





## Shadab Textile Mills Limited

### CONTENTS

Company Information	3
Directors' Report	4
Directors' Report (Urdu)	5
Independent Auditors' Report to the Members on Review of Condensed Interim Financial Statements	6
Condensed Interim Statement of Financial Position	7
Condensed Interim Statement of Profit or Loss	8
Condensed Interim Statement of Comprehensive Income	9
Condensed Interim Statement of Cash Flows	10-11
Condensed Interim Statement of Changes in Equity	12
Selected Notes to the Condensed Interim Financial Information	13-16



## Shadab Textile Mills Limited

### COMPANY INFORMATION

CHIEF EXECUTIVE	Mian Aamir Naseem	
BOARD OF DIRECTORS	Mian Farrukh Naseem Mr. Saad Naseem Mr. Yasir Naseem Mr. Hamza Naseem Mrs. Fatima Aamir Mr. Fahad Shafiq Mr. Ghazanfer Feroz	Chairman/Non Executive Director Non Executive Director Executive Director Non Executive Director Non Executive Director Independent Director Independent Director
AUDIT COMMITTEE	Mr. Fahad Shafiq Mian Farrukh Naseem Mr. Hamza Naseem	Chairman Member Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Fahad Shafiq Mr. Ghazanfer Feroz Mr. Saad Naseem	Chairman Member Member
CHIEF FINANCIAL OFFICER	Mr. Muhammad Aslam	
COMPANY SECRETARY	Mr. Abdul Wahab	
AUDITORS	M/s. Fazal Mehmood & Company, Chartered Accountants	
SHARE REGISTRAR	Corplink (Pvt) Limited Wings Arcade, 1-K, Commercial, Model Town, Lahore. Tel: 042-35887262, 35839182 Fax: 042-35869037	
BANKERS	Bank Al-falah Limited	
REGISTERED OFFICE	A-601/A, City Towers, 6-K Main Boulevard, Gulberg-II, Lahore Ph: No. 042-35788714-16	
WEBSITE ADDRESS	www.shadabtextile.com	
MILLS	Nasimabad, Shahkot, District Nankana Sahib.	



## Shadab Textile Mills Limited

### DIRECTORS' REPORT

Dear Shareholders,

We are pleased to present un-audited financial statements of the Company for the half year ended December 31, 2019 reviewed by the auditors of the Company.

During the period under review, the Company earned profit before tax of Rs.40.046 million as compared to profit before tax of Rs.22.740 million of the corresponding period of previous year. Sales were made amounting to Rs. 1,383.296 million as compared to previous half year sales of Rs. 1,358.347 million. Due to continuous supply of energy to the textile sector your Company saved its production losses and production increased as compared to the corresponding period. Earning per share is Rs.3.23 as compared to Rs.5.78 per share.

During the period under review, the Company has achieved better financial results in the 2nd quarter as compared to 1st quarter mainly due to increase in yarn sale prices as compared to raw material purchase prices and other input cost.

The Company has strategic plan to diversify its product line, addition of new qualities and blends of yarn and improvement in production capacity to compete with other spinning units. In order to make project more efficient, cost effective and profitable, the management has decided to add new project of 480 spindles ( Murata Vortex Spun Yarn ) with back process machinery through Right shares capital and sponsors loan. The right issue process has been completed successfully and opening of letters of Credit for purchase of machinery is in process. The management is confident that expansion of production facility will be achieved with in target period.

The management of the company remained committed to business growth and focused its attention to increase the efficiency and profitability of the company despite all challenges, adverse circumstances and expecting favourable results in the coming period.

The board avails the opportunity to appreciate the devoted work done by the executives, officers, staff and workers of the company.

