

COMPANY INFORMATION

Board of Directors	:	Mr. Zahid Mazhar (Chief Executive) Mr. Omer Bin Zahid (Executive Director) Mr. Hassan Bin Zahid (Executive Director) Mrs. Naila Zahid (Chairperson) Mrs. Anam Omer Mrs. Shafia Hassan Mr. Faiz-ul-Hassan Siddiqui Mr. Nadeem Ahmed Mr. Mehmood Siddiqui
Chief Financial Officer	:	Mr. Omer Bin Zahid
Company Secretary	:	Mr. Abdul Amin
Audit Committee	:	Mr. Faiz-ul-Hassan Siddiqui (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
H. R. & Remuneration Committee	:	Mr. Nadeem Ahmed (Chairman) Mrs. Anam Omer (Member) Mrs. Shafia Hassan (Member)
Auditors	:	M/s. Rahman Safaraz Rahim Iqbal Rafiq Chartered Accountants
Legal Advisor	:	Mr. Abdul Ghani Khan (Advocate)
Bankers	:	Soneri Bank Limited J.S. Bank Limited Bank Al-Falah Limited Samba Bank Limited
Head Office / Registered Office	:	A 801-804, Lakson Square Building No. 3, Sarwar Shaheed Road, Karachi - Pakistan. Phone: (021) 35220481-8 Fax: (92-21) 35220495-6
Share Registrar	:	M/s Hameed Majeed Associates (Pvt.) Ltd. 5th Floor, Karachi Chambers, Hasrat Mohani Road, Karachi. Phone : 32424826-32412754 Fax : 32424835 E-mail: majeed@hmaconsultants.com
Mills	:	Unit-1: A-265, S.I.T.E., Nooriabad, District Dadu, Sindh. Unit-2: E-11, S.I.T.E., Kotri, Sindh.
URL	:	www.nadeem.com.pk

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors is pleased to present its report together with the un-audited Interim Financial Statements of the Company for the first quarter ended September 30, 2018.

OPERATING RESULTS

During the quarter ended September 30, 2018, the company has drastically improved its performance and profitability as compared to corresponding period of last year. Earning per share of the company increased from Rs. 0.48 in the corresponding first quarter to Rs. 7.30 in the current 1st quarter.

Following is the financial highlights for the period under review:

	Sep. 30, 2018 Rs. In Million	Sep. 30, 2017 Rs. In Million
Net Sales	1,615.37	1,463.35
Gross Profit	244.02	91.18
Profit / (Loss) before Tax	155.69	8.42
Profit / (Loss) after tax	140.17	7.55
Earning per share	7.30	0.48

OVERVIEW

During the period under review, the company managed to achieve sales turnover of Rs. 1,615.37 million as compared to Rs. 1,463.35 million of the comparative period showing an increase of about 10.39%. The gross profit of the period also increased to Rs. 244.02 million as compared to Rs. 91.18 million of the corresponding period of last year showing an increase of 167.62%.

FUTURE OUTLOOK

The new government of Pakistan appears to be committed to reduce cost of doing business and to improve the country's exports. In order to encourage industrialization and revive the exports of textile sector, the government would have to take measures for immediate payment of long overdue refunds of Sales Tax, Income Tax and export DTL.

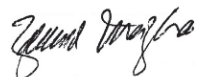
Due to the continuous decline in the annual local cotton crop, Pakistan has to import about 3.5 million bales of cotton every year to meet its local demand. The government should ensure availability of cotton and polyester fibre at competitive prices.

The directors of the company are determined to maintain this performance in the future by further improving plant operations, commercial operations and financial management.

ACKNOWLEDGEMENT

The management of the Company appreciates the efforts of its employees, and continuous support of customers, suppliers and bankers.

