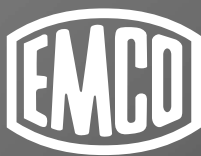
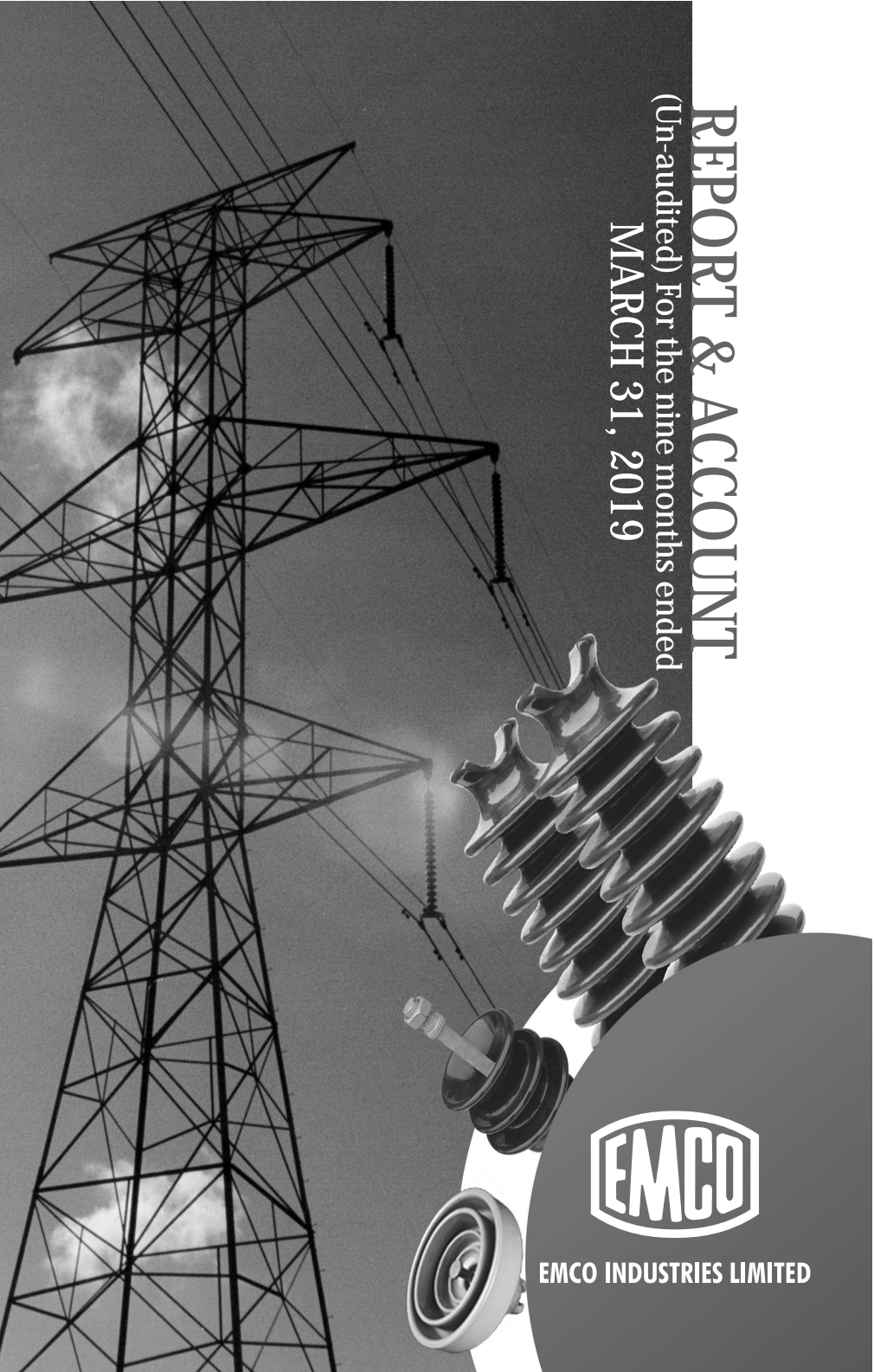


REPORT & ACCOUNT

(Un-audited) For the nine months ended
MARCH 31, 2019



EMCO INDUSTRIES LIMITED





CONTENTS

Company Information	3
Directors' Review	4-5
Condensed Interim Balance Sheet	6-7
Condensed Interim Profit and Loss Account	8
Condensed Interim Statement of Comprehensive Income	9
Condensed Interim Cash Flow Statement	10
Condensed Interim Statement of Changes in equity	11
Selected Notes to Condensed Interim Financial Information	12-17