For and on behalf of the Board

For and on behalf of the Board

MIAN AAMIR NASEEM  
(Chief Executive)

MIAN FARRUKH NASEEM  
(Director)

Lahore: February 27, 2020



## ڈائریکٹر رپورٹ

محترم حصص یافتگان،

ہم نہایت مسرت کے ساتھ کمپنی کے غیر آڈٹ شدہ حسابات کے گوشوارے برائے مالی ششماہی ختمہ 31 دسمبر 2019، کمپنی کے آڈیٹران کی نظر ثانی کے بعد آپ کی خدمت میں پیش کر رہے ہیں۔

زیر نظر مدت کمپنی نے ٹیکس ادا کرنے سے پہلے 40.046 ملین روپے کا منافع حاصل کیا ہے جو گزشتہ سال ٹیکس ادا کرنے سے پہلے اسی مدت کے لیے 22.740 ملین روپے تھا۔ اس ششماہی میں یلڑ کی مجموعی رقم 1,383.296 ملین روپے ہے جو گزشتہ سال کی ششماہی یلڑ کی رقم 1,358.347 ملین ہے۔ ٹیکس ادا کی صنعت کو توانائی کی مسلسل فراہمی سے فائدہ اٹھاتے ہوئے آپ کی کمپنی کو پیداواری خسارہ میں بچت کے ساتھ گزشتہ سال کے مقابلے میں پیداوار میں اضافہ ہوا ہے۔ فی شیئر آمدنی گزشتہ ششماہی 5.78 روپے شیئر کے مقابلے میں 3.23 روپے فی شیئر ہے۔

زیر جائزہ مدت کے دوران، کمپنی نے پہلی سہ ماہی کے مقابلے میں دوسری سہ ماہی میں بہتر مالیاتی نتائج حاصل کیے ہیں جس کی بنیادی وجہ خام مال کی قیمتوں اور دیگر ان پٹ لاگت کے مقابلے میں دھما گہ فروخت کی قیمتوں میں اضافہ ہے۔

کمپنی میں اسٹرکچرل منسوب یہ ہے کہ اس کی مصنوعات کی لائن، بنی خصوصیات کے علاوہ اور دھما گے کا مرکب اور سپلنگ پنٹس کے ساتھ مقابلہ کرنے کے لیے پیداواری صلاحیت میں بہتری پیدا ہو۔ منصوبے کو مزید مکمل، لاگت موثر اور منافع بخش بنانے کے لیے انتظامیہ نے رائٹ شیئرز کمیٹیٹل اور سپانسرز قرض کے ذریعے 480 سپنڈلز (موراڈ اور ٹیکس سپن یارن) بمعد بیک پروسس مشینز کی نیا اضافہ کرنے کا فیصلہ کیا ہے۔ رائٹ الیٹو کا عمل کامیابی کے ساتھ مکمل ہو چکا ہے۔ اور مشینز کی خریداری کے لیے لیٹرز آف ریڈیٹ کھولنے کا عمل جاری ہے۔ انتظامیہ کو یقین ہے کہ پیداواری کھولت میں توسیع کو ہدف کی مدت کے ساتھ حاصل کیا جائے گا۔

تاہم، کمپنی کی انتظامیہ کاروباری ترقی کے لیے پرعزم ہے اور اس نے تمام چیلنجوں اور منفی حالات کے باوجود کمپنی کی کارکردگی اور افادیت کو بڑھانے اور آنے والی مدت میں سازگار نتائج کی توقع کی ہے۔

بورڈ کمپنی کے ایگزیکٹوز، افسران، کمپنی کے عملے اور کارکنوں کی منتخب کوششوں کا شکریہ ادا ہے۔

مخائب بورڈ

مخائب بورڈ

میاں فرخ نسیم

(ڈائریکٹر)

Amir Nazam

میاں عامر نسیم  
(چیف ایگزیکٹو)

لاہور: 27 فروری 2020ء



## Shadab Textile Mills Limited

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL STATEMENTS

#### Introduction

We have reviewed the accompanying condensed interim statement of financial position of SHADAB TEXTILE MILLS LIMITED as at December 31, 2019 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity and notes to the financial statements for the half year ended (here-in-after referred to as the "condensed interim financial statements"). Management is responsible for the preparation and presentation of these condensed interim financial statements in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these condensed interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and December 31, 2018 have not been reviewed, as we are required to review only the cumulative figures for the half year 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 the condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

