company Limited  
Soneri Bank Limited

## Shares Registrar

Corplink (Pvt) Limited  
Wings Arcade,  
1-K, Commercial Model Town,  
Lahore, Pakistan.  
Tel: 92 - 42 - 35839182  
Fax: 92 - 42 - 35869037

## Registered/Head Office

50-C, Main Gulberg,  
Lahore, Pakistan.  
Tel: 92 - 42 - 35753761  
Fax: 92 - 42 - 35753688

## Mills

8th Kilometer,  
Manga - Raiwind Road,  
District Kasur, Pakistan.

## Directors' Review

The Board of Directors of your Company is pleased to present before you the Condensed Interim Financial Information (Un-Audited) for the Nine Months period ended on March 31, 2019. The Condensed interim financial Information has been prepared in compliance with IAS – 34 "Interim Financial Reporting" and the Companies Act, 2017.

### Financial Highlights

	Rupees in million			
	Nine months ended March 31, 2019	Nine months ended March 31, 2018	Quarter ended March 31, 2019	Quarter ended March 31, 2018
Sales - Net	<b>44.559</b>	306.089	-	105.265
Gross Profit / (Loss)	<b>(22.282)</b>	(251.168)	<b>(2.555)</b>	(156.787)
Other Operating Income	<b>187.929</b>	2.402	<b>28.038</b>	0.043
Profit / (Loss) after tax	<b>78.543</b>	(364.035)	<b>9.628</b>	(196.735)
Depreciation	<b>0.935</b>	55.181	<b>0.389</b>	18.508
Cash Profit / (Loss)	<b>79.478</b>	(308.854)	<b>10.016</b>	(178.227)

The aforementioned figures show that during the period under review the Company posted net sales amounting to Rs. 44.559 million and a net profit after tax of Rs. 78.543 million as compared to net sales of Rs. 306.089 million and net loss after tax of Rs. 364.035 million for the corresponding period of last financial year.

Following are the major factors for the reported results:

- i. The production operations of the Company were closed during the month of September 2018. As such there was no production and sales activity during the period under review.
- ii. During the period under review the activity of disposal of fixed assets, realization there against and settlement of liabilities was carried out.
- iii. Other Operating Income comprises of gain realised on disposal of fixed assets and writing back of settled and old liabilities.

### Future Outlook / Strategy

After completion of disposal and realization of fixed assets, the Company will start implementing on alternate business plan which was approved by the shareholders in the Extraordinary General Meeting held on October 26, 2018.

Delay in realizations from disposal of fixed assets has caused delay in commencement of alternate business plan. We are hopeful that its commencement will keep the Company as going concern and will bring fruitful results.

### Acknowledgement:

We are thankful to all our stakeholders specially the bankers for their ongoing support and the employees of the Company for their loyalties, commitment and hard work.

For and on behalf of the Board



**Jehanzeb Amin**  
Chief Executive

Lahore :

Dated : 26<sup>th</sup> April, 2019

## ڈائریکٹر کا جائزہ

کمپنی کی مجلسِ نظامہ، 31 مارچ 2019 کو ختم ہونے والی نو ماہی کے لئے مجموعی عبوری مالیاتی معلومات (غیر نظر ثانی شدہ) پیش کرتے ہوئے خوشی محسوس کر رہی ہے۔ مجموعی عبوری مالیاتی معلومات آئی اے ایس 34 "عبوری مالیاتی رپورٹنگ" اور کمپنیز ایکٹ 2017 کی تعمیل میں تیار کی گئی ہیں۔

مالی جھلکیاں

31 مارچ 2019 مختصر نو ماہی	31 مارچ 2018 مختصر نو ماہی	31 مارچ 2019 مختصر سہ ماہی	31 مارچ 2018 مختصر سہ ماہی
44.559	306.089	-	105.265
(22.282)	(251.168)	(2.555)	(156.787)
187.929	2.402	28.038	0.043
78.543	(364.035)	9.628	(196.735)
0.935	55.181	0.389	18.508
79.478	(308.854)	10.016	(178.227)

مندرجہ بالا جدول کے اعداد و شمار سے ظاہر ہوتا ہے کہ گزشتہ مالی سال کی اسی مدت میں 306.089 ملین روپے خالص فروخت اور ٹیکس کے بعد 364.035 ملین روپے خالص نقصان کے مقابلے میں جائزہ مدت کے دوران کمپنی نے 44.559 ملین روپے کی خالص فروخت اور ٹیکس کے بعد خالص منافع 78.543 ملین روپے درج کیا ہے۔

