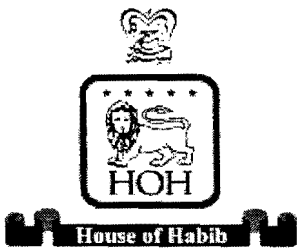
Thal Limited

Condensed Interim Financial Statements
For the Period Ended March 31, 2019
(Un-audited)



Thal Limited

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Thal Limited

Directors' Review Report to the Shareholders

Dear Shareholders,

On behalf of the Board of Directors, I am pleased to share Directors' Review along with the unaudited interim condensed financial statements for the period ended March 31, 2019.

Economic Highlights

The Fiscal year 2019, to date, has been marked with significant shifts in economic policy, ranging from increasing interest rates, tax policy changes to depreciation of the Rupee against the US$. For most of the time since September of FY19, the new government has been busy trying to tame the Balance of Payments through reducing aggregate demand in the country.

Policy actions by the government have started to rapidly materialize over the last few months and early estimates from the World Bank indicate economic growth may slow down to 3.4% during the current fiscal year. This comes as no surprise as the Current Account Deficit for nine months FY19 was down almost 40% on a year on year basis.

However, economic indicators have been a mixed bag, with the fiscal deficit for 9 months FY19 registering an increase to 2.7% of GDP when compared with 2.3% for corresponding period last year. The average Consumer Price Index (CPI) for the outgoing nine months FY19 clocking in at 6.79% (up 300bps) over the same period last year. The Rupee lost another thirteen percent (13%) against US$ during the period under review.

On the industrial front, as CPEC program moves to Phase II, where industrial and agricultural cooperation starts to materialize, the FDI inflows are expected to spread across various sectors. Importantly these are expected to be non-debt creating inflows with positive social and economic impacts.

For the remaining period of the current Fiscal Year, we expect that the government will remain focused on managing the External Account. Resultantly, inflationary pressure will likely continue over the near term as Pakistan economy will remain import reliant for the short-term and import substitution gradually takes hold.

Financial Highlights

(Rupees in Millions)

	Standalone		**Consolidated**	
	For the period ended March 31, 2019	**For the period ended March 31, 2018**	**For the period ended March 31, 2019**	**For the period ended March 31, 2018**
Sales	16,493	13,623	17,372	14,389
Profit Before Taxes	3,403	2,710	4,499	3,655
Profit After Taxes	2,456	2,054	3,213	2,696
Earnings Per Share (Rs.)	30.32	25.35	35.79	29.72

Performance Overview:

The Company achieved Unconsolidated Sales revenue of Rs. 16.5 Billion during the nine months ended March 31, 2019, showing an increase of twenty-one percent (21%) on a year on year basis. The basic & diluted Earnings Per Share (EPS) was Rs 30.32 compared to Rs 25.35 in the corresponding period last year.

Business Brief - Engineering Segment:

The Company's Engineering segment comprises of the Thermal, Engine Components and Electric Systems Business. These businesses are primarily focused on supplying parts for the auto industry.

Despite a volatile year for auto industry in general, the Engineering Segment achieved a turnover of Rs. 11.3 Billion, up twenty-four percent (24%) on a year on year basis. The growth was primarily driven by higher volumes.

The performance of the business came against a slow-down in the Auto Sector due to restriction on purchase of new vehicles by non-filers of Income tax during the period under review. The auto industry registered a decline of six percent (6%) on a year on year basis as a result of these measures. Although, the condition on purchase of vehicles by non-filers of income Tax, has been relaxed as of April 2019, demand for new cars is expected to remain slow in the near term due to strict macroeconomic environment and high cost of vehicle financing.

Construction for the new facility for Wire Harness unit has now been completed under TAA with Yazaki Corporation Japan. Commercial production is expected to begin by the end of 2019.

The management continues to undertake initiatives to enhance cost efficiencies through continuous process improvements and maintains its focus on providing a safe and healthy work environment to its team members.

Building Material & Allied Products Segment:

Sales revenue of Building Material & Allied Product Segment during the nine months ended March 31, 2019 clocked in at Rs. 5.1 billion; a thirteen percent (13%) increase on a year on year basis.

Jute Business:

Thal Jute continued its positive trend and retained its position as a major supplier in the domestic markets during the period under review. The business faced considerable cost pressures originating from rising cost of raw material on the back of a depreciating Rupee as well as lower demand for grain-sacks from the Public Procurement Agencies (PPA's).

