

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 Sarfaraz 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 jamshoro, Sindh. Unit 2: E-11, S.I.T.E, Kotri, District jamshoro, Sindh.
URL	:	www.nadeem.com.pk

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors presents its report together with the Reviewed Interim Financial Statements of the Company for the half year ended December 31, 2018.

OPERATING RESULTS

The financial statement of the Company for the half year ended December 31, 2018 is encouraging and has shown a good improvement as compared to corresponding period of last year. Earning per share of the company increased to Rs. 8.06 as compared to Rs. 0.60 of the corresponding half year of the previous year.

Following is the financial highlights for the period under review:

	Dec. 31, 2018	Dec. 31, 2017
	Rs. In Million	Rs. In Million
Net Sales	3,158.74	3,121.64
Gross Profit	371.22	180.25
Profit / (Loss) before Tax	190.28	9.19
Profit / (Loss) after tax	154.83	10.67
Earning per share	8.06	0.60

OVERVIEW

During the period under review, the company managed to achieve sales turnover of Rs. 3,158 million as compared to Rs. 3,121 million of the comparative period. Due to favourable conditions, the gross profit of the period significantly increased to Rs. 371.23 million as compared to Rs. 180.25 million of the corresponding period of last year showing an increase of 105.95%.

FUTURE OUTLOOK

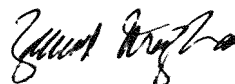
The textile industry of Pakistan has enough potential to double its exports in the next five years. The government must take serious steps to resolve the issues hurting the viability of textile industry like shortage of cotton, the high cost of doing business, low level of ease of doing business and inordinate delay in payment of refunds of sales tax, income tax and duty drawbacks on exports.

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.

On behalf of Board of Directors



ZAHID MAZHAR
Chief Executive

Karachi:
February 26, 2019

ڈائریکٹرز رپورٹ

محترم حصص یافتگان،
بورڈ آف ڈائریکٹرز ۳۱ دسمبر ۲۰۱۸ کو ختم ہونے والے نصف سال کے لئے کمپنی کے جائزہ شدہ عبوری مالیاتی نتائج اپنی رپورٹ کے ساتھ پیش کرتا ہے۔

مالیاتی نتائج

۳۱ دسمبر ۲۰۱۸ کو اختتام پذیر ہونے والے نصف سال کے لئے کمپنی کے مالیاتی نتائج کافی حوصلہ افزا ہیں جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں کافی بہتری کو ظاہر کرتے ہیں۔ کمپنی کی فی حصص آمدنی بڑھ کر 8.06 روپے ہو گئی ہے جو کہ پچھلے سال کے اسی مدت کے لئے 0.60 روپے تھی۔
دوران مدت کی اہم مالیاتی جھلکیاں درج ذیل ہیں

31 دسمبر 2017	31 دسمبر 2018	
روپے ملین میں	روپے ملین میں	
3,121.64	3,158.74	خالص فروخت
180.25	371.22	مجموعی منافع
9.19	190.28	منافع قبل از ٹیکس
10.67	154.83	منافع بعد از ٹیکس
0.60	8.06	فی حصص آمدن

جائزہ

دوران مدت کمپنی کی فروخت 3,158 ملین روپے رہی جو کہ مقابلہ مدت کے دوران 3,121 ملین روپے تھی۔ سازگار حالات کی وجہ سے دوران مدت کا مجموعی منافع نمایاں اضافے کے ساتھ بڑھ کر 371.23 ملین روپے ہو گیا جو کہ گزشتہ سال کی اسی مدت کے 180.25 ملین روپے کے مقابلے میں %105.95 اضافے کو ظاہر کرتا ہے۔

مستقبل کا نقطہ نظر

پاکستان کی ٹیکسٹائل کی صنعت اگلے پانچ سالوں کے دوران اپنی برآمدات کو دو گنا کرنے کی صلاحیت رکھتی ہے۔ ٹیکسٹائل کی صنعت کو متاثر کرنے والے مسائل جیسے کپاس کی کمی، کاروباری اخراجات میں اضافہ، کاروباری معاملات کے دوران درپیش معاملات، سیلز ٹیکس اور دوسری ادائیگیوں میں غیر معمولی تاخیر کے حل کے لئے حکومت کو سنجیدہ اقدامات اٹھانے پڑیں گے۔
کمپنی کے ڈائریکٹر اگلی مستقبل میں پلانٹ کے آپریشن، تجارتی سرگرمیوں اور مالیاتی انتظام کو بہتر بنا کر اپنی کارکردگی کو بہتر بنانے کے لئے ثابت قدم 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۔