COMPANY INFORMATION

Board of Directors

Mr. Javaid Shafiq Siddiqi (Chairman)
Mr. Tariq Rehman (Chief Executive Officer)
Mr. Suhail Mannan
Mr. Pervaiz Shafiq Siddiqi
Mr. Usman Haq
Mr. Salem Rehman
Mr. Ahsan Suhail Mannan
Mr. Awais Noorani
Ch. Imran Ali (Independent Director)

Chief Financial Officer

Mr. Riaz Ahmad

Company Secretary

Mr. Ahsan Suhail Mannan

Audit Committee

Ch. Imran Ali (Chairman)
Mr. Javaid Shafiq Siddiqi (Member)
Mr. Usman Haq (Member)
Mr. Salem Rehman (Member)
Mr. Ahsan Suhail Mannan (Member)

HR Committee

Ch. Imran Ali (Chairman)
Mr. Pervaiz Shafiq Siddiqi (Member)
Mr. Usman Haq (Member)
Mr. Salem Rehman (Member)
Mr. Ahsan Suhail Mannan (Member)

Auditors

M/s. Horwath Hussain Chaudhury & Co.,
Chartered Accountants, Lahore.

Bankers

Habib Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
Faysal Bank Limited
The Bank of Punjab
Silk Bank Limited

BUSINESS ITEMS

Porcelain Insulators

- Tension Insulator
- Suspension Insulator
- Pin Insulator
- Line Post Insulator
- Cap and pin Insulator
- Station Post Insulator
- Insulator for Railway Electrification
- Telephone Insulator
- Low Voltage Insulator
- Dropout Cutout Insulator
- HT & LT Bushings

Switchgear

- Disconnect Switch upto 245 kv
- Metal Oxide Surge Arresters upto 245 kv

Chemical Porcelain

- Acid Proof Wares and Bricks
- Rasching Ring and Saddles
- Acid Proof Porcelain Pipes and Fitting
- Acid Proof Cement

Special Porcelain

- High Alumina Porcelain
- Lining Special Refractories
& Grinding Media

Share Registrar

Corplink (Pvt) Limited
Wings Arcade, I-K, Commercial,
Model Town, Lahore.

Registered Office

4th Floor, National Tower,
28-Egerton Road,
Lahore.

Factory

19-Kilometre,
Lahore Sheikhpura Road,
Lahore.

DIRECTORS' REVIEW

Dear Shareholders

On behalf of the Board of Directors, I present Un-audited condensed Interim financial information of your Company for the third quarter ended March 31, 2019.

By the grace of Allah and continuous efforts of Management, Company results are showing growth. Operational profit is on an upward trajectory and will Insha-Allah continue to improve in the future owing to an aggressive improvement in processes through better controls and high value/margin products.

Sale of the Tile Division machinery and equipment is under process and we booked further impairment of Rs. 16.0 M Keeping in view of prevailing market conditions.

Sale for the period under review recorded at Rs. 999.3 M (Rs. 851.4 M for March 2018). Your company has earned a gross profit of Rs. 260.0 M in this period (Rs.129.7 M for March 2018). Profit before tax for the period is Rs.112.9 M as compared to Loss before tax Rs. 8.8 M for March 2018. Despite the net impairment of Rs. 16.0 M, your company has realized a profit after tax of Rs. 106.4 M as compared to net profit after tax of Rs. 29.2 M in the same period last year.

Going forward, the company is actively working on value addition products and exports expansion. Major investment in the energy infrastructure in Pakistan is generating significant demand for Insulators within the country. We foresee that with the current orders in hand and future demand the company will maintain improvement in the results of the company in future.

The Directors are thankful to our valued customers, dealers, financial institutions and other stakeholders for their continued trust. The hard work of all employees is recognized and appreciated.

On behalf of board



Ahsan Suhail Mannan
Director

April 23, 2019
Lahore



جائزہ منجانب ڈائریکٹرز

محترم حصص داران:-

میں بورڈ آف ڈائریکٹرز کی جانب سے ایکواٹسٹری کے 31 مارچ 2019ء کو اختتام ہونے والی تیسری سہ ماہی کی عبوری غیر آڈٹ شدہ مالیاتی معلومات کا خلاصہ پیش کرتا ہوں۔

اللہ کے فضل اور انتظامیہ کی مسلسل کوششوں سے کمپنی کے نتائج ترقی ظاہر کر رہے ہیں۔ آپریشنل منافع بڑھ رہا ہے اور بہتر کنٹرول کے ذریعے اس عمل میں جارحانہ ترقی کے باعث مستقبل میں انشا اللہ بہتر بنانے میں مدد ملے گی۔