In the coming period the business plans to consolidate its export base, while maintaining a strong presence in the domestic market. Furthermore, the impact of rising costs shall be gradually passed over to the consumers.

The management is focused on improving production efficiencies and rationalization of inventories to ensure competitive advantage in the local and global markets.

Papersack Business:

The outgoing period was particularly challenging for the Papersack business. A prolonged monsoon season in the north, slowdown in construction industry, rising trend in the cost of raw materials and the devaluation of the Rupee created significant pressures for the cement business.

Despite the Cement sector witnessing negative year on year growth during the outgoing period, the Papersack Business was able to safeguard margins by timely passing on the increase in costs and implementing prudent controls on overheads.

The outlook for the last quarter of the fiscal year appears mixed on the back of a continuing slowdown in cement sales and Ramadan and Eid falling within this period with its impact on the construction industry.

Laminates Business:

The brand 'Formite' maintained its dominant position in the laminate industry by virtue of superior quality and adherence to systems and regulations in a largely informal sector. The new Elegant European Series of High Pressure Laminates (HPL) and Low Pressure Laminates (LPL) finishes have been well received in the market.

Extension of the product line and services has helped the business retain and create customer interest in a generally informal and uncertain market.

In the medium term, the management has increased focus on export sales to counter the drop in demand of domestic sales.

Subsidiaries:

Thal Boshoku Pakistan (Private) Limited (TBPK):

During the period under review, the sales revenue of the Company registered an increase of twenty-five percent (25%) on a year on year basis. This increase was driven by an increase in volume.

Construction of the new facility and installation of Machinery has been completed as of March 2019 and the Company is on target for trial production of car seats. Commercial production from the new facility is expected by end of 2019.

The Company approved the issuance of 50 million Right Shares at a par value of PKR 10 each in the previous year. Under the revised shareholding pattern, Thal Limited owns 55% of the shareholding in the Company while Toyota Tsusho Corporation Japan owns 10%, Toyota Boshoku Corporation Japan owns 9.6% and Toyota Boshoku Asia Corporation now owns 25.4% of the Company.

The Company has continued meeting the quality parameters set by Original Equipment Manufacturers (OEM) to be met on time with ZERO DEFECT. The future outlook of the industry is promising. Further localization from incumbent and new OEM Customers, will provide the Company the opportunity to improve profitability.

The management remains focused on improving production efficiencies, preparing for volume production from the new facility and towards providing a healthy and safe working environment to our team members.

Habib Metro Pakistan (Private) Limited (HMPL):

The main business of Habib METRO Pakistan (Private) Limited (HMPL) is to own and manage properties. Thal Limited holds 60% shareholding in HMPL while 40% is held by Metro Cash & Carry International Holding B.V. The company is exploring various business opportunities to complement the cash & carry retail rental business and to enhance enterprise value from its store locations.

During the quarter, Thal Limited received interim dividend of Rs.105.5 million from HMPL.

Makro-Habib Pakistan Limited (MHPL):

Makro Habib Pakistan Limited (MHPL) is a wholly owned subsidiary of Thal Limited which owns the Makro Saddar store. On September 11, 2015 the Honorable Supreme Court of Pakistan dismissed MHPL's Review Petition and as a consequence the Saddar Store was closed down.

On December 9, 2015, the Honorable Supreme Court of Pakistan accepted Army Welfare Trust's (AWT) request for restoration of its Review Petition. In its hearing held on February 2, 2016, the Honorable Chief Justice commented that while reviewing AWT's review petition, both MHPL and Ministry of Defence will also get a chance to argue their points on merit as they are respondents in AWT's petition.

AWT's review petition was fixed for hearing on October 17, 2017 before a new bench. However, there were no proceedings during the hearing on account of adjournment filed by counsel representing Shehri & KWSB.

Energy Sector Investments:

Sindh Engro Coal Mining Company Limited:

SECMC a joint venture between the Government of Sindh, Thal Limited, Engro Powergen Limited, Hub Power Company Limited, Habib Bank Limited, CMEC Thar Mining Investments Limited and SPI Mengdong, is engaged in developing Pakistan's first open pit mining project at Thar Coal Block II.