زاہد مظہر

چیف ایگزیکٹو

کراچی 26 فروری 2019



Rahman Sarfaraz Rahim Iqbal Rafiq

CHARTERED ACCOUNTANTS

AUDITOR'S REPORT TO THE MEMBERS
On Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim statement of financial of position **Nadeem Textile Mills Limited** ("the Company") as at **31 December 2018** and the related condensed interim statement of profit or loss, condensed interim statement of 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 months period then ended (here-in-after referred to as the "condensed 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 interim financial statements based on our review.

The figures of the condensed interim statement of profit or loss and condensed interim statement of comprehensive income for the three months ended 31 December 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the six months' period ended 31 December, 2018.

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 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 audit resulting in this independent auditor's report is Mr. Muhammad Rafiq Dosani.



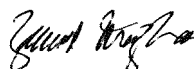
Karachi:
February 26, 2019

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2018

		Un-Audited Dec. 31, 2018 RUPEES	Audited June 30, 2018 RUPEES
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	1,654,203,026	1,663,043,411
Long term deposits		13,622,274	13,622,274
Deferred taxation – net		20,772,755	23,128,977
		1,688,598,055	1,699,794,662
CURRENT ASSETS			
Stores, spares and loose tools		76,887,411	76,884,797
Stock in trade	7	1,837,531,597	1,231,609,339
Trade debtors - unsecured - considered good		884,726,996	640,857,885
Loans and advances		103,822,975	38,304,295
Deposits, prepayments and other receivable		194,747,454	207,459,849
Taxation - net		112,483,488	115,488,303
Cash and bank balances		110,370,647	99,030,982
		3,320,570,568	2,409,635,450
TOTAL ASSETS		5,009,168,623	4,109,430,112
EQUITY AND LIABILITIES			
Authorized share capital			
25,000,000 ordinary shares of Rs. 10/- each		250,000,000	250,000,000
Issued, subscribed and paid-up capital			
19,211,985 (June 30, 2018: 19,211,985) ordinary shares of Rs. 10/- each		192,119,850	192,119,850
Share premium		177,597,289	177,597,289
Surplus on revaluation of property, plant & equipment		321,035,955	324,611,119
Unappropriated profits		487,678,516	357,288,753
		1,178,431,610	1,051,617,011
NON CURRENT LIABILITIES			
Long term finances - secured		117,988,551	148,283,561
Deferred liabilities		66,096,513	63,250,494
Loan from associate		343,645,371	316,770,371
		527,730,435	528,304,426
CURRENT LIABILITIES			
Loan from directors		10,000,000	10,000,000
Trade and other payables		978,322,423	685,957,623
Accrued mark up		48,814,231	39,138,030
Short term borrowings - secured	8	2,087,411,391	1,615,969,280
Unclaimed dividend		19,951,848	1,478,723
Current portion of long term finance		80,006,685	96,965,019
Loan from associate		78,500,000	80,000,000
		3,303,006,578	2,529,508,675
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		5,009,168,623	4,109,430,112

The annexed notes from 1 to 12 form an integral part of this condensed interim financial statement.