ٹائل ڈویژن کی مشینری اور آلات کی فروخت کا عمل جاری ہے۔ مارکیٹ کے حالات کے مد نظر ہم نے مزید 16.0 ملین روپے کی انٹیجیر منٹ درج کی ہے۔

زیر جائزہ مدت کے دوران فروخت 999.3 ملین روپے ہے۔ جو گزشتہ برس اسی مدت میں 851.4 ملین روپے تھی۔ آپ کی کمپنی نے اس عرصہ میں 260.0 ملین روپے کا مجموعی منافع کمایا۔ جو گزشتہ برس اسی مدت میں 129.7 ملین روپے تھا۔ گزشتہ برس اسی مدت میں ٹیکس سے پہلے 8.8 ملین روپے خسارہ کے مقابلہ میں اس زیر جائزہ مدت کے لیے ٹیکس سے پہلے منافع 112.9 ملین روپے ہے۔ 16.0 ملین روپے کی خالص انٹیجیر منٹ کے باوجود آپ کی کمپنی نے گزشتہ برس اسی مدت کے دوران ٹیکس کی کٹوتی کے بعد 29.2 ملین روپے منافع کے مقابلے میں 106.4 ملین روپے ٹیکس کٹوتی کے بعد منافع کمایا ہے۔

مستقبل میں کمپنی فعال طور پر اضافی قدر والی مصنوعات اور برآمدات کی توسیع پر کام کر رہی ہے۔ پاکستان میں توانائی کے بنیادی ڈھانچے میں بڑے پیمانے پر سرمایہ کاری ملک کے اندر انسولیر کے لیے اہم طلب پیدا کر رہی ہے۔ ہم پیش بینی کرتے ہیں کہ حالیہ آڈٹرز اور مستقبل کی طلب کے ساتھ مستقبل قریب میں کمپنی کے نتائج میں نمایاں اضافہ ہوگا۔

ڈائریکٹرز اپنے قابل قدر صارفین، ڈیلرز، مالیاتی اداروں و دیگر متعلقین کے ان کے مسلسل اعتماد کے لیے شکرگزار ہیں۔ تمام ملازمین کی محنت بھی قابل قدر اور قابل تعریف ہے۔

بورڈ کی طرف سے



احسن سہیل منان

ڈائریکٹر

23 اپریل 2019ء

لاہور

CONDENSED INTERIM BALANCE SHEET

	Note	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
CAPITAL AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital: 40,000,000 (June 30, 2018: 40,000,000) Ordinary shares of Rs. 10 each		400,000,000	400,000,000
Issued, subscribed and paid up capital: 35,000,000 (June 30, 2018: 35,000,000) Ordinary shares of Rs. 10 each		350,000,000	350,000,000
Reserves		(160,873,367)	(340,387,836)
Sponsors' loan		115,708,828	115,708,828
Surplus on Revaluation of Property, Plant & Equipment	5	823,233,949	890,805,277
		1,128,069,410	1,016,126,269
Non Current Liabilities			
Long term financing	6	252,173,029	315,810,026
Deferred liabilities		54,259,142	45,419,240
Deferred taxation		25,042,638	35,427,534
		331,474,809	396,656,800
Current Liabilities			
Trade and other payables		245,007,464	241,050,264
Unclaimed dividends		243,677	243,677
Accrued finance cost		24,679,799	21,170,977
Short term borrowings		616,766,684	537,413,016
Current portion of non-current liabilities		63,720,000	70,643,311
		950,417,624	870,521,245
Liabilities against non current assets classified as held for sale		60,500,000	65,499,988
Contingencies and Commitments	7	-	-
Total Equity and Liabilities		2,470,461,841	2,348,804,302

The annexed notes form an integral part of this condensed interim financial information (un-audited).

Chief Executive Officer of the Company is out of country for the time being, these financial statements have been signed by two directors of the company pursuant to section 232 of Companies Act, 2017.

Lahore
April 23, 2019



(Usman Haq)
Director



AS AT MARCH 31, 2019

	Note	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
ASSETS			
Non Current Assets			
Property, plant and equipment	4	1,143,804,320	1,142,841,563
Intangible assets		2,036,125	2,239,916
Long term prepayments and other receivables		60,404,818	37,356,451
Long term deposits		1,659,900	1,659,900
Long term loans		1,511,170	1,377,650
		1,209,416,333	1,185,475,480
Current Assets			
Stores, spares and loose tools		78,258,910	84,922,144
Stock-in-trade		442,071,675	376,764,428
Trade debts		423,567,650	300,910,812
Advances, deposits, prepayments and other receivables		69,288,914	73,565,632
Income tax refundable from the Government		83,097,322	70,558,593
Cash and bank balances		9,792,591	10,135,269
		1,106,077,062	916,856,878
Non current assets classified as held for sale		154,968,446	246,471,944
Total Assets		2,470,461,841	2,348,804,302