Phase I of the project, which shall supply 3.8 million tons of lignite per annum to Engro Powergen Thar Limited, achieved its Financial close on April 4, 2016 and is under final stages of completion. Commercial Operations Date (COD) for Phase I is ahead of schedule (expected during first half of 2019). About 111 Million Billion Cubic Meters (BCM) of overburden has been removed and the mine has started supplying coal to its first customer i.e. Engro Powergen Thar Limited (EPTL). To date 52,298 tons of coal has already been provided to the Power Plant.

For Phase I of the project, the Board of Directors of Thal Limited approved a total exposure of US$ 36.1 million (in Rupee equivalent terms), which includes equity investment of US$ 24.3 million, US$ 5 million for cost over-run and US$ 6.8 million for debt servicing reserve. To date the Company has invested Rs. 1,961 million (equivalent to US$ 17.49 million).

SECMC is in advanced stages of achieving financial close for Phase II of the project which shall see the mine double its original coal supply capacity.

For the Phase II of the project, the Board of Directors of Thal Limited have approved a total exposure of US$ 7.1 million in Rupee equivalent terms), which includes equity investment of US$ 4.6 million, US$ 1.3 million for cost over-run and US$ 1.2 million for debt servicing reserve (adjustable upwards due to LIBOR/KIBOR movement).

SECMC has entered into Coal Supply Agreements with ThalNova Power Thar (Pvt) Ltd and Thar Energy Ltd to supply additional 1.9 million tons of lignite per annum to each 330 MW power plant respectively. Moreover, SECMC awaits approval of TCEB approval for Two Stage Tariff which will enable the company to achieve Financial Close in two phases in line with the Financial Close of subsequent two customers i.e. ThalNova Power Thar (Pvt) Ltd and Thar Energy Limited.

Thal Power (Private) Limited:

The Company through its wholly owned subsidiary, Thal Power (Private) Limited had incorporated a JV project company, i.e., ThalNova Power Thar Private Limited ("ThalNova"), a 330 MW mine mouth coal-fired power generation plant located at Thar, Sindh.

The Joint Venture is between Thal Power, Nova Powergen Ltd (subsidiary of Novatex Ltd) and Hub Power Company will be run on lignite coal extracted from the mine operated by Sind Engro Coal Mining Company (SECMC).

ThalNova has obtained the Letter of Intent (LOI) and the Letter of Support (LOS) from the Private Power Infrastructure Board (PPIB). National Electric Power Regulatory Authority (NEPRA) has issued the Generation License and awarded the Upfront Tariff on Thar coal to the project company. No Objection Certificate (NOC) by the Sindh Environmental Protection Agency (SEPA) has also been received by the Company.

China Machinery & Engineering Corporation has been appointed as the EPC Contractor for the project and SECMC shall be the Coal Supplier providing 1.9 million tons per annum of lignite. China Development Bank ("CDB") and Habib Bank Limited ("HBL") have been engaged for arrangement of foreign and local currency project debt respectively.

The Company has entered into a Power Purchase Agreement ("PPA") with the Central Power Purchase Agency (Guarantee) Ltd. (CPPA(G)) and the Implementation Agreement ("IA") with PPIB.

ThalNova has provided Mobilization Advance along with Limited Notice to Proceed (LNTP) to the EPC contractor to initiate work on the site. This step would expedite the achievement of Commercial Operations Date of the Project.

Acknowledgement:

We would like to thank the Almighty for all His blessings in these challenging times and to convey our appreciation to our Board of Directors, customers, dealers, bankers and the joint venture & technical partners for their continued support and confidence in the Company. We also want to recognize the efforts of all our fellow employees who have worked with commitment to achieve the results.