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

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

Date: February 27, 2020  
Place: Lahore

FAZAL MAHMOOD & COMPANY  
Chartered Accountants




## Shadab Textile Mills Limited

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

NOTE (RUPEES IN THOUSAND)

		Dec. 31, 2019 (Un-audited)	Jun. 30, 2019 (Audited)
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	5	297,013	301,426
Right of use assets	6	16,867	18,741
Long term deposits		2,434	2,434
		<u>316,314</u>	<u>322,601</u>
<b>CURRENT ASSETS</b>			
Short term investment		340,000	-
Stores, spares and loose tools		57,059	54,868
Stock in trade		178,100	132,230
Trade debts		101,013	114,590
Loans and advances		34,612	9,278
Trade deposits and prepayments		46,714	77,454
Other receivables		21,857	32,126
Cash and bank balances		46,967	35,881
		<u>826,322</u>	<u>456,427</u>
<b>TOTAL ASSETS</b>		<u><b>1,142,636</b></u>	<u><b>779,028</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL &amp; RESERVES</b>			
Authorized share capital			
20,000,000 ordinary shares of Rs. 10/- each		<u>200,000</u>	<u>200,000</u>
Issued, subscribed & paid-up capital		166,000	30,000
Capital reserves		204,000	-
Revenue reserves		<u>470,789</u>	<u>459,354</u>
<b>TOTAL EQUITY</b>		<u><b>840,789</b></u>	<u><b>489,354</b></u>
<b>NON - CURRENT LIABILITIES</b>			
Liabilities against assets subject to finance lease		<u>3,448</u>	<u>6,092</u>
Deferred liabilities		<u>2,516</u>	<u>10,767</u>
		5,964	16,859
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<u>224,722</u>	<u>216,281</u>
Unclaimed dividend		663	523
Accrued mark up		183	538
Short term borrowings		19,060	15,601
Sponsor loan		24,800	-
Current portion of long term loan		5,706	5,730
Provision for taxation		<u>20,749</u>	<u>34,142</u>
		295,883	272,815
<b>CONTINGENCIES AND COMMITMENTS</b>	7	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1,142,636</b></u>	<u><b>779,028</b></u>

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

  
(Mian Aamir Naseem)  
**Chief Executive**

  
(Mian Farrukh Naseem)  
**Director**

  
(Muhammad Aslam)  
**Chief Financial Officer**




## Shadab Textile Mills Limited

### CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS & QUARTER PERIOD ENDED DECEMBER 31, 2019

(RUPEES IN THOUSAND)

NOTE	Six months period ended		For the Quarter ended	
	Jul.-Dec. 2019	Jul.-Dec. 2018	Oct.-Dec. 2019	Oct.-Dec. 2018
Sales- net	1,383,296	1,358,347	732,747	677,415
Cost of sales	<u>1,304,244</u>	<u>1,296,643</u>	<u>687,838</u>	<u>670,403</u>
GROSS PROFIT	79,052	61,704	44,909	7,012
Distribution and selling expenses	3,408	2,946	1,762	1,553
Administrative expenses	35,459	29,505	18,213	14,987
Other expenses	<u>2,968</u>	<u>1,621</u>	<u>1,767</u>	<u>(878)</u>
	<u>41,835</u>	<u>34,072</u>	<u>21,742</u>	<u>15,662</u>
	37,217	27,632	23,167	(8,650)
Other income	<u>7,697</u>	<u>-</u>	<u>3,109</u>	<u>-</u>
PROFIT FROM OPERATIONS	44,914	27,632	26,276	(8,650)
Finance cost	<u>4,868</u>	<u>4,892</u>	<u>2,429</u>	<u>2,328</u>
PROFIT BEFORE TAXATION	40,046	22,740	23,847	(10,978)
TAXATION:				
-Current	20,749	16,339	10,991	7,592
-Prior	513	1	513	1
-Deferred	<u>(8,251)</u>	<u>(12,129)</u>	<u>(1,876)</u>	<u>(12,129)</u>
	13,011	4,211	9,628	(4,536)
PROFIT AFTER TAXATION	<u>27,035</u>	<u>18,529</u>	<u>14,219</u>	<u>(6,442)</u>
Basic and diluted earning per share - (Restated in Rupees)	9. <u>3.23</u>	<u>5.78</u>	<u>4.59</u>	<u>(2.01)</u>