Karachi:
October 30, 2018



Zahid Mazhar
Chief Executive

ڈائریکٹرز رپورٹ

محترم حصص یافتگان،

بورڈ آف ڈائریکٹرز ۳۰ ستمبر ۲۰۱۸ کو ختم ہونے والی پہلی سہ ماہی کے لئے کمپنی کے غیر آڈٹ شدہ عبوری مالیاتی نتائج اپنی رپورٹ کے ساتھ پیش کرنے میں خوشی محسوس کرتا ہے۔

مالیاتی نتائج

۳۰ ستمبر ۲۰۱۸ کو اختتام پذیر ہونے والی پہلی سہ ماہی کے دوران کمپنی نے گزشتہ سال کی متعلقہ مدت کے مقابلے میں اپنی کارکردگی اور منافع کو بہت بہتر کیا ہے۔ کمپنی کی پہلی سہ ماہی کی فی حصص آمدنی گزشتہ سال کی پہلی سہ ماہی کی Rs.0.48 سے بڑھ کر Rs. 7.30 ہو گئی ہے۔ متعلقہ مدت کے لئے کمپنی کے مالیاتی نتائج کی جھلکیاں درج ذیل ہیں۔

30 ستمبر 2017	30 ستمبر 2018	
روپے ملین میں	روپے ملین میں	
1,463.35	1,615.37	خالص فروخت
91.18	244.02	مجموعی منافع
8.42	155.69	منافع قبل از ٹیکس
7.55	140.17	منافع بعد از ٹیکس
0.48	7.30	فی حصص آمدن

چائزہ

متعلقہ مدت کے دوران کمپنی نے 1,615.37 ملین روپے کی فروخت کا پرف حاصل کیا جو کہ پچھلے سال اس ہی مدت کے دوران 1,463.35 ملین روپے تھا جو کہ 10.39 فیصد اضافے کو ظاہر کرتی ہے۔ دوران مدت کمپنی کا مجموعی منافع بھی بڑھ کر 244.02 ملین روپے ہو گیا جو پچھلے سال کی اسی مدت کے دوران 91.18 ملین روپے تھا جو کہ 167.62 فیصد اضافے کو ظاہر کرتا ہے۔

مستقبل کا نقطہ نظر

پاکستان کی نئی حکومت بظاہر کاروبار کرنے کی لاگت کو کم کرنے اور ملک کی برآمدات میں اضافے کے لئے پرعزم ہے۔ صنعتی ترقی اور ٹیکسٹائل کی برآمدات کی فروغ کے لئے حکومت کو سبز ٹیکس، انکم ٹیکس اور ڈی ایل ٹی ایل کے طویل المدت واجبات کی فوری ادائیگی کے لئے اقدامات کرنے ہوں گے۔

مقامی کپاس کی سالانہ فصل میں مسلسل کمی کی وجہ سے پاکستان کو اپنی ملکی طلب کو پورا کرنے کے لئے کپاس کی 3.5 ملین بیگز سالانہ درآمد کرنی پڑتی ہے۔ حکومت کو مستقبل میں کپاس اور پالیسٹر کی دستیابی کو یقینی بنانا چاہئے۔

کمپنی کے ڈائریکٹرز اس کارکردگی کو مستقبل میں بھی پلانٹ آپریشن، تجارتی آپریشن اور مالیاتی انتظام کو بہتر بنا کر برقرار رکھنے کے لئے کوشاں ہیں۔

اظہار تشکر

کمپنی کی انتظامیہ اپنے ملازمین کی کوششوں اور گاہکوں، سپلائرز اور بینکاروں کے مسلسل تعاون کو قدر کی نگاہ سے دیکھتی ہے۔