On behalf of the Board

(MAZHAR VALJEE)
Chief Executive Officer

Karachi: April 25, 2019

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
		(Rupees in thousands)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	2,041,857	1,410,212
Intangible assets		17,052	15,094
Investment property		997	1,002
Long-term investments	6	5,334,713	4,938,387
Long-term loans	7	834,281	788,428
Long-term deposits		14,861	13,396
Deferred tax asset - net		114,642	191,151
		8,358,404	7,357,670
CURRENT ASSETS			
Stores, spares and loose tools		133,404	131,572
Stock-in-trade	8	6,067,936	3,953,914
Trade debts		2,668,934	1,519,728
Loans and advances		62,289	91,907
Trade deposits and short-term prepayments		308,293	141,318
Interest accrued		3,357	2,088
Other receivables		5,856	16,400
Short-term investments	9	2,416,096	4,847,238
Income Tax - net	10	-	62,828
Sales tax refundable		4,049	91,517
Cash and bank balances		749,805	701,283
		12,420,019	11,559,793
TOTAL ASSETS		20,778,423	18,917,463
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital			
81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Reserves		17,557,319	16,032,520
		17,962,469	16,437,670
NON-CURRENT LIABILITIES			
Long-term deposits		2,379	2,379
CURRENT LIABILITIES			
Trade and other payables		2,553,962	2,318,998
Unclaimed dividend		53,317	49,712
Unpaid dividend		62,168	47,954
Income Tax - net	10	92,745	-
Short-term running finance		51,210	60,750
Accrued mark-up		174	-
		2,813,575	2,477,414
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITIES AND LIABILITIES		20,778,423	18,917,463

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

	Note	Nine Months Ended		Quarter ended	
		Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
		(Rupees in thousands)		(Rupees in thousands)	
Revenue - net		16,493,091	13,622,750	5,938,343	5,175,118
Cost of sales		(13,259,604)	(11,101,721)	(4,633,091)	(4,197,434)
Gross Profit		3,233,487	2,521,029	1,305,252	977,684
Distribution costs		(220,377)	(157,737)	(86,455)	(54,893)
Administrative expenses		(527,979)	(560,561)	(153,512)	(203,061)
Other charges		(228,742)	(183,555)	(90,902)	(68,280)
		(977,098)	(901,853)	(330,869)	(326,234)
Other income	12	1,154,688	1,096,848	330,595	369,832
Operating Profit		3,411,077	2,716,024	1,304,978	1,021,282
Finance costs		(7,966)	(6,432)	(1,913)	(3,039)
Profit before taxation		3,403,111	2,709,592	1,303,065	1,018,243
Taxation		(946,627)	(655,575)	(340,249)	(237,384)
Profit after taxation		2,456,484	2,054,017	962,816	780,859
		Rupees		Rupees	
Basic and diluted earnings per share	13	30.32	25.35	11.88	9.64

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
UNCOSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

	Nine Months Ended		Quarter ended	
	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
	(Rupees in thousands)		(Rupees in thousands)	
Profit after taxation	**2,456,484**	2,054,017	**962,816**	780,859
Other comprehensive income				
Item to be reclassified to profit and loss account in subsequent periods:				
(Loss) / gain on revaluation of investments at fair value through other comprehensive income	**(40,354)**	64,311	**10,479**	86,102
Total comprehensive income for the period	**2,416,130**	2,118,328	**973,295**	866,961

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

	Mar 31, 2019	Mar 31, 2018
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,403,111	2,709,592
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	187,623	138,512
Finance costs	7,966	6,432
Profit earned on call deposits and short-term investments	(76,088)	(176,833)
Liabilities no longer payable written back	(759)	(103)
Gain on revaluation / redemption of investments at fair value through profit and loss	(147,518)	(87,099)
Dividend income	(829,594)	(770,745)
Provision for impairment of trade debts	33,668	(3,003)
Reversal of provision for impairment on loan to Makro Habib Pakistan Limited	-	(15,893)
Provision for retirement benefits	5,980	5,573
Gain on disposal of property, plant and equipment and intangible assets	(36,825)	(4,556)
	(855,547)	(907,715)
	2,547,564	1,801,877
(Increase) / decrease in current assets		
Stores, spares and loose tools	(1,832)	(42,365)
Stock-in-trade	(2,114,022)	(1,102,493)
Trade debts	(1,182,874)	(1,141,835)
Loans and advances	29,618	(91,761)
Trade deposits and short-term prepayments	(166,975)	(57,248)
Other receivables	10,544	(9,818)
Sale tax refundable	87,468	-
Increase / (decrease) in current liabilities		
Trade and other payables	236,076	393,058
	(3,101,997)	(1,934,525)
Cash used in operations	(554,433)	(132,648)
Finance costs paid	(7,793)	(6,433)
Retirement benefits paid	(6,331)	(6,418)
Income tax paid	(714,545)	(578,550)
Long-term loans	2,997	2,997
Long-term deposits - net	(1,465)	688
Net cash used in operating activities	(1,281,570)	(720,364)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(826,040)	(332,581)
Long-term loan to subsidiary - net	(48,850)	(280,000)
Dividends received	829,594	843,800
Profit received on call deposits and short-term investments	(323,684)	195,998
Proceeds from disposal of property, plant and equipment	41,644	8,862
Long-term investments made during the period	(436,680)	(299,656)
Short-term investments encashed / (made) during the period	3,574,547	422,081
Net cash generated from investing activities	2,810,531	558,504
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(873,513)	(1,462,846)
Net cash used in financing activities	(873,513)	(1,462,846)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	655,448	(1,624,706)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,082,916	4,970,397
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,738,364	3,345,691
Cash and bank balances	749,805	830,966
Short-term investments	1,039,769	2,514,725
Short-term running finance	(51,210)	-
	1,738,364	3,345,691

