

Interim Financial Report 2019



Interim Financial Report
For the half year ended
December 31,2019



Samin Textiles Limited

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Company Information

Board of Directors

Non-Executive Directors

Mrs. Mehvash Amin	Chairperson
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
Bank Alfalah 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

Director's Review

The board of directors of your company is pleased to present before you the un-audited financial statements duly reviewed by the auditors for the half year ended December 31, 2019. These financial statements have been prepared in compliance with IAS – 34 "Interim Financial Reporting" and provisions of, and directives issued under the Companies Act, 2017.

Financial Highlights

	Half Year ended December 31, 2019 (Rupees in million)	Half Year ended December 31, 2018 (Rupees in million)
– Sales - Net	Nil	44.559
– Gross (loss)	Nil	(19.728)
– Other Operating Income	29.256	159.891
– Profit after tax	11.311	68.915
– Depreciation	0.594	0.546
– Cash Profit	11.905	69.461

The figures tabulated above reveal that during the period under review the company posted net sales amounting to Rs. Nil and a net profit of Rs. 11.311 million as compared to net sales of Rs. 44.559 million and net profit of Rs. 68.915 million for the corresponding period of last financial year.

As you are aware of the fact that land, building, plant and machinery and other fixed assets of the Company were disposed of before 30 June, 2019 as authorized and approved by the shareholders on the Extra Ordinary General Meeting (EOGM) held on 26 October, 2018. As such there was no production activity during the period under review. However, the other income of Rs. 29.256 million is composed of agricultural income derived from sale of crops, livestock and by writing off old/unclaimed creditors.

Future Outlook / Strategy

As you are aware that Alternate Business Plan approved by the Board of Directors and shareholders is still kept in abeyance due to adverse business and investment environment in the Country.

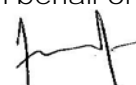
In case the prevailing adverse climate persists for a longer period refraining the management to implement Alternate Business Plan, the Board will decide to exercise other options in order to keep the Company alive in the interest of the shareholders. The management is committed to cater for the financial needs of the company for its survival and revival.

The management is of the opinion that this is the time when government should come forward to support the industry in terms of rebate schemes and release of sales tax refunds in order to improve its profitability and liquidity. Such measures will put the industry back to its own feet.

Acknowledgement:

We are grateful to all our stakeholders exclusively the employees of the Company for their hard work, dedication, commitment and faith in Company's survival.

For and on behalf of the Board



Jehanzeb Amin
Chief Executive

Lahore:
Dated: 10th February, 2020

کمپنی کی مجلسِ نظامہ 31 دسمبر 2019ء کو ختم ہونے والی پہلی ششماہی کے لئے آڈیٹرز کی طرف سے باقاعدہ دوبارہ جائزہ شدہ غیر نظر ثانی شدہ مالیاتی حسابات پیش کرتے ہوئے خوشی محسوس کر رہی ہے۔ یہ مالی حسابات آڈیٹ ایس 34 "عبوری مالیاتی رپورٹنگ" اوکیٹیز ایکٹ 2017 کے تحت جاری کردہ ہدایات اور پروویژنز کی تعمیل میں تیار کئے گئے ہیں۔

مالی جھلکیاں

روپے ملین میں

31 دسمبر 2018 مختتمہ ششماہی	31 دسمبر 2019 مختتمہ ششماہی	
44.559	Nil	فروخت - خالص
(19.728)	Nil	مجموعی (نقصان)
159.891	29.256	دیگر آپریٹنگ آمدن
68.915	11.311	منافع / (نقصان) بعد از ٹیکس
0.546	0.594	فرسودگی
69.461	11.905	نقد منافع

مندرجہ بالا جدول کے اعداد و شمار سے ظاہر ہوتا ہے کہ گزشتہ مالی سال کی اسی مدت میں 44.559 ملین روپے خالص فروخت اور 68.915 ملین روپے خالص منافع کے مقابلے میں جائزہ مدت کے دوران کمپنی نے Nil روپے کی خالص فروخت اور خالص منافع 11.311 ملین روپے درج کیا ہے۔