 (Ahsan Suhail Mannan)
 Director


 (Riaz Ahmed)
 Chief Financial Officer

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2019

	Note	Nine Months Ended March 31,		Quarter Ended March 31,	
		2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
Sales - net	8	999,370,398	851,440,652	334,067,637	343,698,795
Cost of sales		(739,279,606)	(721,721,754)	(239,378,046)	(293,230,919)
Gross profit		260,090,792	129,718,898	94,689,591	50,467,876
- Administrative expenses		(49,947,419)	(43,737,545)	(17,607,460)	(14,229,206)
- Selling and distribution expenses		(21,234,309)	(25,510,518)	(8,164,224)	(9,591,763)
		(71,181,728)	(69,248,063)	(25,771,684)	(23,820,969)
Operating profit		188,909,064	60,470,835	68,917,907	26,646,907
Other operating expenses	9	(44,789,277)	(27,729,873)	(1,594,336)	(2,951,332)
Finance cost		(61,866,728)	(44,576,044)	(21,843,406)	(14,168,407)
Other income		30,704,704	2,957,242	12,753,771	1,671,933
Profit / (loss) before taxation		112,957,763	(8,877,839)	58,233,936	11,199,102
Taxation	10	(6,484,344)	37,987,641	(4,429,449)	(4,297,271)
Net profit for the period		106,473,419	29,109,802	53,804,487	6,901,831
Earnings per share -Basic and diluted (Rupees)		3.04	0.83	1.54	0.20

The annexed notes form an integral part of this condensed interim financial information (un-audited).

Chief Executive Officer of the Company is out of country for the time being, these financial statements have been signed by two directors of the company pursuant to section 232 of Companies Act, 2017.

Lahore
April 23, 2019


(Usman Haq)
Director


(Ahsan Suhail Mannan)
Director


(Riaz Ahmed)
Chief Financial Officer



CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2019

	Nine Months Ended March 31,		Quarter Ended March 31,	
	2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
Net Profit for the period	106,473,419	29,109,802	53,804,487	6,901,831
Other comprehensive income				
Items that will not be re-classified subsequently to the profit or loss	-	-	-	-
Items that will be reclassified subsequently to the profit or loss	-	-	-	-
Total comprehensive profit for the period	106,473,419	29,109,802	53,804,487	6,901,831

The annexed notes form an integral part of this condensed interim financial information (un-audited).

Chief Executive Officer of the Company is out of country for the time being, these financial statements have been signed by two directors of the company pursuant to section 232 of Companies Act, 2017.

Lahore
April 23, 2019


(Usman Haq)
Director


(Ahsan Suhail Mannan)
Director


(Riaz Ahmed)
Chief Financial Officer

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2019

Nine Months Ended March 31,

	2019 Rupees	2018 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	112,957,763	(8,877,839)
- Depreciation on property, plant and equipment - owned	52,035,580	59,459,241
- Amortization of intangible assets	203,793	200,690
- Impairment loss	16,000,000	24,176,419
- Provision for gratuity	8,967,258	3,377,794
- Provision for doubtful debts	7,392,087	4,071,094
- Loss / gain on disposal of property, plant and equipment	(29,677,578)	436,321
- Liabilities written back	-	(733,012)
- Exchange (gain)/ loss	(890,844)	(1,393,517)
- Amortization of deferred markup	-	2,599,118
- Finance cost	61,866,728	44,576,044
	115,897,025	136,770,191
Operating profit before working capital changes	228,854,788	127,892,352
(Increase) / decrease in current assets:		
- Stores, spares and loose tools	21,672,641	37,893
- Stock in trade	(80,316,655)	1,757,674
- Trade debts	(129,158,081)	(56,010,524)
- Advances, deposits, prepayments and other receivables	4,073,336	(37,513,051)
(Decrease) / increase in current liabilities:		
- Trade and other payables	4,159,025	40,814,502
	(179,569,735)	(50,913,506)
Cash (used in) / generated from operations	49,285,053	76,978,845
Finance cost paid	(43,377,489)	(34,391,767)
Payment to gratuity fund	(127,477)	(138,802)
Income tax (paid) / refunded - net	(23,938,248)	(5,318,180)
Net cash (used in) / generated from operating activities	(18,158,162)	37,130,096
CASH FLOW FROM INVESTING ACTIVITIES		
Property, plant and equipment purchased	(49,603,926)	(45,797,490)
Long term loans and other receivables	(23,181,887)	162,738
Proceeds from disposal of property, plant and equipment	1,120,000	412,820
Proceeds from disposal of assets held for sales	95,666,668	-
Net cash used in investing activities	24,000,855	(45,221,932)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term financing from related parties acquired/(repaid)-net	(33,249,157)	(62,618,865)
Long term financing from banking companies repaid - net	(52,291,568)	(33,242,760)
Short term borrowing from related parties acquired - net	16,207,772	78,517,642
Short term borrowing from banking companies repaid - net	63,147,582	24,888,233
Net Cash generated from / (used in) Financing Activities	(6,185,370)	7,544,250
Net Increase / (Decrease) in Cash and Cash Equivalents	(342,677)	(547,586)
Cash and cash equivalents at the beginning of the period	10,135,269	2,559,086
Cash and Cash Equivalents at the End of the Period	9,792,591	2,011,500