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2019

	Issued, subscribed & paid-up capital	Reserves				Total equity
		Capital reserve	General reserve	Unappropriated profit	Gain /(Loss) on changes in fair value of investments at fair value through other comprehensive income	
	---------- Rupees in '000 ----------					
Balance as at June 30, 2017 (Audited)	**405,150**	**55,704**	**11,165,499**	**3,662,802**	**143,925**	**15,433,080**
Transfer to general reserve	-	-	2,366,000	(2,366,000)	-	-
Final dividend @ Rs. 16/- per share for the year ended June 30, 2017	-	-	-	(1,296,479)	-	(1,296,479)
Interim dividend @ Rs. 2.5/- per share for the half year ended December 31, 2017	-	-	-	(202,576)	-	(202,576)
Profit for the period	-	-	-	2,054,017	-	2,054,017
Other comprehensive income	-	-	-	-	64,311	64,311
Total comprehensive income	-	-	-	2,054,017	64,311	2,118,328
Balance as at March 31, 2018 (Unaudited)	**405,150**	**55,704**	**13,531,499**	**1,851,764**	**208,236**	**16,052,353**
Balance as at June 30, 2018 (Audited)	**405,150**	**55,704**	**13,531,499**	**2,281,141**	**164,176**	**16,437,670**
Transfer to general reserve	-	-	1,592,000	(1,592,000)	-	-
Final dividend @ Rs. 8.5/- per share for the year ended June 30, 2018	-	-	-	(688,755)	-	(688,755)
1st Interim dividend @ Rs. 2.50/- per share for the half year ended December 31, 2018	-	-	-	(202,576)	-	(202,576)
Profit for the period	-	-	-	2,456,484	-	2,456,484
Other comprehensive income	-	-	-	-	(40,354)	(40,354)
Total comprehensive income	-	-	-	2,456,484	(40,354)	2,416,130
Balance as at March 31, 2019 (Unaudited)	**405,150**	**55,704**	**15,123,499**	**2,254,294**	**123,822**	**17,962,469**

The annexed notes from 1 to 18 form an integral part of these unconsolidated condensed interim financial statements.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Thal Limited (the Company) was incorporated on January 31, 1966 as a public company limited by shares and is listed on the Pakistan Stock Exchange.

The Company is engaged in the manufacture of jute goods, engineering goods, papersack and laminate sheets and papersack. The jute operation is at Muzaffargarh, Punjab, engineering operations at Karachi, Sindh, papersack operation at Hub, Balochistan and Gadoon, Khyber pakhtunkhwa and laminate operation located at Hub, Balochistan. The registered office of the Company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

1.2 These unconsolidated condensed interim financial statements are separate condensed interim financial statements of the Company in which investments in subsidiaries and associates are accounted for on the basis of direct equity interest and are not consolidated or accounted for using equity method.

2 BASIS OF PREPARATION

2.1 These unconsolidated 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 These unconsolidated condensed interim financial statements are being submitted to the shareholders as required by the Section 237 of the Companies Act, 2017.

2.3 The Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O 229(I) / 2019 dated February 14, 2019 has deferred the application of IFRS 9 till June 30, 2019.