چونکہ آپ اس حقیقت سے بخوبی واقف ہیں کہ کمپنی کی زمین، عمارت، پلانٹ اور مشینری اور دیگر فیکسڈ اثاثوں کو 30 جون، 2019ء سے پہلے ہی فروخت کر دیا گیا تھا، جس کی حصص یافتگان کی جانب سے 30 اکتوبر 2018ء کو منظور ہونے والے غیر معمولی اجلاس عام (EOGM) میں اختیار اور منظور دی گئی تھی۔ جیسا کہ زیر جائزہ مدت کے دوران کوئی پیداواری سرگرمی نہیں ہوئی۔ تاہم، دیگر آمدنی 29.256 ملین روپے زرعی آمدنی پر مشتمل ہے جو فصلوں، مویشیوں کی فروخت سے اور پرانے / غیر دعویدار قرض دہندگان کی writing off سے حاصل ہوئی ہے۔

مستقبل کا نقطہ نظر / حکمت عملی

جیسا کہ آپ آگاہ ہو کہ بورڈ آف ڈائریکٹرز اور ڈسٹریبیوٹرز کی طرف سے منظور شدہ متبادل کاروباری منصوبہ ملک میں کاروبار اور سرمایہ کاری کے منفی ماحول کی وجہ سے بدستور برقرار ہے۔ اگر موجودہ منفی ماحول طویل مدت کے لئے برقرار رہا تو انتظامیہ متبادل کاروباری منصوبہ پر عمل درآمد سے گریزاں رہی تو، بورڈ ڈسٹریبیوٹرز کے مفاد میں کمپنی کو زندہ رکھنے کے لئے دوسرے اختیارات متعارف کرنے کا فیصلہ کرے گا۔ انتظامیہ اپنی بقا اور بحالی کے لئے کمپنی کی مالی ضروریات کو پورا کرنے کے لئے پرعزم ہے۔

انتظامیہ کی رائے ہے کہ یہ وقت ہے جب حکومت کو اعانتی اسکیموں اور سیلز ٹیکس کی واپسیوں کے اجراء کے سلسلے میں صنعت کی مدد کے لئے آگے آنا چاہئے تاکہ اس کے منافع اور استحکام کو بہتر بنایا

جاسکے۔ اس طرح کے اقدامات انڈسٹری کو دوبارہ اپنے پیروں پر کھڑا کریں گے۔

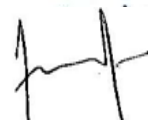
اظہار تشکر

ہم اپنے تمام اسٹیک ہولڈرز خاص طور پر کمپنی کے ملازمین کی سخت محنت، عزم، لگن اور کمپنی کی بقاء پر یقین کے شکر گزار ہیں۔

منجانب بورڈ

جہانزیب امین

چیف ایگزیکٹو



لاہور: تاریخ: 10 فروری 2020ء



Grant Thornton

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Samin Textiles Limited

Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of Samin Textiles limited as at December 31, 2019 and the related condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this 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 these financial statements based on our review.

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

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 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.

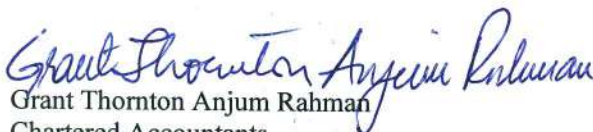
Conclusion

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

Emphasis of Matter

We draw attention to note 1.2 to the accompanying interim financial statements which states that the company is no longer a going concern, therefore, these interim financial statements have been prepared on non-going concern basis. Our opinion is not modified in respect of this matter.

The engagement partner on the audit resulting in this independent auditor's report is Imran Afzal.



Grant Thornton Anjum Rahman
Chartered Accountants

Lahore

Date: February 10, 2020

SAMIN TEXTILES LIMITED

Condensed Interim Statement of Financial Position (Un-Audited)

As at December 31, 2019



	Notes	Un-audited Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)
Equity and liabilities			
Equity			
Share capital			
Issued, subscribed and paid-up share capital	6	267,280,000	267,280,000
Loan from sponsor	7	58,671,481	58,271,947
Revenue reserves			
Accumulated loss		(388,437,389)	(399,748,333)
Total equity		(62,485,908)	(74,196,386)
Current Liabilities			
Subordinated loan-related party		10,411,566	10,411,566
Deferred liabilities		-	1,277,250
Trade and other payables	8	52,129,438	79,878,720
Interest /markup accrued on financing	9	7,014,684	2,899,535
Short term borrowings - related party		100,000,000	100,000,000
Unclaimed dividend		-	8,200
Total current liabilities		169,555,688	194,475,271
Total liabilities		169,555,688	194,475,271
Total equity and liabilities		107,069,780	120,278,884
Contingencies and commitments	10		