The annexed notes form an integral part of this condensed interim financial information (un-audited).

Chief Executive Officer of the Company is out of country for the time being, these financial statements have been signed by two directors of the company pursuant to section 232 of Companies Act, 2017.

Lahore
April 23, 2019


(Usman Haq)
Director


(Ahsan Suhail Mannan)
Director


(Riaz Ahmed)
Chief Financial Officer



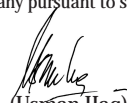
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2019

Particulars	Issued, Subscribed and Paid up Capital Rupees	Capital Share Premium Reserve Rupees	Reserves		Total Reserves Rupees	Sponsors' Loan Rupees	Surplus on revaluation of property, plant and equipment Rupees	Total Rupees
			General Reserve Rupees	Accumulated Loss Rupees				
Balance as at June 30, 2017 as previously reported	350,000,000	39,898,526	90,000,000	(523,515,346)	(393,616,820)	115,708,828	-	72,092,008
Impact of restatement	-	-	-	-	-	-	920,533,260	920,533,260
Balance as at June 30, 2017 as restated	350,000,000	39,898,526	90,000,000	(523,515,346)	(393,616,820)	115,708,828	920,533,260	992,625,268
Total comprehensive income for the nine months period ended March 31, 2018	-	-	-	29,109,802	29,109,802	-	-	29,109,802
Reversal of surplus on revaluation of property, plant and equipment due to impairment of property plant and equipment during the period-net	-	-	-	-	-	-	(9,467,154)	(9,467,154)
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment-net	-	-	-	15,094,908	15,094,908	-	(15,094,908)	-
Effect of change in effective tax rate	-	-	-	-	-	-	(860,220)	(860,220)
Balance as at March 31, 2018 as restated	350,000,000	39,898,526	90,000,000	(479,310,636)	(349,412,110)	115,708,828	895,110,978	1,011,407,696
Balance as at June 30, 2018	350,000,000	39,898,526	90,000,000	(470,286,362)	(340,387,836)	115,708,828	890,805,277	1,016,126,269
Total comprehensive income for the nine months period ended March 31, 2019	-	-	-	106,473,419	106,473,419	-	-	106,473,419
Transfer of Surplus on revaluation of Land on sales	-	-	-	58,715,708	58,715,708	-	(58,715,708)	-
Incremental depreciation for the period on surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	14,325,342	14,325,342	-	(14,325,342)	-
Effect of change in effective tax rate	-	-	-	-	-	-	5,469,722	5,469,722
Balance as at March 31, 2019	350,000,000	39,898,526	90,000,000	(290,771,893)	(160,873,367)	115,708,828	823,233,949	1,128,069,410

The annexed notes form an integral part of this condensed interim financial information (un-audited).

Chief Executive Officer of the Company is out of country for the time being, these financial statements have been signed by two directors of the company pursuant to section 232 of Companies Act, 2017.

Lahore
April 23, 2019


(Usman Haq)
Director


(Ahsan Suhail Mannan)
Director


(Riaz Ahmed)
Chief Financial Officer

SELECTED NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2019

1 The Company and its Operations

1.1 EMCO Industries Limited ("the Company") is incorporated in Pakistan and is listed on Pakistan Stock Exchange Limited. The Company was incorporated as a Joint Stock Company in Pakistan under the Companies Act, 1913, (now the Companies Act, 2017) as a private limited company on August 17, 1954 by the name of Electric Equipment Manufacturing Company (Private) Limited. Later, it was converted into a public company on August 20, 1983 and its name was changed to EMCO Industries Limited on September 12, 1983. The Company was listed on stock exchanges on December 29, 1983. Its registered office is situated at 4th Floor, National Tower, 28 Egerton Road, Lahore.

1.2 The Company is principally engaged in the manufacture and sale of high / low tension electrical porcelain insulators and switchgears.