Chief Executive
Karachi: February 26, 2019



Director



Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	For the half year ended		For the quarter ended	
	31-Dec-18 RUPEES	31-Dec-17 RUPEES	31-Dec-18 RUPEES	31-Dec-17 RUPEES
Turnover - net	3,158,744,653	3,121,637,835	1,543,369,457	1,664,985,738
Cost of sales	(2,787,519,131)	(2,941,385,294)	(1,416,165,300)	(1,569,218,528)
Gross Profit	371,225,522	180,252,541	127,204,157	95,767,210
Administrative expenses	(46,012,467)	(47,047,856)	(23,764,330)	(23,767,169)
Distribution costs	(32,614,517)	(30,633,324)	(14,140,492)	(14,750,020)
	(78,626,984)	(77,681,181)	(37,904,822)	(38,517,189)
Operating profit	292,598,538	102,571,361	89,299,335	57,250,021
Finance costs	(99,766,580)	(72,415,147)	(59,035,093)	(39,663,199)
Other operating (expenses)/income	(2,549,057)	(20,965,491)	4,325,444	(16,820,273)
	(102,315,637)	(93,380,638)	(54,709,649)	(56,483,472)
Profit before taxation	190,282,901	9,190,722	34,589,686	766,549
<i>Taxation</i>				
Current	(29,846,089)	(26,835,570)	(17,751,554)	(11,099,184)
Prior	(526,815)	(1,831,367)	(526,815)	(1,831,367)
Deferred	(5,077,033)	30,149,782	(1,647,022)	15,286,870
	(35,449,937)	1,482,845	(19,925,391)	2,356,319
Profit after taxation	154,832,964	10,673,567	14,664,295	3,122,868
Earnings per share basic and diluted	8.06	0.60	0.76	0.17

The annexed notes from 1 to 12 form an integral part of this condensed interim financial statement.



Chief Executive
Karachi: February 26, 2019



Director

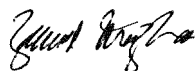


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	For the half year ended		For the quarter ended	
	31-Dec-18 RUPEES	31-Dec-17 RUPEES	31-Dec-18 RUPEES	31-Dec-17 RUPEES
Profit for the period	154,832,964	10,673,567	14,664,295	3,122,868
Other Comprehensive income	-	-	-	-
Items that will not be reclassified Subsequently to profit or loss				
Reversal of deferred tax liability on revaluation surplus due to change in tax rate	2,720,811	-	2,720,811	-
Total Comprehensive income for the period	157,553,775	10,673,567	17,385,106	3,122,868

The annexed notes from 1 to 12 form an integral part of this condensed interim financial statement.



Chief Executive
Karachi: February 26, 2019



Director

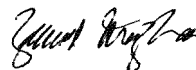


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Dec. 31, 2018 RUPEES	Dec. 31, 2017 RUPEES
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	190,282,901	9,190,722
Adjustments for non-cash and other items		
Depreciation	67,731,182	65,173,813
Provision for gratuity	16,334,686	13,978,630
Loss / (gain) on disposal on property, Plant and equipment	(3,199,565)	368,724
Contribution to workers' profit participation fund	10,219,275	483,722
Contribution to workers' welfare fund	3,883,325	-
Finance costs	99,766,580	72,415,147
	194,735,483	152,420,036
Operating profit before working capital changes	385, 018,384	161,610,758
(Increase) / decrease in current assets		
Stores, spares and loose tools	(2,614)	(6,914,806)
Stock in trade	(605,922,258)	(647,463,438)
Trade debts unsecured – considered good	(243,869,111)	(179,943,406)
Loans and advances	(65,518,680)	(58,015,360)
Deposits, prepayments and other receivables	3,062,780	(56,169,006)
	(912,249,883)	(948,506,016)
(Decrease) / increase in current liabilities		
Trade and other payables	277,542,279	247,525,113
Net cash used in operations	(249,689,220)	(539,370,145)
Taxes paid	(17,718,483)	(27,822,634)
Workers' profit participation fund paid	719,921	(1,287,686)
Gratuity paid	(13,488,667)	(10,038,248)
Finance costs paid	(90,090,379)	(61,305,082)
	(120,577,608)	(100,453,650)
Net cash used in operating activities	(370,266,828)	(639,823,795)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(65,949,555)	(92,039,005)
Proceeds from disposal of property, plant and equipment	10,258,332	2,796,517
Net cash used in investing activities	(55,691,223)	(89,242,488)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(12,266,051)	(6,722,794)
Long term loan repaid – net	(47,253,344)	(9,087,831)
Loan acquired / (repaid) from associate - net	25,375,000	(49,250,000)
Net cash used in financing activities	(34,144,395)	(65,060,625)
Net decrease in cash and cash equivalents	(460,102,446)	(794,126,908)
Cash and cash equivalents at beginning of the period	(1,516,938,298)	(1,178,796,859)
Cash and cash equivalents at end of the period	1,977,040,744	(1,972,923,767)
Cash and cash equivalents comprise of:		
Cash and bank balances	110,370,647	60,796,473
Short term borrowings-secured	(2,087,411,391)	(2,033,720,240)
	1,977,040,744	(1,972,923,767)

The annexed notes from 1 to 12 form an integral part of this condensed interim financial statement.