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


JEHANZEB AMIN
 CHIEF EXECUTIVE OFFICER


SHEHRYAR AMIN
 DIRECTOR


SAFDER HUSSAIN TARIQ
 DIRECTOR / CFO

SAMIN TEXTILES LIMITED

Condensed Interim Statement of Financial Position (Un-Audited)

As at December 31, 2019




	Notes	Un-audited Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)
Current Assets			
Property, plant and equipment	11	5,487,313	6,081,116
Other receivables	12	2,153,255	872,441
Trade deposits and prepayments		6,440,424	6,440,424
Tax refunds due from government-net		90,758,777	101,159,783
Cash and bank balances		2,230,011	5,725,120
Current assets		107,069,780	120,278,884
Total assets		107,069,780	120,278,884

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


JEHANZEB AMIN
CHIEF EXECUTIVE OFFICER


SHEHRYAR AMIN
DIRECTOR


SAFDER HUSSAIN TARIQ
DIRECTOR/CFO

SAMIN TEXTILES LIMITED

Condensed Interim Statement of Profit or Loss and Other Comprehensive Income (Un-Audited)
For the Half year ended December 31, 2019



	Notes	For the Half year ended Dec 31, 2019 (Rupees)	For the Half year ended Dec 31, 2018 (Rupees)	For the Quarter ended Dec 31, 2019 (Rupees)	For the Quarter ended Dec 31, 2018 (Rupees)
Sales - net		-	44,558,608	-	1,254,010
Cost of sales	13	-	(64,286,256)	-	(17,973,396)
Gross loss		-	(19,727,648)	-	(16,719,386)
Other income	14	29,256,090	159,891,402	3,288,706	159,880,641
Distribution cost		-	(3,539,496)	-	(1,296,184)
Administrative expenses	15	(8,605,788)	(21,958,143)	(3,777,754)	(10,691,076)
Other expenses	16	-	(4,977,276)	-	(4,977,276)
Operating profit/(loss)		20,650,302	109,688,839	(489,048)	126,196,719
Finance cost	17	(7,022,659)	(40,214,248)	(3,627,482)	(21,383,495)
Profit / (loss) before taxation		13,627,643	69,474,591	(4,116,530)	104,813,224
Taxation	18	(2,316,699)	(559,413)	-	(124,423)
Profit / (loss) for the period		11,310,944	68,915,178	(4,116,530)	104,688,801
Other comprehensive income for the period		-	-	-	-
Total comprehensive income /(loss) for the period		11,310,944	68,915,178	(4,116,530)	104,688,801
Earning / (loss) per share - Basic & Diluted		0.42	2.58	(0.15)	3.92

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


JEHANZEB AMIN
CHIEF EXECUTIVE OFFICER


SHEHRYAR AMIN
DIRECTOR


SAFDER HUSSAIN TARIQ
DIRECTOR/CFO




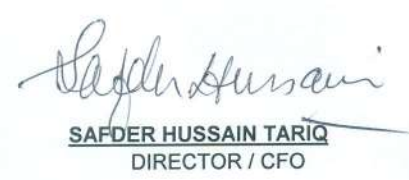
Condensed Interim Statement of Cash Flows (Un-Audited)
For the Half year ended December 31, 2019

		For the half year ended Dec 31, 2019 (Rupees)	For the half year ended Dec 31, 2018 (Rupees)
Cash flows from operating activities			
Cash (used in) operations	19	(887,859)	(156,171,323)
Income tax paid		(91,076)	(440,950)
Gratuity paid		-	(9,850)
Dividend paid		(8,200)	-
Net cash (used in) operating activities		(987,135)	(156,622,123)
Cash flows from investing activities			
(Increase) in long term deposits		-	(1,708,239)
Proceeds from disposal of property, plant and equipment		-	864,000,000
Proceeds from realization of long term deposits		-	9,708,500
Net cash from investing activities		-	872,000,261
Cash flows from financing activities			
(Decrease) in short term borrowings		-	(441,869,259)
(Decrease) in long term financing		-	(180,328,119)
Increase / (decrease) in loan from sponsor - net		399,534	(14,200,000)
Finance cost paid		(2,907,508)	(67,917,117)
Net cash (used in) financing activities		(2,507,974)	(704,314,495)
Net changes in cash and cash equivalents		(3,495,109)	11,063,643
Cash and cash equivalents at beginning of the year		5,725,120	3,349,231
Cash and cash equivalents at end of the period		2,230,011	14,412,874