2 Basis of Preparation

2.1 These condensed interim financial statements 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 (IAS) 34, Interim Financial Reporting, 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.

2.2 This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2018. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2018 whereas comparative profit and loss account, comparative statement of comprehensive income, comparative cash flows statement and comparative statement of changes in equity are extracted from unaudited interim financial information for the period ended March 31, 2018.

2.3 The preparation of these condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by the management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2018.

2.4 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentational currency. All the figures have been rounded off to the nearest rupees, unless otherwise stated.

3 Significant Accounting Policies

The Company's accounting and financial risk management policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2018.



	Note	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
4. Property, Plant and Equipment			
Operating fixed assets	4.1	1,132,131,128	1,131,168,371
Capital work in progress - civil works		11,673,192	11,673,192
		<u>1,143,804,320</u>	<u>1,142,841,563</u>
4.1 Operating fixed assets			
Opening written down value		1,131,168,371	1,437,943,775
Additions during the period / year		49,603,925	78,398,757
Disposals during the period / year		(105,581)	(37,252,618)
Impairment loss		-	(37,555,665)
Transferred in from assets classified as held for sale to non current assets		3,500,000	-
Transferred out to non current assets classified as held for sale		-	(228,201,662)
		<u>1,184,166,715</u>	<u>1,213,332,587</u>
Depreciation charge for the period / year		<u>(52,035,587)</u>	<u>(82,164,216)</u>
		<u>1,132,131,128</u>	<u>1,131,168,371</u>
5. Surplus on Revaluation of Property, Plant and Equipment			
Land - Freehold		479,521,964	479,521,964
Buildings on freehold land		239,785,858	252,550,999
Plant and machinery		171,497,455	188,460,297
		<u>890,805,277</u>	<u>920,533,260</u>
Revaluation surplus arisen during the period / year		-	-
		<u>890,805,277</u>	<u>920,533,260</u>
Less: Transfer of Surplus on sales of land during the period / year		(58,715,708)	-
Less: Reversal of revaluation surplus due to impairment of plant and equipment		-	(13,379,246)
Add: Related tax impact		-	3,904,064
Effect of change in effective tax rates		5,469,722	(533,746)
Incremental depreciation charged on revalued property, plant and equipment in current year net of deferred tax transferred to retained earnings		(14,325,342)	(19,719,055)
		<u>823,233,949</u>	<u>890,805,277</u>

	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
6. Long Term Financing		
Banking companies - secured		
National Bank of Pakistan	75,039,067	114,102,368
Adjustment due to impact of IAS 39	(1,635,946)	(2,838,939)
	73,403,122	111,263,429
Standard Chartered Bank (Pakistan) Limited	75,647,008	87,293,274
Adjustment due to impact of IAS 39	(9,708,116)	(13,199,291)
	65,938,892	74,093,983
	139,342,014	185,357,412
Associated companies / related parties - unsecured		
Associated Engineers (Private) Limited	22,935,447	22,185,447
Adjustment due to impact of IAS-39	(1,055,761)	(983,011)
	21,879,686	21,202,436
EMCO Industries Limited Provident Fund	200,560,888	221,435,040
Adjustment due to impact of IAS-39	(48,461,021)	(57,240,370)
	152,099,867	164,194,670
ICC (Private) Limited	-	13,125,005
Imperial Electric Company (Private) Limited	2,615,692	2,615,692
Adjustment due to impact of IAS-39	(44,230)	(41,878)
	2,571,462	2,573,814
	315,893,029	386,453,337
Less: current portion:		
- Banking companies	(39,720,000)	(28,772,531)
- Associated companies / related parties	(24,000,000)	(41,870,780)
	(63,720,000)	(70,643,311)
	252,173,029	315,810,026
7. Contingencies and Commitments		
Contingencies		
There has been no material change in contingencies since last audited annual financial statements.		
	(Un-Audited) 2019 Rs. in millions	(Audited) 2018 Rs. in millions
Commitments		
Letters of credit other than for capital expenditure	41.888	32.250
Guarantees		
WAPDA	193.763	116.134
Sui Northern Gas Pipelines Limited	22.406	22.406
Collectorate of Customs	8.978	8.978
	225.147	147.518