Chief Executive
Karachi: February 26, 2019



Director

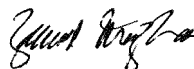


Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	Issued, subscribed and paidup capital	Share premium	Unappro- priated profit	Revaluation surplus on property, plant & equipment	TOTAL
	Rs.	Rs.	Rs.	Rs.	Rs.
Balance as at July 01, 2017	156,195,000	123,710,000	202,021,367	337,726,446	819,652,813
Issuance of shares	35,924,850	53,887,289	-	-	89,812,139
Total comprehensive income for the six monthly period ended December 31, 2017	-	-	10,673,567	-	10,673,567
Incremental depreciation transferred from surplus on revaluation of fixed assets – net of deferred tax	-	-	6,431,765	(6,431,765)	-
<i>Transactions with owners</i> Final dividend at the rate of PKR 0.35/- per share for the year ended June 30, 2017	-	-	(6,724,195)	-	(6,724,195)
Balance as at Dec. 31, 2017	192,119,850	177,597,289	212,402,504	331,294,681	913,414,324
Balance as at July 1, 2018	192,119,850	177,597,289	357,288,753	324,611,119	1,051,617,011
Total comprehensive income for the six monthly period ended December 31, 2018	-	-	154,832,964	2,720,811	157,553,775
Incremental depreciation transferred from surplus on revaluation of fixed assets – net of deferred tax	-	-	6,295,975	(6,295,975)	-
<i>Transactions with owners</i> Final dividend at the rate of PKR 0.32/- per share for the year ended June 30, 2018	-	-	(30,739,176)	-	(30,739,176)
Balance as at Dec. 31, 2018	192,119,850	177,597,289	487,678,516	321,035,955	1,178,431,610

The annexed notes from 1 to 12 form an integral part of this condensed interim financial statement.



Chief Executive
Karachi: February 26, 2019



Director



Chief Financial Officer

NADEEM TEXTILE MILLS LIMITED
NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 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 under the repealed Companies Ordinance, 1984 (Repealed with the enactment of the Companies Act, 2017 on May 30, 2017) with its 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 A-265, S.I.T.E., Nooriabad, district Dadu, Sindh and E-11, S.I.T.E., Kotri, Sindh. The shares of the company are listed on the Pakistan Stock Exchange Limited. The principal activity of the Company is manufacture and sale of yarn.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statement have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard 34: 'Interim Financial Reporting' (IAS 34), issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

This condensed interim financial information does not include all the information and disclosures as require in the annual financial statements and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2018.

The comparative figures presented in these condensed interim financial statements as at December 31, 2018 has been extracted from the audited financial statements of the Company for the year ended June 30, 2018, whereas the comparative profit or loss account, statement of comprehensive income, statement of changes in equity and the statement of cash flows are extracted from the unaudited condensed interim financial statements for the six months period ended December 31, 2017.

These condensed interim financial statements is unaudited and is being submitted to the members of the Company as required under section 237 of the Companies Act, 2017 and the listing regulations of Pakistan Stock Exchange Limited as required by the Code of Corporate Governance.

2.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except;

- Land and building carried at revaluation model.
- Provision for gratuity carried at fair value.

2.3 Functional and presentation currency

These condensed interim financial statements are presented in Pakistani Rupees which is the Company's functional currency and rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of annual audited financial statements for the year ended June 30, 2018 except those stated in note 3.2 below.

3.2 **Change in accounting standards, interpretations and amendments to published approved accounting standards**

(a) **New standards, amendments and interpretation to published approved accounting and reporting standards which are effective during the half year ended December 31, 2018.**

There are certain amendments and an interpretation to approved accounting and reporting standards which are mandatory for the Company's annual accounting period which began on July 1, 2018. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these condensed interim financial statements.