Zahid Majeed

زاہد مظہر

چیف ایگزیکٹو

کراچی 30 اکتوبر 2018

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT SEPTEMBER 30, 2018

	Note	(Un-Audited) Sep. 30, 2018 RUPEES	(Audited) Jun. 30, 2018 RUPEES
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	5	1,659,215,008	1,663,043,411
Deferred tax		-	23,128,977
Long term deposits		13,622,274	13,622,274
		<u>1,672,837,282</u>	<u>1,699,794,662</u>
CURRENT ASSETS			
Stores, spares and loose tools		80,069,898	76,884,797
Stock in trade		786,382,621	1,231,609,339
Trade debts		796,361,137	640,857,885
Loans and advances		37,468,213	38,304,295
Deposits, prepayments and other receivables		198,430,303	207,459,849
Tax refunds due from Government		136,318,244	115,488,303
Cash and bank balances		98,804,801	99,030,982
		<u>2,133,835,217</u>	<u>2,409,635,450</u>
TOTAL ASSETS		<u>3,806,672,498</u>	<u>4,109,430,112</u>
EQUITY AND LIABILITIES			
Authorized capital			
25,000,000 (2018:25,000,000)			
ordinary shares of Rs.10 each		<u>250,000,000</u>	<u>250,000,000</u>
Issued, subscribed and paid-up capital		192,119,850	192,119,850
Share premium		177,597,289	177,597,289
Revaluation surplus on property, plant & equipment		321,411,029	324,611,119
Unappropriated profit		500,657,516	357,288,753
		<u>1,191,785,683</u>	<u>1,051,617,011</u>
NON CURRENT LIABILITIES			
Long term financing		131,574,295	148,283,561
Loan from associate		316,230,371	316,770,371
Deferred liabilities		46,139,742	63,250,494
		<u>493,944,408</u>	<u>528,304,426</u>
CURRENT LIABILITIES			
Trade and other payables		622,966,703	685,957,623
Accrued mark-up		28,200,779	39,138,030
Short term borrowings		1,297,622,852	1,615,969,280
Loan from directors		10,000,000	10,000,000
Unclaimed dividend		1,478,723	1,478,723
Current portion of loan from associate		80,000,000	80,000,000
Current portion of long term financing		80,673,352	96,965,019
		<u>2,120,942,408</u>	<u>2,529,508,675</u>
Contingencies and Commitments			
TOTAL EQUITY AND LIABILITIES		<u>3,806,672,498</u>	<u>4,109,430,112</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive
Karachi: October 30, 2018



Director



Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE 1st QUARTER ENDED SEPTEMBER 30, 2018

	30-Sep-18 RUPEES	30-Sep-17 RUPEES
Sales - net	1,615,375,196	1,463,347,511
Cost of sales and services	(1,371,353,831)	(1,372,166,766)
Gross profit	244,021,365	91,180,745
Administrative expenses	(22,248,137)	(23,280,688)
Distribution cost	(18,474,025)	(22,578,718)
	(40,722,162)	(45,859,406)
Other operating income	4,626,162	139,887
Other operating expenses	(11,500,663)	(4,285,106)
Finance cost	(40,731,487)	(32,751,948)
	(47,605,988)	(36,897,167)
Profit before taxation	155,693,215	8,424,172
Taxation for the period	(15,524,546)	(873,473)
Profit after taxation for the period	140,168,669	7,550,699
Earnings per share - basic and diluted	7.30	0.48

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive
Karachi: October 30, 2018



Director

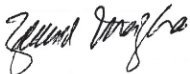


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2018

	Sep. 30, 2018	Sep. 30, 2017
	RUPEES	RUPEES
Profit after taxation	140,168,669	7,550,699
Other comprehensive income	3,200,092	3,282,608
	<u>143,368,762</u>	<u>10,833,307</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.


 Chief Executive
 Karachi: October 30, 2018


 Director


 Chief Financial Officer

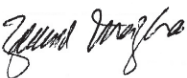
NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2018

	Sep. 30, 2018 RUPEES	Sep. 30, 2017 RUPEES
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / before taxation	155,693,215	8,424,172
<i>Adjustment:</i>		
Depreciation	33,740,026	32,322,581
Provision for gratuity	8,167,343	6,997,712
Loss /(gain) on disposal on property, plant & equipment	256,702	368,724
Financial charges	40,731,487	32,751,948
	82,895,558	72,440,965
<i>Operating profit before working capital changes</i>	238,588,773	80,865,137
EFFECT OF CASH FLOW DUE TO WORKING CAPITAL CHANGES		
<i>(Increase) / Decrease in Current Assets</i>		
Stores, spares and loose tools	(3,185,101)	(8,070,515)
Stock in trade	445,226,718	(233,469,122)
Trade debts - Un-secured considered good	(155,503,252)	(36,649,046)
Loans and advances	836,082	(74,350,393)
Deposits, prepayments and other receivables	9,029,546	(32,717,525)
	296,403,993	(385,256,601)
<i>Increase / (Decrease) in Current Liabilities:</i>		
Trade and other payables	62,990,920	84,516,935
Cash Generated from Operation	472,001,846	(219,874,529)
<i>Payments for:</i>		
Gratuity	(5,579,130)	(5,254,916)
Taxes paid	(32,924,475)	(10,632,065)
Financial charges	(51,668,738)	(32,901,971)
	(90,172,343)	(48,788,952)
Net Cash (Used) / Provided by Operating Activities	381,829,503	(268,663,481)
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition to property, plant & equipment	(32,176,650)	(18,545,850)
Proceeds from disposal of property, plant and equipment	2,008,332	2,796,517
Net Cash flow used in investing activities	(30,168,318)	(15,749,333)
C/f	351,661,185	(284,412,814)