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

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer





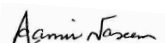
## Shadab Textile Mills Limited

### CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS & QUARTER PERIOD ENDED DECEMBER 31, 2019

(RUPEES IN THOUSAND)

	Six months period ended		For the Quarter ended	
	Jul.-Dec. 2019	Jul.-Dec. 2018	Oct.-Dec. 2019	Oct.-Dec. 2018
PROFIT AFTER TAXATION	27,035	18,529	14,219	(6,442)
Other Comprehensive Income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>27,035</u>	<u>18,529</u>	<u>14,219</u>	<u>(6,442)</u>

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

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer



## Shadab Textile Mills Limited

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

	(RUPEES IN THOUSAND)	
	Dec. 31, 2019	Dec. 31, 2018
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	40,046	22,740
Adjustments for:		
Depreciation	16,954	18,436
Finance cost	4,868	4,892
Workers' profit participation fund	2,151	1,221
Workers' welfare fund	817	464
Profit on sale of fixed assets	(4,588)	-
Operating profit before working capital changes	60,248	47,753
Adjustments for working capital changes (Increase) / decrease in current assets		
Stores, spares and loose tools	(2,191)	1,403
Stock-in-trade	(45,871)	28,539
Trade debts	13,577	12,216
Loans and advances	(25,334)	439
Trade deposits and prepayments	18,597	(1,818)
Other receivables	10,269	(6,302)
	(30,953)	34,477
Increase in current liabilities		
Trade and other payables	5,473	60
Cash generated from operations	34,768	82,290
Finance cost paid	(5,222)	(4,760)
Income tax paid	(22,512)	(17,272)
	(27,734)	(22,032)
Net cash generated from operating activities	7,034	60,258

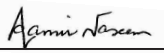


## Shadab Textile Mills Limited

(RUPEES IN THOUSAND)

	Dec. 31, 2019	Dec. 31, 2018
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payment for fixed capital expenditure	-	(9,303)
Capital work in progress	(21,079)	-
Short term investment	(340,000)	-
Long term deposits	-	(2)
Proceeds from disposal of operating fixed assets	15,000	-
Net cash (used in) investing activities	(346,079)	(9,305)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Sponsor loan received	24,800	-
Right share capital received	340,000	-
Repayment against long term loans	-	(5,667)
Payment of lease liability - net	(2,668)	(2,582)
Proceeds from short term borrowings (net)	3,459	(9,086)
Dividend paid	(15,460)	(4,892)
Net cash generated from / (used in) financing activities	350,131	(22,227)
<b>NET CASH GENERATED DURING THE PERIOD</b>	<b>11,086</b>	<b>28,726</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>35,881</b>	<b>10,633</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>46,967</b>	<b>39,359</b>

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

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer




## Shadab Textile Mills Limited

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

(RUPEES IN THOUSAND)