بیان کردہ نتائج کے اہم عناصر مندرجہ ذیل ہیں:

- کمپنی کے پیداواری آپریشنز ماہِ ستمبر 2018 کے دوران بند ہو گئے۔ چنانچہ زبردستی جائزہ مدت کے دوران کوئی پیداواری اور فروختی سرگرمی نہیں ہوئی۔
- زبردستی جائزہ مدت کے دوران گلسڈ اثاثوں کی فروخت، حاصل ہونے والی آمدنی کو واجبات کے تعین پر خرچ کیا گیا۔
- دیگر آپریٹنگ آمدنی بنیادی طور پر گلسڈ اثاثوں کی فروخت سے حاصل ہونے والی رقم اور تصفیہ اور پرانی واجب الادائیوں پر مشتمل ہے۔

مستقبل کا نقطہ نظر / اگلی عملی

126 اکتوبر 2018 کو منعقدہ غیر معمولی اجلاس عام میں حصص داران کی منظوری کے مطابق کمپنی اپنے اثاثوں کی فروخت مکمل کرنے کے بعد کمپنی اپنے منظور شدہ متبادل کاروباری منصوبہ پر عملدرآمد شروع کرے گی۔ گلسڈ اثاثوں کی فروخت سے رقم کی وصولی میں تاخیر متبادل کاروباری منصوبہ کے آغاز میں تاخیر کی وجہ ہے۔

ہم امید کرتے ہیں کہ نیا متبادل کاروباری منصوبہ کمپنی کے لئے منافع بخش نتائج سے بھرپور ہوگا۔

اظہار تشکر

ہم اپنے تمام اسٹیک ہولڈرز خاص طور پر بینکرز کی مسلسل حمایت اور کمپنی کے ملازمین کے عزم، وفاداری اور سخت محنت کے شکرگزار ہیں۔

منجانب بورڈ



جہانزیب امین

چیف ایگزیکٹو

لاہور، تاریخ: 26 اپریل 2019ء

# Condensed Interim Statement of Financial Position (Un-audited)

As at March 31, 2019

	Notes	Un-audited Mar 31, 2019 Rupees	Audited Jun 30, 2018 Rupees
<b>Equity and liabilities</b>			
<b>Equity</b>			
<b>Share capital</b>			
Issued, subscribed and paid-up share capital	6	267,280,000	267,280,000
Loan from sponsor	7	66,288,373	85,488,373
<b>Capital reserves</b>			
Revaluation surplus on property, plant and equipment		-	566,097,186
<b>Revenue reserves</b>			
Accumulated loss		(412,357,357)	(1,099,369,878)
<b>Total equity</b>		<b>(78,788,984)</b>	<b>(180,504,320)</b>
<b>Liabilities</b>			
<b>Non-current</b>			
Sponsors Loan - related party		10,411,566	10,411,566
Deferred liabilities	8	1,277,250	43,659,621
<b>Total non-current liabilities</b>		<b>11,688,816</b>	<b>54,071,187</b>
<b>Current</b>			
Trade and other payables		89,192,674	165,278,430
Interest /markup accrued on financing	9	18,535,710	56,442,394
Short term borrowings - banks and financial institutions	10	-	441,869,259
Short term borrowings - related party		100,000,000	160,000,000
Current portion of long term financing	11	-	181,709,484
Unclaimed dividend		8,200	3,466,164
Contribution to Provident Fund Payable		-	31,933,363
<b>Total current liabilities</b>		<b>207,736,584</b>	<b>1,040,699,094</b>
<b>Total liabilities</b>		<b>219,425,400</b>	<b>1,094,770,281</b>
<b>Total equity and liabilities</b>		<b>140,636,416</b>	<b>914,265,962</b>
<b>Contingencies and commitments</b>			
	12		
<b>Assets</b>			
<b>Non-current</b>			
Property, plant and equipment	13	7,052,176	5,620,079
<b>Total Non-current assets</b>		<b>7,052,176</b>	<b>5,620,079</b>
<b>Current</b>			
Stores, spare parts and loose tools	17.1	-	44,466,219
Stock in trade		-	20,634,645
Trade debts	14	1,428,365	13,339,625
Loans and advances		648,221	8,158,157
Trade deposits and prepayments		1,085,424	2,793,663
Tax refunds due from government		115,788,364	118,133,938
Cash and bank balances		9,278,866	3,349,231
<b>Total Current assets</b>		<b>128,229,240</b>	<b>210,875,478</b>
<b>Non-current assets classified as held for sale</b>	15	<b>5,355,500</b>	<b>697,770,405</b>
<b>Total assets</b>		<b>140,636,416</b>	<b>914,265,962</b>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