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2018

	Sep. 30, 2018 RUPEES	Sep. 30, 2017 RUPEES
B/f	351,661,185	(284,412,814)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds / (repayments) of long term liabilities	(33,540,933)	(49,005,146)
Net Cash flow used in financing activities	318,120,252	(333,417,960)
Net Increase / (Decrease) in Cash & Cash Equivalents		
Cash & cash equivalents at the beginning of the period	(1,596,938,298)	(1,299,796,859)
Cash & cash equivalents at the end of the period	<u><u>(1,278,818,051)</u></u>	<u><u>(1,633,214,819)</u></u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.


Chief Executive
Karachi: October 30, 2018

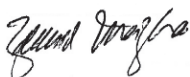

Director


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE 1ST QUARTER ENDED SEPTEMBER 30, 2018

	Issued subscribed and paid-up capital	Capital reserve	Unappropriated profit/(loss)	Revaluation surplus on property, plant & equipment	Total
	← Rupees →				
Balance as at June 30, 2017	156,195,000	123,710,00	202,021,367	337,726,446	819,652,813
Dividend paid	-	-	(6,724,192)	-	(6,724,192)
Total comprehensive income (July 01, 2017 to September 30, 2017)	-	-	10,833,307	(3,282,608)	7,550,699
Balance as at September 30, 2017	<u>156,195,000</u>	<u>123,710,00</u>	<u>206,130,482</u>	<u>334,443,838</u>	<u>820,479,320</u>
Balance as at June 30, 2018	192,119,850	177,597,289	357,288,753	324,611,119	1,051,617,011
Total comprehensive income (July 01, 2018 to September 30, 2018)	-	-	143,368,762	(3,200,092)	140,168,669
Balance as at September 30, 2018	<u>192,119,850</u>	<u>177,597,289</u>	<u>500,657,515</u>	<u>321,411,029</u>	<u>1,191,785,683</u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive
Karachi: October 30, 2018



Director



Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED

CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)

FOR 1ST QUARTER ENDED SEPTEMBER 30, 2018

1 STATUS AND NATURE OF BUSINESS

Nadeem Textile Mills Limited ("the Company") was incorporated in Pakistan as public limited company on July 15, 1984 and its shares are listed on the Pakistan Stock Exchange Limited. The main business of the Company is manufacture and sale of yarn.

The geographical location and address of the Company's business units, including mills/plant is as under:

The registered office of the Company is situated at 801-804, Lakson square Building No.3, Sarwar Shaheed Road, Karachi

The Company's mills are located at;

-Unit-1: A-265, S.I.T.E., Nooriabad, district Dadu, Sindh.

-Unit-2: E-11, S.I.T.E., Kotri, Sindh.

2 STATEMENT OF COMPLIANCE

This condensed interim financial report of the Company for the three months ended September 30, 2018 has been prepared in accordance with the requirements of the International Accounting Standards 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 act have been followed.

This condensed interim financial report comprises of the condensed interim balance sheet as at September 30, 2018 and the condensed interim profit or loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and the condensed interim cash flow statement together with the condensed interim notes to the interim financial information forming for the three months ended. The comparative condensed balance sheet, presented in this condensed interim financial report, as at June 30, 2018 has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2018 whereas the comparative condensed interim profit or loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement for the three months period ended September 30, 2017 have been extracted from the condensed interim financial information for the three months ended September 30, 2017.