(Un-Audited)				
	Nine Months Ended March 31,		Quarter Ended March 31,	
	2019 Rupees	2018 Rupees	2019 Rupees	2018 Rupees
8. Cost of Sales				
Raw and packing material consumed	346,468,121	262,206,382	105,426,507	90,846,565
Stores and spares consumed	35,015,987	30,865,609	13,792,829	11,170,813
Salaries, wages & benefits	193,633,837	177,036,160	65,895,211	58,346,772
Power and gas	116,901,279	106,383,242	52,689,899	47,499,462
Vehicle maintenance	363,335	490,400	199,396	177,460
Repairs and maintenance	2,026,690	1,591,420	1,000,682	329,865
Insurance	2,548,929	2,937,968	833,177	869,296
Ijarah rentals	1,006,704	-	335,568	-
Communication and stationery	870,969	720,750	306,465	259,635
Rent, rates and taxes	1,503,470	976,186	604,955	432,353
Travelling and conveyance	21,131,621	11,384,861	9,677,946	1,360,213
Testing and experiment charges	22,649,370	15,110,645	6,825,160	6,044,229
Miscellaneous	2,105,625	1,707,548	470,836	536,829
Depreciation on property, plant and equipment	51,802,147	59,167,452	17,975,709	19,911,377
	798,028,085	670,578,621	276,034,341	237,784,867
Work in process:				
- Opening work in process	49,737,606	29,735,130	46,747,482	36,708,846
- Closing work in process	(50,012,492)	(40,503,653)	(50,012,492)	(40,503,653)
	(274,886)	(10,768,523)	(3,265,010)	(3,794,807)
Cost of goods manufactured	797,753,199	659,810,097	272,769,331	233,990,059
Finished goods:				
- Opening finished goods	180,728,650	258,274,157	205,810,958	255,603,360
- Closing finished goods	(239,202,243)	(196,362,500)	(239,202,243)	(196,362,500)
	(58,473,593)	61,911,657	(33,391,285)	59,240,860
	739,279,606	721,721,754	239,378,046	293,230,919
9. Other operating expenses				
Other operating expenses include Rs. 16.00 million on account of impairment loss on assets classified as held for sale.				

	(Un-Audited) Nine Months Ended March 31,	(Audited) Nine Months Ended March 31,
	2019 Rupees	2018 Rupees
10. Taxation		
Current	11,399,518	10,488,382
Prior year adjustment:		
- Current tax	-	13,587,331
- Tax credits	-	(26,971,759)
	11,399,518	(2,896,046)
Deferred	(4,915,174)	(35,091,595)
	6,484,344	(37,987,641)

11. Transactions with Related Parties

Related parties and associated companies comprise related group companies, associated companies, staff retirement funds, directors and key management personnel. Transactions along with balances with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

	(Un-Audited) Nine Months Ended March 31,	
	2019 Rupees	2018 Rupees
Associates and related parties		
Mark-up on long term financing	1,047,392	2,165,232
Mark-up on short term borrowing	11,904,004	10,247,584
Long term financing obtained	750,000	1,100,000
Long term financing repaid	13,125,005	13,124,997
Short term borrowing obtained	357,709,757	432,617,095
Short term borrowing repaid	341,459,081	354,095,172
Conversion of interest bearing loan to interest free	-	23,948,000
Mark-up on short term borrowing paid	11,584,153	7,877,445
Rent paid	1,612,737	1,889,509
Managerial services and expenses charged - net	16,271,157	17,953,362
Staff retirement fund		
Markup on loan from Employees' Provident Fund Trust	-	8,076,164
Principal repaid	20,874,152	21,217,763
Mark-up paid	-	265,444
Expense charged to Gratuity Fund	8,967,258	3,377,784



	(Un-Audited) March 31, 2019 Rupees	(Audited) June 30, 2018 Rupees
Outstanding balances as at March 31,		
Accrued mark-up on long term financing	8,558,272	8,026,545
Accrued mark-up on short term borrowing	9,152,979	8,910,295
Long term financing	341,820,855	316,804,754
Short term borrowings	328,436,688	279,577,821
Payable for expenses	6,942,304	7,054,390
Receivable against sales	368,925	368,925

12. Segment Reporting

With the closure of Tile Division and the reclassification of related assets as Held for Sale, the Tile Division is now no more a reportable segment for Chief Executive Officer.

13. Date of Authorization for Issue

This condensed interim financial information (un-audited) is authorized for issuance on 23 April 2019 by the Board of Directors of the Company.

14. General

Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison.

Chief Executive Officer of the Company is out of country for the time being, these financial statements have been signed by two directors of the company pursuant to section 232 of Companies Act, 2017.