**JEHANZEB AMIN**  
Chief Executive



**SHEHRYAR AMIN**  
Director



**SAFDER HUSSAIN TARIQ**  
Director / CFO

# Condensed Interim Statement of Profit or Loss and Other Comprehensive Income ( Un-audited)

For the nine months ended March 31, 2019

Notes	For the nine month ended March 31, 2019	For the nine month ended March 31, 2018	For the quarter ended March 31, 2019	For the quarter ended March 31, 2018
	Rupees	Rupees	Rupees	Rupees
Sales	44,558,608	306,089,039	-	105,265,370
Cost of sales	16 (66,840,807)	(557,257,593)	(2,554,551)	(262,052,558)
<b>Gross loss</b>	<b>(22,282,199)</b>	<b>(251,168,554)</b>	<b>(2,554,551)</b>	<b>(156,787,188)</b>
Other income	17 187,929,420	2,402,805	28,038,019	43,043
Distribution cost	(5,053,163)	(10,155,471)	(1,513,667)	(3,522,226)
Administrative expenses	(32,681,656)	(39,513,659)	(10,723,513)	(12,841,023)
Other expenses	(4,977,276)	(2,142,766)	-	(36,513)
<b>Operating profit/(loss)</b>	<b>122,935,126</b>	<b>(300,577,645)</b>	<b>13,246,288</b>	<b>(173,143,907)</b>
Finance cost	(43,832,899)	(57,656,197)	(3,618,651)	(22,271,570)
<b>Profit/ (Loss) before taxation</b>	<b>79,102,228</b>	<b>(358,233,842)</b>	<b>9,627,637</b>	<b>(195,415,477)</b>
Taxation	18 (559,413)	(5,801,353)	-	(1,319,225)
<b>Profit/ (Loss) for the period</b>	<b>78,542,815</b>	<b>(364,035,195)</b>	<b>9,627,637</b>	<b>(196,734,702)</b>
<b>Other comprehensive income for the period</b>	-	-	-	-
<b>Total comprehensive income /(loss) for the period</b>	<b>78,542,815</b>	<b>(364,035,195)</b>	<b>9,627,637</b>	<b>(196,734,702)</b>
<b>Earning / (loss) per share - basic &amp; diluted</b>	<b>2.94</b>	<b>(13.62)</b>	<b>0.36</b>	<b>(7.36)</b>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



**JEHANZEB AMIN**  
Chief Executive



**SHEHRYAR AMIN**  
Director



**SAFDER HUSSAIN TARIQ**  
Director / CFO

## Condensed Interim Statement of Cash Flows (Un-audited)

For the nine months ended March 31, 2019

	Notes	For the Nine Month ended Mar 31, 2019 Rupees	For the Nine Month ended Mar 31, 2018 Rupees
<b>Cash flows from operating activities</b>			
Cash (used in) operations	19	(81,098,904)	(52,315,733)
Income tax paid		(1,532,144)	(1,940,619)
Gratuity paid		(9,850)	-
<b>Net cash (used in) operating activities</b>		<b>(82,640,898)</b>	<b>(54,256,352)</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of property, plant and equipment		868,020,000	2,800,000
Proceeds from realization of long term deposits		9,708,500	-
Additions in property, plant and equipment		(3,472,200)	(9,652,350)
<b>Net cash from / (used in) investing activities</b>		<b>874,256,300</b>	<b>(6,852,350)</b>
<b>Cash flows from financing activities</b>			
(Decrease)/ increase in short term borrowings		(501,869,259)	161,226,000
(Decrease) in long term financing		(181,709,484)	(64,194,289)
(Decrease)/ Increase in Sponsor's loan - net		(19,200,000)	12,375,466
Dividend paid		(3,457,964)	-
Finance cost paid		(79,449,060)	(48,801,002)
<b>Net cash (used in) / from financing activities</b>		<b>(785,685,767)</b>	<b>60,606,175</b>
Net change in cash and cash equivalents		5,929,635	(502,527)
Cash and cash equivalents at the beginning of the period		3,349,231	5,058,157
<b>Cash and cash equivalents at the end of the period</b>		<b>9,278,866</b>	<b>4,555,630</b>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.