In addition to that two new standards (i.e. IFRS 9 and IFRS 15) have become applicable to the Company effective July 1, 2018. Because of these new standards certain changes to the Company's accounting policies have been made in light of the following paragraphs:

- IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model.
- IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.
- IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognise revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The changes laid down by these standards do not have any significant impact on these condensed interim financial statements of the Company.

(b) **New standards and amendments to published approved accounting and reporting standards that are not yet effective**

There is a new standard, certain amendments and an interpretation to the approved accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2019. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

4 **ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of these condensed interim financial statements 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. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing the condensed interim financial statements, 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.

5 **FINANCIAL RISK MANAGEMENT**

The company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2018.

		Note	Un-Audited Dec. 31, 2018 RUPEES	Audited June 30, 2018 RUPEES
6	PROPERTY, PLANT & EQUIPMENT			
	Operating fixed assets	6.1	1,632,509,666	1,613,394,656
	Capital work in progress	6.2	21,693,360	49,648,755
			<u>1,654,203,026</u>	<u>1,663,043,411</u>
6.1	During the six months period ended December 31 2018, the Company capitalized property, plant and equipment aggregating Rs. 93.90 million (December 31, 2017: Rs.30.09 million) while property, plant and equipment with the carrying value of Rs. 7.06 million (December 31, 2017: Rs. 3.16 million) were disposed off during the same period.			
6.2	Capital work in progress			
	Advance to contractor for civil works		19,976,126	4,326,178
	Plant and Machinery		1,717,234	45,322,577
			<u>21,,693,360</u>	<u>49,648,755</u>
7	STOCK IN TRADE			
	Raw material		1,096,122,718	903,768,184
	Work in process		48,975,252	43,926,468
	Finished Goods		677,180,157	258,587,826
	Waste		15,253,470	25,326,861
			<u>1,837,531,597</u>	<u>1,231,609,339</u>
8	SHORT TERM BORROWINGS-SECURED			
	These represent short term working capital finance facilities secured against pledge of stocks (Cotton, Yarn, Fiber), and trade receivables of the Company and charge over other current assets. The rate of mark-up for cash finance and running finance is KIBOR + 2% per annum (June 30, 2018: KIBOR + 2% per annum), KIBOR ranged from 1 month, 3 months.			
9	CONTINGENCIES AND COMMITMENTS			
9.1	Contingencies			
	There are no significant changes in the status of contingencies as reported in note 24 to the annual audited financial statements of the Company for the year ended June 30, 2018.			
9.2	Commitments			
	Against letter of credit		660,362,563	68,622,408
	Bank guarantee to Excise and Taxation Dept.		30,875,753	26,875,753
	Bank guarantee to HESCO		-	10,290,000
	Revolving letter of credit to SSGC		33,822,955	33,822,955
	FBP outstanding		310,244,070	1,109,736,813
	Civil contractor		6,566,108	5,157,475
	Post dated cheques		91,893,560	74,994,161
10	TRANSACTIONS WITH RELATED PARTIES			
	Related parties comprise of associated companies, other associated undertakings, directors and key management personnel. Transactions between the Company and the related parties are as follows:			

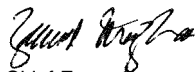
Transactions during the period	Nature of relationship	Un-Audited Dec. 31, 2018	Un-Audited Dec. 31, 2017
		RUPEES	RUPEES
Electricity purchased	Associated undertaking	124,799,777	128,812,722
Rental income	Associated undertaking	4,510,000	10,000
Weighbridge	Associated undertaking	90,000	90,000
Loan received	Associated undertaking	31,615,000	2,500,000
Loan repaid	Associated undertaking	6,240,000	51,760,000
Balance outstanding			
Nadeem International (Pvt.) Ltd		402,500,000	386,650,000
Nadeem Power Generation (Pvt.) Ltd.		19,645,371	31,156,886
Loan from director		10,000,000	10,000,000

11 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial statements has been authorized by the Board of Directors of the Company for issue in their meeting held on February 26, 2019.

12 GENERAL

- 12.1 For better presentation certain prior period's figures have been reclassified consequent to certain changes in the current period's presentation, the impact of which is not considered material.



Chief Executive
Karachi: February 26, 2019



Director



Chief Financial Officer

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