3 ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual unconsolidated financial statements for the year ended June 30, 2018 except for as follows ;

3.1 New / Revised Standards, Interpretations and Amendments

The Company has adopted the following standards and amendment to IFRSs which became effective for the current period:

Standard or Interpretation	
IFRS 2	· Share-based Payments – Classification and Measurement of Share-Transactions (Amendments)
IFRS 4	· Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS (Ammendments)
IFRS 15	· Revenue from Contracts with Customers
IAS 40	· Investment Property: Transfers of Investment Property
IFRIC 22	· Foreign Currency Transactions and Advance Consideration

The adoption of the above standards and amendments in the accounting standards did not have effect on the accounting policies of the Company except as follows:

3.2 **IFRS 15 – Revenue from Contracts with Customers**

IFRS 15 'Revenue from Contracts with Customers' supersedes IAS 11 'Construction Contracts'. IAS 18 'Revenue' and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company is engaged in manufacture of engineering goods, laminate sheets, papersack and jute goods. The Company has assessed that significant performance obligation in contracts with customers, across all divisions, is based on transfer of control of related goods and is discharged at that point of time. The Company transfer of goodstakes place upon delivery of goods to customers and in case of export when risk and rewards are transferred as per shipping terms

Based on the above, the Company considers that its existing accounting policies are substanitally in compliance with the requirements of IFRS 15

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2018 except for changes as disclosed in note 3.2 above.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
		(Rupees in thousands)	
Operating fixed assets	5.1 & 5.3	**1,273,062**	1,218,787
Capital work-in-progress	5.2	**768,795**	191,425
		2,041,857	1,410,212

5.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions on book value	
	Nine Months Ended Mar 31,		Nine Months Ended Mar 31,	
	2019	2018	2019	2018
	(Un-audited)		(Un-audited)	
	----------(Rupees in '000)----------			
Operating Fixed Assets				
Land - Freehold	-	-	**650**	-
Building on freehold land	**19,228**	3,035	-	-
Plant and machinery	**194,730**	103,381	**177**	374
Furniture and fittings	**126**	768	**529**	-
Vehicles	**3,614**	1,742	**2,889**	3,492
Office and mills equipment	**3,759**	19,853	**144**	268
Computer equipment	**13,834**	6,008	**231**	172
Jigs and fixtures	**4,777**	14,437	-	-
	240,068	149,224	**4,620**	4,306

5.2 Includes capital work in progress on building on freehold land and plant and machinery amounting to Rs. 249.884 million (June 30, 2018 : Rs. 124.661 million) and Rs. 374.106 million (June 30, 2018 : Rs. 18.998 million) respectively

5.3 During the period, capital work in progress amounting to Rs. 188.005 million (March 31, 2018: Rs.42.474 million) was transferred to operating fixed assets.

	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
	(Rupees in thousands)	

6 LONG-TERM INVESTMENTS

During the period, the Company has made further investment in Sindh Engro Coal Mining Company (SECMC) amounting to Rs. 436.68 million

7 LONG-TERM LOANS

These include interest free loan amounting to Rs. 829.286 million (June 30, 2018: 780.436 million) given for purchase of shares of Thal Nova Power Thar (Private) Limited (ThalNova) to Thal Power (Private) Limited. The loan is likely to be converted into share capital based on the progress achieved by ThalNova for its underlying project.

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
8 STOCK-IN-TRADE		(Rupees in thousands)	
Raw material			
In hand	8.1	**3,921,509**	2,586,886
In transit		**887,490**	639,192
Work-in-process		**236,909**	226,833
Finished goods		**1,022,028**	501,003
		6,067,936	3,953,914

8.1 This includes items amounting to Rs. 178.7 million (June 30, 2018: Rs. 38.284 million) carried at net realizable value. [Cost Rs. 238.49 million (June 30, 2018: Rs. 93.422 million)]

9 SHORT-TERM INVESTMENTS

9.1 These represent investment in Term Deposit Receipts amounting to Rs. 599.006 million (June 30, 2018: Rs. 347.954 million), Government Treasury Bills amounting to Rs. 446.859 million (June 30, 2018: Rs. 299.445 million) and Mutual Funds amounting to Rs. 1,370.231 million (June 30, 2018: 4,199.839 million).

9.2 Term deposit receipts include Rs. 250 million (June 30, 2018: Rs. 1.081 million) maintained with Habib Metropolitan Bank, a related party.

9.3 These Include short-term investments amounting to Rs. 1,039.769 million (June 30, 2018: Rs. 641.461 million) having maturity up to three months.