Lahore
April 23, 2019


(Usman Haq)
Director


(Ahsan Suhail Mannan)
Director


(Riaz Ahmed)
Chief Financial Officer

www.jamapunji.pk



**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

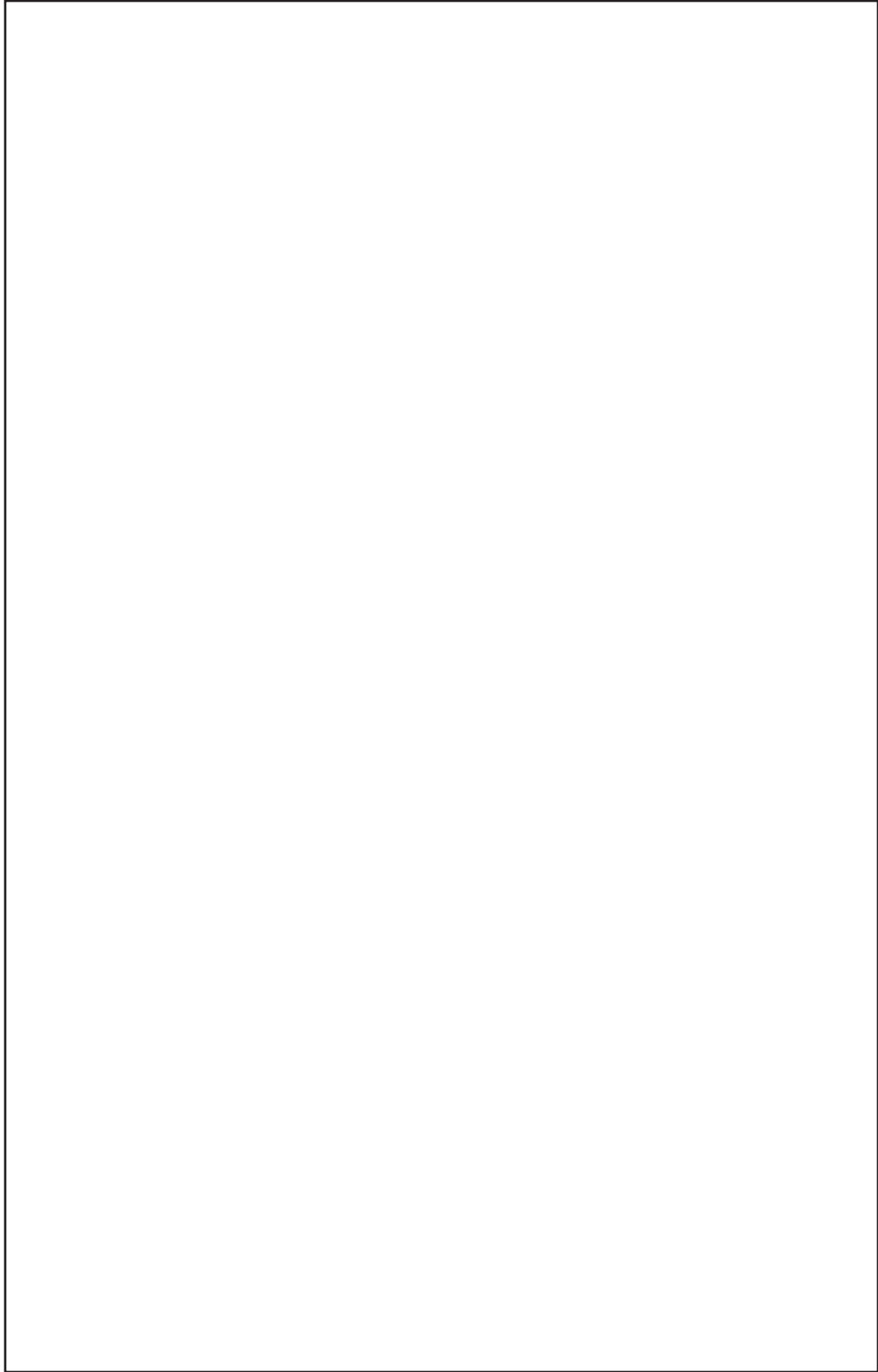
- Licensed Entities Verification
- Scam meter*
- Jamapunji games*
- Tax credit calculator*
- Company Verification
- Insurance & Investment Checklist
- FAQs Answered
- Stock trading simulator (based on live feed from KSE)
- Knowledge center
- Risk profiler*
- Financial calculator
- Subscription to Alerts (event notifications, corporate and regulatory actions)
- Jamapunji application for mobile device
- Online Quizzes



Jama Punji is an Investor
Education Initiative of
Securities and Exchange
Commission of Pakistan

jamapunji.pk @jamapunji_pk

*Mobile apps are also available for download for android and ios devices



BOOK POST
UNDER POSTAL CERTIFICATE



EMCO INDUSTRIES LIMITED

Office: 4th Floor, National Tower, 28-Egerton Road, Lahore -54000
Phone: (+92) (42) 3630 6545 - 6 Fax: (+92) (42) 3636 8119
Email: info@emco.com.pk

Factory: 19-Kilometre, Lahore Sheikhpura Road, Lahore.