3 ACCOUNTING POLICIES

These interim financial information have been prepared using the same accounting convention, basis of preparation and significant accounting policies as those applied in the preparation of the audited financial statements for the year ended June 30, 2018.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended June 30, 2018.

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR 1ST QUARTER ENDED SEPTEMBER 30, 2018

	(Un-Audited) Sep. 30, 2018 RUPEES	(Audited) Jun. 30, 2018 RUPEES
5 PROPERTY, PLANT & EQUIPMENT		
Property, plant & equipment	1,641,444,141	1,613,394,656
Capital work in progress	17,770,867	49,648,755
	<u>1,659,215,008</u>	<u>1,663,043,411</u>

This details of operating property, plant & equipment that have been added / disposed of during the three months period ended September 30, 2018 is as follows:

ACQUISITION AND DISPOSAL OF PROPERTY, PLANT & EQUIPMENT

	(Un-Audited) Sep. 30, 2018 RUPEES	(Audited) Jun. 30, 2018 RUPEES
	Addition (Deletion) ----- Rupees -----	Addition (Deletion) ----- Rupees -----
Factory building	-	1,830,684
Office premises	-	2,175,721
Plant & machinery	61,546,638 (14,333,306)	128,429,758 (25,813,087)
Computer equipment	9,900	144,063
Office equipment	177,000	542,715
Furniture and fixture	11,000	835,298
Vehicles	2,310,000 (446,500)	7,455,045 (4,017,800)
	<u>64,054,538 (14,779,806)</u>	<u>141,413,284 (29,830,887)</u>

6 CONTINGENCIES & COMMITMENTS

Contingencies

Contingencies are same as previous financial statements dated June 30, 2018.

	(Un-Audited) Sep. 30, 2018 RUPEES	(Audited) Jun. 30, 2018 RUPEES
Commitments		
Against letters of credit	406,156,102	68,622,408
Bank guarantee to excise & taxation department	27,875,753	26,785,753
Bank guarantee to HESCO	10,290,000	10,290,000
Revolving letter of credit to SSGC	33,822,955	33,822,955
FBP outstanding	652,938,352	1,109,736,813
Civil contractor	4,638,132	5,157,475
Post dated cheques	88,315,510	74,994,161

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS (UN-AUDITED)
FOR 1ST QUARTER ENDED SEPTEMBER 30, 2018

7 TRANSACTIONS WITH RELATED PARTIES

NADEEM POWER GENERATION (PVT.) LIMITED
Associated company by virtue of common directorship

	(Un-Audited) Sep. 30, 2018 RUPEES	(Un-Audited) Sep. 30, 2017 RUPEES
<i>Transactions during the period</i>		
Electricity purchased	64,017,405	62,039,177
Rental income	2,260,000	10,000
Loan received	3,600,000	-
Loan repaid	75,000	6,785,000
Balance outstanding	11,385,371	10,913,058

NADEEM INTERNATIONAL (PVT.) LIMITED
Associated company by virtue of common directorship

	(Un-Audited) Sep. 30, 2018 RUPEES	(Un-Audited) Sep. 30, 2017 RUPEES
<i>Transactions during the period</i>		
Weigh bridge expenses	45,000	45,000
Loan received	30,000	2,500,000
Loan repaid	4,065,000	40,000,000
Balance outstanding	382,615,000	363,500,000

ZAHID MAZHAR
Chief Executive Officer

Loan from director	10,000,000	4,800,000
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8 FINANCIAL RISK MANAGEMENT

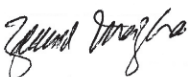
The companies financial risk management objectives and policies are consistent with that disclosed in the financial statements for the year ended June 30, 2018.

9 DATE OF AUTHORIZATION FOR ISSUE

These financial statements were approved by the Board of Directors and authorized for issue on October 30, 2018.

10 GENERAL

Figures in these financial statements have been rounded off to the nearest rupee.



Chief Executive
Karachi: October 30, 2018



Director
12



Chief Financial Officer

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- FAQs Answered

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- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
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*Mobile apps are also available for download for android and ios devices