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
10 INCOME TAX - NET		(Rupees in thousands)	
Group Tax Relief adjustments	10.1	**593,466**	593,466
Group Taxation adjustments	10.2	**2,225**	512
Income tax provisions less tax payments - net		**(688,436)**	(531,150)
		(92,745)	62,828

10.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its Holding Company for set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Company adjusted its tax liabilities for the tax years 2008 to 2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired has been paid to the subsidiary company.

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years; the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

10.2 In terms of the provision of Section 59AA of the Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries MHPL and A-One Enterprises (Private) Limited have irrevocably opted to be taxed as one fiscal unit for the tax year 2019.

11 CONTINGENCIES AND COMMITMENTS

11.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2018.

11.2 Commitments

11.2.1 Letter of guarantees issued by banks on behalf of the company amount to Rs. 1,386.218 million (June 30, 2018: Rs. 1,424.711 million).

11.2.2 Post dated cheques issued to Collector of Customs amounts to Rs. 140.770 million (June 30, 2018: Rs. 24.545 million).

11.2.3 Letter of credits outstanding for raw material and spares amounts to Rs. 2,543.048 million (June 30, 2018: Rs. 1,708.273 million).

11.2.4 Commitments in respect of capital expenditure are Rs.1.285 million (June 30, 2018: Rs. 7.515 million).

11.2.5 Commitments for rentals under Ijarah agreements to a related party in respect of vehicles and computers amount to Rs. 35.942 million (June 30, 2018: Rs. 29.187 million).

	Note	Nine Months Ended	
		Mar 31, 2019	Mar 31, 2018
		(Un-audited)	
		(Rupees in thousands)	
12 OTHER INCOME			
Income from financial assets			
Dividend income		**829,594**	770,745
Profit earned on call deposits and short-term investments		**79,285**	176,833
Gain on revaluation / redemption of investments at fair value through profit and loss		**147,518**	87,099
Others		**9,656**	19,390
		1,066,053	1,054,067
Income from non-financial assets			
Gain on disposal of property, plant and equipment		**36,825**	4,556
Others		**51,810**	38,225
		88,635	42,781
		1,154,688	1,096,848

	Nine Months Ended	
	Mar 31, 2019	Mar 31, 2018
	(Un-audited)	
	(Rupees in thousands)	
13 BASIC AND DILUTED EARNINGS PER SHARE		
There is no dilutive effect on the basic earnings per share of the Company, which is based on:		
Profit after taxation	**2,456,484**	2,054,017
	Number of shares in thousands	
Weighted average number of ordinary shares of Rs. 5/- each in issue	**81,030**	81,030
	(Rupees)	
Basic and diluted earnings per share	**30.32**	25.35

14 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of subsidiaries, associates and companies with common directorship, directors, key management personnel and retirement funds. Detail of transactions with related parties during the period, other than those disclosed elsewhere in these unconsolidated condensed interim financial statements, are as follows:

Relationship	Nature of transactions	Nine Months Ended	
		Mar 31, 2019	Mar 31, 2018
		(Un-audited)	
		(Rupees in thousands)	
Subsidiaries	Professional services acquired	138,151	112,917
	Purchase of assets	-	3,907
	Purchase of goods	2,177	5,898
	Supplies purchased	1,568	943
	Sale of goods	-	318
	Rent received	3,693	4,067
	Loan to Subsidiaries	48,850	280,000
	Service Fee	20,411	20,790
	Tax loss acquired under group taxation	4,709	1,356
	Sale of assets	137	1,761
Associates	Sales of goods	8,639,744	7,238,907
	Insurance premium	18,537	21,634
	Purchase of assets	196	1,644
	Purchase of goods	-	95,098
	Supplies purchased	35,141	36,868
	Insurance claim received	3,607	470
	Mark-up and bank charges paid	3,910	2,143
	Profit received on call deposits and short-term investments	13,809	69,607
	Rent paid	-	1,623
	Ijarah rentals	15,310	16,006
Employee benefit plans	Contribution to provident fund	29,866	26,813
	Contribution to retirement benefit fund	5,980	5,575
Key management personnel	Key management personnel compensation	26,544	45,379

14.1 Key management personnel remuneration corresponding figure in note 14 has been revised in line with the new definition of key management personnel under directives issued by the Securities and Exchange Commission of Pakistan

15 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale. Investment in subsidiary companies and associates are carried at cost.