**JEHANZEB AMIN**  
Chief Executive



**SHEHRYAR AMIN**  
Director



**SAFDER HUSSAIN TARIQ**  
Director / CFO

# Condensed Interim Statement of Changes in Equity (Un-audited)

For the nine months ended March 31, 2019

Particulars	Capital Reserve			Revenue reserve	Sub-total Rupees E=B+C+D	Total Equity Rupees F=A+E
	Issued, subscribed and paid up share capital	Loan from sponsor	Revaluation surplus on property, plant and equipment	Revenue reserve- Accumulated Profits/(Loss)		
	Rupees A	Rupees B	Rupees C	Rupees D		
Balance as at June 30, 2017	267,280,000	41,000,000	339,791,266	(215,745,357)	165,045,909	432,325,909
Loss for the period	-	-	-	(364,035,195)	(364,035,195)	(364,035,195)
Obtained during the period	-	12,375,466	-	-	12,375,466	12,375,466
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	12,375,466	-	(364,035,195)	(351,659,729)	(351,659,729)
Transfer from surplus on revaluation of property, plant and equipment -net of tax	-	-	(10,870,065)	10,870,065	-	-
<b>Balance as at March 31, 2018 - (Un-audited)</b>	<b>267,280,000</b>	<b>53,375,466</b>	<b>328,921,201</b>	<b>(568,910,487)</b>	<b>(186,613,820)</b>	<b>80,666,180</b>
Loss for the period	-	-	-	(534,082,746)	(534,082,746)	(534,082,746)
Obtained during the period	-	32,112,907	-	-	32,112,907	32,112,907
Other comprehensive income for the period	-	-	240,799,340	-	240,799,340	240,799,340
Total comprehensive income for the period	-	32,112,907	240,799,340	(534,082,746)	(261,170,499)	(261,170,500)
Transfer from surplus on revaluation of property, plant and equipment -net of tax	-	-	(3,623,355)	3,623,355	-	-
<b>Balance as at June 30, 2018 - (Audited)</b>	<b>267,280,000</b>	<b>85,488,373</b>	<b>566,097,186</b>	<b>(1,099,369,878)</b>	<b>(447,784,319)</b>	<b>(180,504,320)</b>
Profit for the period	-	-	-	78,542,815	78,542,815	78,542,815
Loan repaid during the period	-	(19,200,000)	-	-	(19,200,000)	(19,200,000)
Transfer from revaluation surplus due to disposal of assets - net of tax	-	-	(566,097,186)	608,469,707	42,372,521	42,372,521
Transfer from surplus on revaluation of property, plant and equipment - net of tax	-	(19,200,000)	(566,097,186)	687,012,521	101,715,336	101,715,336
<b>Balance as at March 31, 2019 - (Un-audited)</b>	<b>267,280,000</b>	<b>66,288,373</b>	<b>-</b>	<b>(412,357,357)</b>	<b>(346,068,984)</b>	<b>(78,788,984)</b>

The annexed notes from 1 to 24 form an integral part of this condensed interim financial information.

**JEHANZEB AMIN**  
Chief Executive

**SHEHRYAR AMIN**  
Director

**SAFDER HUSSAIN TARIQ**  
Director / CFO

# Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

## 1 General information and nature of operations

- 1.1** Samin Textiles Limited (the "Company") is a public limited company incorporated in Pakistan on November 27, 1989 under the repealed Companies Ordinance, 1984 ( now Companies Act, 2017). The shares of the Company are listed on Pakistan Stock Exchange. The principal business of the Company is purchase , sale , import , export and trading in cloth. The address of its registered/head office is 50-C, Main Gulberg, Lahore.
- 1.2** The manufacturing activities of the Company were discontinued during the month of September 2018, as such there is no production and sales activity during the period under review, the activity of disposal of fixed assets, realization there against and settlement of liabilities was carried out during the period. Other Operating Income comprises of gain realized on disposal of fixed assets and writing back of settled and old liabilities.

Disposal of such assets and implementation of business plan approved by the shareholders of the Company on September 26, 2018 may cast a significant doubt on the entity's ability to continue as going concern and therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, these financial statements have been prepared on a going concern basis due to following mitigating factors:

### - Future outlook / strategy

The implementation of business plan is in process. Delay in realizations from disposal of fixed assets has caused delay in commencement of alternate business plan. We are hopeful that its commencement will keep the Company as going concern and will bring fruitful results.

### - Financial commitment from sponsors

The sponsors of the Company have also explicitly provided a commitment to provide necessary financial support to the Company, if the need arises, to enable the Company to resume and continue alternate business i.e trading activities.

## 2 Basis of preparation

This condensed interim financial information is un-audited and is being submitted to shareholders, as required by the Companies Act, 2017.