	Share Capital	Capital Reserve	Revenue Reserve		Total Equity
	Issued, Subscribed & Paid up Ordinary shares	Share Premium	General Reserve	Un-appropriated profit	
Balance as at July 01, 2018	30,000	-	260,000	126,259	416,259
Total comprehensive income					
Profit after taxation for the period ended December 31, 2018	-	-	-	18,529	18,529
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	18,529	18,529
Transaction with owners					
Final Dividend for the year ended June 30, 2018 @Rs. 1.65 per share	-	-	-	(4,950)	(4,950)
Balance as at December 31, 2018	30,000	-	260,000	139,838	429,838
Total comprehensive income					
Profit after taxation for the period ended June 30, 2019	-	-	-	59,516	59,516
Balance as at June 30, 2019	30,000	-	260,000	199,354	489,354
Total comprehensive income					
Profit after taxation for the period ended December 31, 2019	-	-	-	27,035	27,035
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	27,035	27,035
Right Issue of 13,600,0000 Shares @ Rs. 10 with a premium of Rs.15	136,000	204,000	-	-	340,000
Transaction with owners					
Final Dividend for the year ended June 30, 2019 @Rs. 5.20 per share	-	-	-	(15,600)	(15,600)
Balance as at December 31, 2019	166,000	204,000	260,000	210,789	840,789

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

  
(Mian Aamir Naseem)  
Chief Executive

  
(Mian Farrukh Naseem)  
Director

  
(Muhammad Aslam)  
Chief Financial Officer



## Shadab Textile Mills Limited

### SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

#### 1. THE COMPANY AND ITS OPERATIONS

Shadab Textile Mills Limited (the Company) was incorporated as a public limited company on 19th August 1979 under the Companies Act 1913 which was replaced by Companies Ordinance, 1984 (now the Companies Act, 2017). The company is registered as a public limited company in Pakistan and quoted on Pakistan Stock Exchange and engaged in the business of manufacturing, selling, buying and dealing in yarn of all types. The registered office of the company is situated at 6th Floor, A-601/A, City Towers, Main Boulevard, Gulberg-II, Lahore. The manufacturing facilities of the Company are located at Faisalabad Road, Nisimabad, Shahkot, District Nankana Sahib.

#### 2. BASIS OF PREPARATION

This condensed interim financial information of the company for the six months period ended December 31, 2019 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard - 34: "Interim Financial Reporting" and provisions of and directives issued under the Companies Act 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed. This condensed interim financial information is un-audited and is being submitted to the share holders as required under Companies Act 2017.

These condensed interim financial statements (un-audited) are being submitted to the shareholders as required by the section 237 of the Companies Act, 2017 (the "Act").

The comparative condensed interim statement of profit and loss and condensed interim statement of comprehensive income for the quarters ended December 31, 2019 and 2018 are also included in this condensed interim financial information.

This condensed interim financial information does not include all the information and disclosures required for full financial statements, and should be read in conjunction with the company's audited annual financial statements for the year ended June 30, 2019.

#### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding audited annual financial statements of the company for the year ended June 30, 2019, except for changes resulting from initial application of standards, amendments or interpretations to existing standards.

##### Change in accounting policies

The Company has adopted IFRS 16 'Leases' from 01 July 2019 which is effective from annual periods beginning on or after 01 January 2019 and the key changes to the Company's accounting policies resulting from adoption of IFRS 16 are summarized below:

##### 3.1 IFRS 16 'Leases'

IFRS 16 has introduced a single, on-balance sheet accounting model for lessees. As a result, the entity, as a lessee has recognized right-of-use asset representing its rights to use the underlined assets and lease liabilities representing its obligation to make lease payments. The Company has applied IFRS 16 using the modified retrospective approach. The details of the changes in accounting policies are disclosed below.



## Shadab Textile Mills Limited

A contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. The entity mainly leases properties for its operations. The entity recognizes a right-of-use asset and lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, and subsequently at cost less any accumulated depreciation and impairment losses if any, and adjusted for certain remeasurements of the lease liability. The right-of-use asset is depreciated using the reducing balance method. The estimated useful lives of assets are determined on the same basis as that for owned assets. In addition, the right-of-use asset is periodically reduced by impairment losses, if any.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the entity's incremental borrowing rate. The lease liability is subsequently increased by the interest cost on the lease liability and decreased by lease payments made. It is re-measured when there is a change in future lease payments arising from a change in an index or rate, a change in assessment of whether extension option is reasonably certain to be exercised or a termination option is reasonably certain not to be exercised.