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


JEHANZEB AMIN
CHIEF EXECUTIVE OFFICER


SHEHRYAR AMIN
DIRECTOR


SAFDER HUSSAIN TARIQ
DIRECTOR / CFO

Condensed Interim Statement of Changes in Equity (Un-Audited)
For the Half year ended December 31, 2019

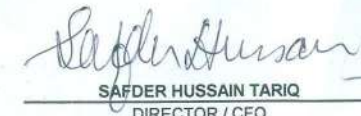


Particulars	Issued, subscribed and paid up share capital	Loan from sponsor	Capital Reserve	Revenue reserves	Sub-total	Total Equity
			Revaluation surplus on property, plant and equipment	Revenue reserve- Accumulated (Loss)		
Rupees						
	A	B	C	D	E=B+C+D	F=A+E
Balance as at 01 July, 2018	267,280,000	85,488,373	566,097,186	(1,099,369,878)	(447,784,319)	(180,504,319)
Net profit for the period	-	-	-	68,915,178	68,915,178	68,915,178
Loan repaid during the period	-	(14,200,000)	-	-	(14,200,000)	(14,200,000)
Other comprehensive (loss) / income for the period	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	-	(14,200,000)	-	68,915,178	54,715,178	54,715,178
Transfer from revaluation surplus due to disposal of assets - net of tax	-	-	(566,097,186)	608,469,707	42,372,521	42,372,521
Balance as at December 31, 2018 - (Un-audited)	267,280,000	71,288,373	-	(421,984,993)	(350,696,621)	(83,416,620)
Net profit for the period	-	-	-	22,236,660	22,236,660	22,236,660
Loan repaid during the period	-	(13,016,426)	-	-	(13,016,426)	(13,016,426)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive (loss) / income for the period	-	(13,016,426)	-	22,236,660	9,220,234	9,220,234
Balance as at June 30, 2019 - (Audited)	267,280,000	58,271,947	-	(399,748,333)	(341,476,387)	(74,196,386)
Net profit for the period	-	-	-	11,310,944	11,310,944	11,310,944
Loan obtained during the period	-	399,534	-	-	399,534	399,534
Balance as at December 31, 2019 - (Un Audited)	267,280,000	58,671,481	-	(388,437,389)	(329,765,908)	(62,485,908)

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


JEHANZEB AMIN
CHIEF EXECUTIVE OFFICER


SHEHRYAR AMIN
DIRECTOR


SAFDER HUSSAIN TARIQ
DIRECTOR / CFO

1 General information and nature of operations

1.1 Samin Textiles Limited ("The Company") was incorporated in Pakistan on November 27, 1989 as a public limited company under the Companies Ordinance, 1984 (repealed with enactment of Companies Act, 2017). The registered office of the Company is situated at 50-C, Main Gulberg, Lahore. The Company is currently listed on Pakistan Stock Exchange. The principal business of the Company is trading, import and export of textile products.

1.2 Non-Going Concern Basis Of Accounting

The new business plan became unviable due to imposition of sales taxes on textile sector and accordingly, it could not be implemented so far. It is also not possible to run the Company at an economically viable level due to high finance costs.

In view of the aforesaid reasons, the Company is not considered a going concern. These financial statements have been prepared using the non-going concern basis of accounting on the basis of estimated realizable / settlement values of the assets and liabilities respectively.

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 has 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, 2019.

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, 2019.

The new standards, amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after July 1, 2019, were either considered not to be relevant to the Company's operations or did not significantly effect the accounting policies of the Company.

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, 2019.

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, 2019.