This financial information have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as are notified under the Companies Act, 2017, provisions of and directives issued under the Companies Act, 2017. In case requirements differ, the provisions or directives of the Companies Act, 2017 shall prevail.

This condensed interim financial report does not include all the information required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2018.

## 3 Significant accounting policies

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual published financial statements of the Company for the year ended June 30, 2018.

The new standards, amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after July 1, 2018, were either considered not to be relevant to the Company's operations or did not significantly effect the accounting policies of the Company.

Adoption of IFRS-9 has been deferred till 30 June 2019 and accordingly, changes , if any, would be incorporated in annual financial statements for the year ended June 30, 2019.

## Notes to the Condensed Interim Financial Statements (Un-audited)

### For the nine months ended March 31, 2019

#### 4 Critical accounting estimates and judgments

Judgments and estimates made by the management in the preparation of this condensed interim financial report are the same as those applied to the preceding annual published financial statements of the Company for the year ended June 30, 2018.

#### 5 Financial risk management

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2018.

	Notes	Un-audited Mar 31, 2019 Rupees	Audited Jun 30, 2018 Rupees
<b>6 Share capital</b>			
<b>Authorized share capital</b>			
30,000,000 (June 30, 2018: 30,000,000) ordinary shares of Rs. 10/- each		<b>300,000,000</b>	300,000,000
<b>Total</b>		<b>300,000,000</b>	300,000,000
<b>Issued, subscribed and paid-up share capital</b>			
26,728,000 (June 30, 2018: 26,728,000) ordinary shares of Rs. 10/- each		<b>267,280,000</b>	267,280,000
<b>Total</b>		<b>267,280,000</b>	267,280,000
<b>7 LOAN FROM SPONSOR</b>			
Loan from sponsor- unsecured		<b>66,288,373</b>	85,488,373
<b>Total</b>	<b>7.1</b>	<b>66,288,373</b>	85,488,373
<b>7.1 Opening balance</b>			
		<b>85,488,373</b>	41,000,000
(Repaid) / obtained during the period/year		<b>(19,200,000)</b>	44,488,373
<b>Closing balance</b>	<b>7.1.1</b>	<b>66,288,373</b>	85,488,373
<b>7.1.1</b> This represents interest free loan from a member of the Company. This loan is designated interest free and is repayable at the discretion of the Company. Further, in accordance with Technical Release - 32 "Accounting Directors' Loan" issued by the Institute of Chartered Accountants of Pakistan, such loan has been classified as part of equity instead of long term borrowing.			
		Un-audited Mar 31, 2019 Rupees	Audited Jun 30, 2018 Rupees
<b>8 Deferred Liabilities</b>			
Deferred tax		-	42,372,521
Staff gratuity		<b>1,277,250</b>	1,287,100
<b>Total</b>		<b>1,277,250</b>	43,659,621

# Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

	<b>Un-audited</b> <b>Mar 31, 2019</b>	Audited Jun 30, 2018
	Rupees	Rupees
<b>9 Interest /markup accrued on financing</b>		
Markup accrued on:		
Long term borrowings	-	1,943,840
Liabilities against assets subject to finance lease	-	3,217,396
Short term borrowings	-	30,438,858
Sponsors loan - related party	<b>18,535,710</b>	20,842,300
<b>Total</b>	<b>18,535,710</b>	56,442,394

## 10 Short term borrowings - banks and financial institutions

From banking companies:

Pre & Post-shipment - own sources	-	106,869,778
Cash finance	-	334,999,481
<b>Total</b>	-	441,869,259

## 11 Current portion of long term financing

Long term borrowings	-	180,328,119
Liabilities against assets subject to finance lease	-	1,381,365
<b>Total</b>	-	181,709,484

## 12 Contingencies and commitments

### Contingencies

There is no material change in contingencies as disclosed in the notes to the financial statements for the year ended June 30, 2018 except as follows:

- (i) An order u/s 122(5A) for Tax Year 2011 had been passed on 02-02-2016 by Comissioner Inland Revenue (CIR) reducing the Income Tax Refunds from Rs. 8,939,819 to Rs. 2,925,744 . Appeal against order of CIR had been filed before CIR Appeals-II, Lahore. After considering the arguments, CIR Appelas-II has deleted the addition made under u/s 158(a) of the Ordinance alongwith the direction to re-examine the matter of refunds to the Department through an order dated 06-02-2019. Second appeal against this order has been filed before Appellate Tribunal IR dated 22-03-2019. The management of the Company expects favourable outcome of the case and accordingly, no provision in this regard has been made in this condensed interim financial information.
- (ii) During last year, orders for Tax Year 2010 u/s 122(5A) dated 16-09-2015 and 26-11-2015, had been passed by CIR disallowing expenses claimed and creating a liability of Rs. 1,640,269 and 1,775,510 respectively. In appeal relating to demand of Rs. 1,640,269, CIR Appeals remanded back the case to the Department for re examination through his Order dated 06-02-2019. CIR Appeals-II in reference to Order creating of Rs. 1,775,510, has deleted the disallowance made under u/s 158(a) of the Ordinance while remanding back the case with the direction to re-examine the matter of salaries to the Department through his order dated 06-02-2019. Second appeal against this order has been filed before Appellate Tribunal IR dated 09-04-2019.The management of the Company expects favourable outcome of such cases and accordingly, no provision in this regard has been made in this condensed interim financial information.
- (iii) Guarantees of Rs. 1,000,000 (2018: Rs. 29.655 million ) have been given by the National Bank of Pakistan (NBP) on behalf of the Company.

## Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

### Commitments

There were no commitments at period end.

	Notes	Un-audited Mar 31, 2019 Rupees	Audited Jun 30, 2018 Rupees
<b>13 Property, plant and equipment</b>			
Operating fixed assets	13.1	7,052,176	5,620,079
<b>Total</b>		<b>7,052,176</b>	<b>5,620,079</b>

**13.1** This represents vehicles and office equipment.

### 14 TRADE DEBTS

Considered good

Local	14.1	1,428,365	13,339,625
<b>Total</b>		<b>1,428,365</b>	<b>13,339,625</b>

**14.1** These are receivables against sale of machinery.

### 15 NON CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

This represents realizable value of following assets classified as held for sale. Sales proceeds have been utilized to settle / reduce banks' finance facilities in order to reduce dependency on external debts and finance cost of the Company.

	Note	Un-audited Mar 31, 2019 Rupees	Audited Jun 30, 2018 Rupees
<b>Property, plant and equipment</b>	<b>17.1</b>		
-Land		-	304,871,600
-Building		-	266,780,565
-Plant and machinery		-	104,192,000
-Furniture and fittings		-	480,000
-Office equipment		-	801,520
-Vehicles		-	1,299,615
-Electric installation		-	3,840,000
-Tube well		-	1,083,899
-Arms and ammunition		-	416
<b>Long term deposits</b>		<b>5,355,000</b>	14,420,790
<b>Total</b>		<b>5,355,000</b>	<b>697,770,405</b>

# Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

## 16 Cost of sales

	For the nine month ended March 31, 2019	For the nine month ended March 31, 2018	For the quarter ended March 31, 2019	For the quarter ended March 31, 2018
	Rupees	Rupees	Rupees	Rupees
Raw material consumed	4,130,703	54,403,734	-	1,214,472
Salaries, wages and other benefits	28,162,640	98,934,955	2,285,001	34,799,024
Other factory overheads	18,003,848	244,499,796	269,550	96,310,710
<b>Total</b>	<b>50,297,191</b>	<b>397,838,485</b>	<b>2,554,551</b>	<b>132,324,206</b>
<b>(Increase)/decrease in work in process</b>				
Opening work in process	1,620,514	1,329,570	-	1,035,650
Closing work in process	-	(839,556)	-	(839,556)
<b>Adjustment of work in process</b>	<b>1,620,514</b>	<b>490,014</b>	<b>-</b>	<b>196,094</b>
<b>Cost of goods manufactured</b>	<b>A 51,917,705</b>	<b>398,328,499</b>	<b>2,554,551</b>	<b>132,520,299</b>
<b>(Increase)/decrease in finished goods</b>				
Opening stock	14,923,102	249,908,464	-	220,511,629
Closing stock	-	(90,979,370)	-	(90,979,370)
<b>Adjustment of finished goods</b>	<b>B 14,923,102</b>	<b>158,929,094</b>	<b>-</b>	<b>129,532,259</b>
<b>Total</b>	<b>A+B 66,840,807</b>	<b>557,257,593</b>	<b>2,554,551</b>	<b>262,052,558</b>

Notes	Un-audited Mar 31, 2019 Rupees	Un-audited Mar 31, 2018 Rupees
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## 17 OTHER INCOME

### Income from financial assets

Markup on deposit accounts	26,290	26,461
Interest income	-	109,538

### Income from assets other than financial assets

Settlement of long term deposits	642,710	-
Gain on disposal of property, plant and equipment during the period	17.1 & 17.2 142,705,239	2,266,806
Gain on waiver of lease	2,290,522	-
Liabilities written back during the period	42,264,659	-
<b>Total</b>	<b>187,929,420</b>	<b>2,402,805</b>

## Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

17.1	Description	Opening balance	Proceeds from disposal	Gain/(loss) on disposal of property, plant and equipment
		Rupees	Rupees	Rupees
	Freehold land and building	571,652,165	714,000,000	142,347,835
	Plant & Machinery	104,192,000		
	Furniture and fittings	480,000		
	Office equipments	801,520		
	Vehicles	1,299,615		
	Electric installations	3,840,000		
	Tube Well	1,083,900		
	Arms and ammunition	416		
	Stores, spare parts and loose tools	40,859,937		
		152,557,388	150,000,000	(2,557,388)
	<b>Grand Total</b>	<b>876,766,940</b>	<b>864,000,000</b>	<b>139,790,448</b>

17.2	Description	Quantity	Cost	Accumulated depreciation	Net book value	Proceeds from disposal	Gain on disposal of property, plant and equipment
			Rupees	Rupees	Rupees	Rupees	Rupees
	<u>Vehicles</u>						
	Honda Civic VTI ORIEAL	1	1,679,685	1,490,860	188,825	1,220,000	1,031,175
	Suzuki Swift	1	1,300,095	885,174	414,921	800,000	385,079
	Honda Civic VTI Red	1	1,877,893	1,548,763	329,130	1,050,000	720,870
	Honda Civic VTI Black	1	1,555,685	1,383,352	172,333	950,000	777,667
	<b>Total</b>		<b>6,413,358</b>	<b>5,308,149</b>	<b>1,105,209</b>	<b>4,020,000</b>	<b>2,914,791</b>

18	PROVISION FOR TAXATION	Un-audited	Un-audited
		Mar 31, 2019	Mar 31, 2018
		Rupees	Rupees
	Current	559,413	3,834,025
	Prior period	-	1,967,328
	<b>Total</b>	<b>559,413</b>	<b>5,801,353</b>

## Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

	<b>Un-audited Mar 31, 2019</b>	Un-audited Mar 31, 2018
	<b>Rupees</b>	Rupees
<b>19 Cash (used in) / generated from operations</b>		
Profit / (Loss) before taxation	<b>79,102,228</b>	(358,233,843)
<b>Adjustments for:</b>		
Depreciation on property, plant and equipment	<b>934,893</b>	55,181,107
Gain on disposal of property, plant and equipment	<b>(142,705,239)</b>	(2,266,806)
Gain on disposal of stores, spare parts and loose tools	<b>(40,859,937)</b>	-
Settlement of long term deposits	<b>(642,710)</b>	-
Gain on waiver of lease	<b>(2,290,522)</b>	
Impairment loss on Investment	-	109,538
Interest Income	-	(109,538)
Provision for worker's profit participation fund	<b>3,506,561</b>	
Finance cost	<b>43,832,899</b>	57,656,197
Operating profit before changes in working capital	<b>(59,121,828)</b>	(247,663,344)
<b>Changes in working capital</b>		
<b>(Increase) /decrease in current assets</b>		
Stores, spare parts and loose tools	<b>44,466,219</b>	5,724,759
Stock in trade	<b>20,634,645</b>	163,161,930
Trade debts	<b>11,911,260</b>	5,099,948
Loans and advances	<b>7,509,936</b>	(4,559,532)
Trade deposits, prepayments and balances with statutory authorities	<b>5,026,544</b>	7,074,576
<b>(Decrease) /increase in current liabilities</b>		
Trade and other payables	<b>(79,592,317)</b>	18,845,930
Provident fund payable	<b>(31,933,363)</b>	-
<b>Total</b>	<b>(81,098,904)</b>	(52,315,733)

**20 Transactions with related parties**

Significant transactions with related parties during the period are as follows:

			<b>Un-audited Mar 31, 2019</b>	Un-audited Mar 31, 2018
	<b>Relationship</b>	<b>Notes</b>	<b>Rupees</b>	Rupees
<b>Mrs. Mehvish Amin</b>	<b>Director</b>			
Office rent			<b>900,000</b>	900,000
<b>Mrs. Shehla Segal</b>	<b>Sponsor</b>			
Markup on sponsors loan			<b>676,850</b>	676,323
<b>Mr. Sarmad Amin</b>	<b>Sponsor</b>			
Markup on loan			<b>9,537,956</b>	4,992,792
<b>Directors and other key management personnel</b>	<b>Directors and executives</b>			
Remuneration and benefits			<b>18,990,994</b>	21,618,795
<b>Provident Fund expense including interest</b>	<b>Provident Fund</b>	<b>20.1</b>	-	10,411,786

## Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

### Significant balances with related parties as at the reporting date are as follows:

	Relationship	Note	Un-audited	Audited
			Mar 31, 2019	June 30, 2018
			Rupees	Rupees
<b>Payable to Sponsors</b>	<b>Loan and markup payable</b>			
Mr. Sarmad Amin			<b>171,063,206</b>	253,246,647
Mrs. Shehla Segal			<b>24,172,442</b>	23,495,592
<b>Payable to Provident Fund</b>	<b>Provident fund</b>	<b>20.1</b>	-	31,933,363

**20.1** During the period, the Company has paid off and discontinued its provident fund scheme.

	Un-audited	Un-audited
	Mar 31, 2019	Mar 31, 2018
		Rupees
<b>21 Earnings (loss) per share - basic and diluted</b>		
Profit/(loss) for the period	<b>78,542,815</b>	(364,035,195)
Weighted average number of ordinary shares	<b>26,728,000</b>	26,728,000
<b>Earning/ (loss) per share (Rupees)</b>	<b>2.94</b>	(13.62)

### 22 Fair Values Of Financial Assets And Liabilities

Fair value is the amount that would be received on sale of an asset or paid on transfer of a liability in an orderly transaction between market participants at the measurement date. Consequently, differences can arise between carrying values and 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.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

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 assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs).

#### Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

# Notes to the Condensed Interim Financial Statements (Un-audited)

For the nine months ended March 31, 2019

	Carrying Amount				Fair Value				
	Loans and receivables	Available for sale instruments	Fair value through income statement	Other financial instruments	Total	Level 1	Level 2	Level 3	Total
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
<b>March 31, 2019 (Un-audited)</b>									
<b>Financial assets not measured at fair value</b>									
<b>Current</b>									
Trade debts	1,428,365	-	-	-	1,428,365	-	-	-	-
Loans and advances	648,221	-	-	-	648,221	-	-	-	-
Trade deposits	1,085,424	-	-	-	1,085,424	-	-	-	-
Cash and bank balances	9,278,866	-	-	-	9,278,866	-	-	-	-
<b>Total</b>	<b>12,440,876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12,440,876</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Financial liabilities not measured at fair value****Non-current**

Sponsors Loan - related party

-	-	-	10,411,566	10,411,566	-	-	-	-	
<b>Current</b>									
Trade and other payables	-	-	89,192,674	89,192,674	-	-	-	-	
Interest accrued	-	-	18,535,710	18,535,710	-	-	-	-	
Short term borrowings	-	-	100,000,000	100,000,000	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>218,139,950</b>	<b>218,139,950</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

**June 30, 2018 (Audited)****Financial assets not measured at fair value****Current**

Trade debts	13,339,625	-	-	-	13,339,625	-	-	-	-
Loans and advances	8,158,157	-	-	-	8,158,157	-	-	-	-
Trade deposits	2,793,663	-	-	-	2,793,663	-	-	-	-
Cash and bank balances	3,349,231	-	-	-	3,349,231	-	-	-	-
<b>Total</b>	<b>27,640,676</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,640,676</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Financial liabilities not measured at fair value****Non-current**

Sponsors Loan - related party

-	-	-	10,411,566	10,411,566	-	-	-	-	
<b>Current</b>									
Trade and other payables	-	-	165,278,430	165,278,430	-	-	-	-	
Interest accrued	-	-	56,442,394	56,442,394	-	-	-	-	
Short term borrowings	-	-	601,869,259	601,869,259	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>834,001,649</b>	<b>834,001,649</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## Notes to the Condensed Interim Financial Statements (Un-audited) For the nine months ended March 31, 2019

### 23 General

**23.1** Corresponding figures have been rearranged wherever necessary, for the purpose of comparison. However, there were no material reclassification or rearrangement to report.

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the Condensed Interim Statement of Financial Position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the Condensed Interim profit or loss account and Other Comprehensive Income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of condensed interim half yearly financial information of comparable period.

**23.2** Figures have been rounded off to the nearest rupees unless otherwise stated.

### 24 Date of authorization for issue

This condensed interim financial information was authorized for issue on April 26, 2019 by the Board of Directors of the Company.



**JEHANZEB AMIN**  
Chief Executive



**SHEHRYAR AMIN**  
Director



**SAFDER HUSSAIN TARIQ**  
Director / CFO



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\*Where applicable, these features are available for android and iOS devices.



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