The Company did not have any property leases arrangement therefore, adoption of IFRS 16 at 1 July 2019 did not have an effect on the condensed interim financial information of the Company except the reclassification of leased assets as Right-of-use assets (refer note 5.1).

### 3.2 FINANCIAL RISK MANAGEMENT, FINANCIAL INSTRUMENT AND ACCOUNTING ESTIMATES AND JUDGEMENT

#### 3.2.1 Financial risk management

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements for the year ended June 30, 2019.

#### 3.2.2 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in these condensed interim financial statements approximate their fair value.

#### 3.2.3 Accounting estimates and judgements

The preparation of interim financial information requires management to make judgements, estimates and assumptions that effect the application of the accounting policies and reported amount of assets and liabilities, incomes and expenses. Actual results may differ from these estimates. The significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended June 30, 2019.

### 4. ESTIMATES

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the company's accounting policies and key sources of estimation of uncertainty are the same as those were applied to the annual audited financial statements for the year ended June 30, 2019.



## Shadab Textile Mills Limited

		(RUPEES IN THOUSAND)	
	Note	Dec. 31, 2019	Jun. 30, 2019
5. <u>PROPERTY, PLANT AND EQUIPMENT</u>			
Operating Fixed Assets	5.1	275,934	301,426
Capital Work in Progress	5.2	21,079	-
		<u>297,013</u>	<u>301,426</u>
Operating fixed assets			
Opening net book value		301,426	314,245
Additions during the period/ year			
Plant and machinery		-	10,257
Vehicles		-	10,667
Office equipment		-	290
		-	21,214
Disposals during the period/ year			
Plant and machinery		10,412	-
Vehicles		-	815
		10,412	815
Depreciation charged thereon		15,080	33,218
Closing net book value	5.1	<u>275,934</u>	<u>301,426</u>
Capital work in progress	5.2	<u>21,079</u>	<u>-</u>
		<u>297,013</u>	<u>301,426</u>
6. <u>RIGHT OF USE ASSETS</u>			
Opening balance		18,741	23,426
Transfer from operating asset		-	-
Additions during the period / year		-	-
Depreciation for the period		(1,874)	(4,685)
Net book Value		<u>16,867</u>	<u>18,741</u>
7. <u>CONTINGENCIES AND COMMITMENTS</u>			
Contingencies			
Counter guarantees of Rs. 25.000 million ( June 30, 2019: Rs. 25.000 million ) has been issued by the bank of the company to Sui Northern Gas Pipelines Limited against gas connections.			
Commitments			
Commitments for non capital expenditures amounted to Rs. 70.078 million (June 30, 2019: Rs.39.983 million).			
8. <u>TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKING</u>			
The purchases from associated undertaking, Sargodha Spinning Mills Limited, material of aggregate was Nil ( June 30, 2019 : Rs. 7.735 million ) during the period. The maximum aggregate amount due to associated undertaking at the end of any month during the period was Nil (June 30, 2019: Rs Nil ).			



## Shadab Textile Mills Limited

(RUPEES IN THOUSAND)

Jul- Dec 2019	Jul- Dec 2018
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9. EARNING PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic earning per share of the company. The comparative figures are restated.

Profit after taxation	27,035	18,529
Weighted average number of ordinary shares outstanding during the year (No. in '000)	8,359	3,206
Basic earning per share (Rupees)	<u>3.23</u>	<u>5.78</u>

10. DATE OF AUTHORIZATION

This condensed interim financial information has been approved by the Board of Directors of the company and authorized for issue on 27 February 2020.

11. GENERAL

Figures have been rounded off to the nearest thousand rupees.

(Mian Aamir Naseem)  
Chief Executive

(Mian Farrukh Naseem)  
Director

(Muhammad Aslam)  
Chief Financial Officer