		Un-audited Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)
6 Share capital			
Authorized share capital			
30,000,000 (June 30, 2019: 30,000,000) ordinary shares of Rs. 10/- each		300,000,000	300,000,000
Total		300,000,000	300,000,000
Issued, subscribed and paid-up share capital			
26,728,000 (June 30, 2019: 26,728,000) ordinary shares of Rs. 10/- each		267,280,000	267,280,000
Total		267,280,000	267,280,000
7 Loan from sponsor			
Loan from sponsor- unsecured		58,671,481	58,271,947
Total	7.1	58,671,481	58,271,947
7.1 Opening balance		58,271,947	85,488,373
Obtained / (repaid) during the period / year		399,534	(27,216,426)
Closing balance	7.1.1	58,671,481	58,271,947
7.1.1	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 Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)
8 Trade and other payables			
Creditors		8,135,284	31,129,146
Others		43,994,154	48,749,574
Total		52,129,438	79,878,720
9 Interest /markup accrued on financing			
Short term borrowings - related party		7,014,684	2,899,535
Total		7,014,684	2,899,535
10 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, 2019 except as follows:			
(i)	Amendment order u/s 122(5A) for Tax Year 2007 raising demand of Rs. 3,637,393 on account of charge of minimum tax u/s 113 in respect of local sales only was passed on 24-05-2013. This order was contested before CIR-A. During last year, an order partially in favor of the Company was passed by the CIR-A. However, second appeal had been filed before Appellate Tribunal Inland Revenue (ATIR) on the same grounds. During this period, on 06-09-2019, the Learned Tribunal, after hearing the arguments decided the case in favour of the Company. No further correspondence has been received.		
(ii)	Guarantees of Rs. 1,000,000 (2019: Rs. 29.655 million) have been given by the National Bank of Pakistan (NBP) on behalf of the Company.		
Commitments			
There were no commitments at period end.			
		Un-audited Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)
11 Property, plant and equipment			
Operating fixed assets	11.1	5,487,313	6,081,116
Total		5,487,313	6,081,116
11.1	This represents vehicles and office equipment.		
11.1.1	Estimated realisable value of these operating fixed assets exceeds carrying value by approximately Rs. 9.091 million. This amount has not been incorporated in this financial information. It will be recognised at the time of actual sale in line with ICAP guideline on the basis of preparation of financial statements for companies that are not considered going concern (Circular no. 3 - 2017, dated February 07, 2017).		
12 Other receivables			
Local	12.1	2,153,255	872,441
Total		2,153,255	872,441
12.1	These are receivable against sale of machinery.		

Notes to the Condensed Interim Financial Statements (Un-Audited)
For the Half year ended December 31, 2019

	For the Half Year Ended December 31, 2019 (Rupees)	For the Half Year Ended December 31, 2018 (Rupees)	For the Quarter Ended December 31, 2019 (Rupees)	For the Quarter Ended December 31, 2018 (Rupees)
13 Cost of sales				
Raw material consumed	-	4,130,703	-	384,581
Salaries, wages and other benefits	-	25,877,639	-	7,808,057
Other factory overheads	-	17,734,298	-	6,522,897
	-	47,742,640	-	14,715,535
Decrease in work in process				
Opening work in process	-	1,620,514	-	-
Closing work in process	-	-	-	-
Adjustment of work in process	-	1,620,514	-	-
Cost of goods manufactured	A	49,363,154	-	14,715,535
Decrease in finished goods				
Opening stock	-	14,923,102	-	3,257,861
Closing stock	-	-	-	-
Adjustment of finished goods	B	14,923,102	-	3,257,861
Total	A+B	64,286,256	-	17,973,396
14 Other income			Un-audited Dec 31, 2019 (Rupees)	Un-audited Dec 31, 2018 (Rupees)
Income from financial assets				
Markup on deposit accounts			2,081	22,682
Income from assets other than financial assets				
Gain on realization of long term deposits			-	642,710
Gain on disposal of property, plant and equipment during the period			-	139,790,448
Liabilities written back			23,188,391	19,435,562
Miscellaneous			6,065,618	-
Total			29,256,090	159,891,402
15 Administrative expenses			Un-audited Dec 31, 2019 (Rupees)	Un-audited Dec 31, 2018 (Rupees)
Salaries, wages and other benefits			4,769,781	13,808,137
Others			3,836,007	8,150,006
Total			8,605,788	21,958,143
16 Other expenses				
Other expenses			-	1,470,715
Provision for worker's profit participation fund			-	3,506,561
Total			-	4,977,276
17 Finance cost				
Mark up on:				
- Long term financing			-	22,321,252
- Short term borrowings			-	10,482,959
Bank charges and others			7,975	-
Interest on sponsor's loan			7,014,684	7,179,827
Interest on provident fund payable			-	230,210
Total			7,022,659	40,214,248
18 Provision for taxation				
Current			2,316,699	559,413
Total			2,316,699	559,413

19 Cash generated from operations

	Un-audited Dec 31, 2019 (Rupees)	Un-audited Dec 31, 2018 (Rupees)
Profit before taxation	13,627,643	69,474,591
Adjustments for:		
Impairment on property, plant and equipment	593,802	546,102
Gain on disposal of property, plant and equipment	-	(139,790,448)
Gain on disposal of stores, spare parts and loose tools	-	(40,859,937)
Settlement of long term deposits	-	(642,710)
Liabilities written back	-	(2,290,522)
Provision for worker's profit participation fund	-	3,506,561
Finance cost	7,022,659	40,214,248
Operating profit / (loss) before changes in working capital	21,244,104	(69,842,116)
Changes in working capital		
(Increase) /decrease in current assets		
Stores, spare parts and loose tools	-	44,466,219
Stock in trade	-	20,634,645
Other receivables	(1,280,814)	(99,180,326)
Loans and advances	-	(711,823)
Trade deposits, prepayments and balances with statutory authorities	8,175,383	2,494,191
(Decrease) in current liabilities		
Trade and other payables	(29,026,532)	(22,098,751)
Provident fund payable	-	(31,933,363)
Total	(887,859)	(156,171,323)

20 Transactions with related parties

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

	Relationship	Un-audited Dec 31, 2019 (Rupees)	Un-audited Dec 31, 2018 (Rupees)
Mrs. Mehvish Amin	Director		
Office rent		600,000	600,000
Mrs. Shehla Segal	Sponsor		
Markup on subordinated loan		-	454,000
Mr. Sarmad Amin	Sponsor		
Markup on loan		7,014,684	6,725,299
Directors and other key management personnel	Directors and executives		
Remuneration and benefits		2,212,037	13,432,024
		Un-audited Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)

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

	Loan and markup payable	Un-audited Dec 31, 2019 (Rupees)	Audited Jun 30, 2019 (Rupees)
Payable to Sponsors			
Mr. Sarmad Amin		165,686,165	158,271,947
Mrs. Shehla Segal		10,411,566	10,411,566

21 Earnings per share - basic and diluted

	For the Half year ended Dec 31, 2019 (Rupees)	For the Half year ended Dec 31, 2018 (Rupees)	For the Quarter ended Dec 31, 2019 (Rupees)	For the Quarter ended Dec 31, 2018 (Rupees)
Profit/ (loss) for the period	11,310,944	68,915,178	(4,116,530)	104,688,801
Weighted average number of ordinary shares	26,728,000	26,728,000	26,728,000	26,728,000
Earning per share	0.42	2.58	(0.15)	3.92

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.

	Carrying amount				Fair value				
	Cash and cash equivalents	Fair value through profit/loss	Fair value through OCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Rupees.....			Rupees.....				
December 31, 2019 (Un-audited)									
Financial assets not measured at fair value									
Cash and bank balances	-	-	-	2,230,011	2,230,011	-	-	-	-
Other receivables	-	-	-	2,153,255	2,153,255	-	-	-	-
Deposits	-	-	-	6,440,424	6,440,424	-	-	-	-
Financial liabilities not measured at fair value									
Subordinated loan-related party	-	-	-	10,411,566	10,411,566	-	-	-	-
Trade and other payables	-	-	-	52,129,438	52,129,438	-	-	-	-
Interest accrued	-	-	-	7,014,684	7,014,684	-	-	-	-
Short term borrowings	-	-	-	100,000,000	100,000,000	-	-	-	-
	-	-	-	180,379,378	180,379,378	-	-	-	-

	Carrying amount				Fair value				
	Cash and cash equivalents	Fair value through profit/loss	Fair value through OCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Rupees.....			Rupees.....				
June 30, 2019 (Audited)									
Financial assets not measured at fair value									
Cash and bank balances	5,725,120	-	-	-	5,725,120	-	-	-	-
Other receivables	-	-	-	872,441	872,441	-	-	-	-
Deposits	-	-	-	6,440,424	6,440,424	-	-	-	-
Financial liabilities not measured at fair value									
Subordinated loan-related party	-	-	-	10,411,566	10,411,566	-	-	-	-
Trade and other payables	-	-	-	79,878,720	79,878,720	-	-	-	-
Interest accrued	-	-	-	2,899,535	2,899,535	-	-	-	-
Short term borrowings	-	-	-	100,000,000	100,000,000	-	-	-	-
	5,725,120	-	-	200,502,686	206,227,806	-	-	-	-

Notes to the Condensed Interim Financial Statements (Un-Audited)
For the Half year ended December 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 the comparable period.

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

24 Date of authorization for issue


This interim financial information was authorized for issue on 10 February 2020 by the Board of Directors of the Company.



JEHANZEB AMIN
CHIEF EXECUTIVE OFFICER



SHEHRYAR AMIN
DIRECTOR



SAFDER HUSSAIN TARIQ
DIRECTOR / CFO

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