Available-for-sale financial assets and financial assets designated at fair value through profit and loss account which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date (Level 1 Valuation). The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book values.

There were no transfers amongst levels during the period.

16 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended 30 June 2018. There have been no changes in any risk management policies since the year end.

17 General

Figures have been rounded off to the nearest thousands.

18 DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial statements were authorised for issue on April 25, 2019 by the Board of Directors of the Company.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2019

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
		(Rupees in thousands)	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	3,165,916	1,947,728
Intangible assets		19,928	17,521
Investment property		6,598,280	6,702,921
Long-term investments	6	5,215,761	4,624,862
Long-term loans		4,995	9,048
Long-term deposits		23,020	21,433
Long-term prepayments		22,501	22,501
Deferred tax asset - net		118,481	191,145
		15,168,883	13,537,159
CURRENT ASSETS			
Stores, spares and loose tools		142,041	137,465
Stock-in-trade	7	6,196,393	4,047,147
Trade debts		2,784,736	1,593,086
Loans and advances		70,392	105,905
Trade deposits and short-term prepayments		354,940	151,110
Interest accrued		3,595	2,451
Other receivables		9,602	30,400
Short-term investments	8	7,224,862	9,069,237
Sales tax refundable		53,697	105,163
Cash and bank balances		838,618	1,325,900
		17,678,876	16,567,864
TOTAL ASSETS		32,847,759	30,105,023
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital			
81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		21,915,954	19,957,969
Equity attributable to equity holders' of the parent		22,321,115	20,363,131
Non-controlling interest		6,603,525	6,484,082
		28,924,640	26,847,213
NON-CURRENT LIABILITIES			
Long-term deposits		322,944	319,720
CURRENT LIABILITIES			
Trade and other payables		2,919,149	2,672,579
Unclaimed dividend		53,317	49,712
Unpaid dividend		62,168	47,954
Income Tax - net	9	270,268	96,923
Short-term borrowings		278,119	60,750
Deferred income		16,981	10,172
Accrued markup		174	-
		3,600,175	2,938,090
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITIES AND LIABILITIES		32,847,759	30,105,023

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Shahid Saleem	Mazhar Valjee	Salman Burney
Chief Financial Officer	Chief Executive	Director

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

	Note	Nine Months Ended		Quarter ended	
		Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
		(Rupees in thousands)		(Rupees in thousands)	
Revenue - net		17,372,159	14,389,487	6,253,263	5,435,436
Cost of sales		(13,894,792)	(11,589,578)	(4,862,038)	(4,368,451)
Gross Profit		3,477,367	2,799,909	1,391,225	1,066,985
Distribution costs		(225,963)	(162,699)	(89,201)	(55,657)
Administrative expenses		(1,133,764)	(1,139,017)	(370,109)	(395,415)
Other charges		(240,020)	(188,399)	(95,685)	(69,613)
		(1,599,748)	(1,490,115)	(554,995)	(520,685)
Other income	11	1,905,637	1,699,668	643,419	558,029
Operating Profit		3,783,256	3,009,462	1,479,648	1,104,329
Finance costs		(15,827)	(7,371)	(8,176)	(3,446)
		3,767,429	3,002,091	1,471,472	1,100,883
Share of net profit of associates - after tax		731,697	653,745	230,392	248,397
Profit before taxation		4,499,126	3,655,836	1,701,864	1,349,280
Taxation		(1,285,886)	(959,512)	(459,320)	(336,411)
Profit after taxation		3,213,240	2,696,324	1,242,544	1,012,869
Attributable to:					
- Equity holders of the Holding Company		2,899,678	2,408,065	1,139,334	914,862
- Non-controlling interest		313,562	288,259	103,211	98,007
		3,213,240	2,696,324	1,242,544	1,012,869
		Rupees		Rupees	
Basic and diluted earnings per share attributable to the equity holders of the Holding Company	12	35.79	29.72	14.06	11.29

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Shahid Saleem	Mazhar Valiee	Salman Burney
Chief Financial Officer	Chief Executive	Director

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

	Nine Months Ended		Quarter ended	
	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
	(Rupees in thousands)		(Rupees in thousands)	
Profit after taxation	3,213,240	2,696,324	1,242,544	1,012,869
Other comprehensive income				
(Loss) / gain on revaluation of investments at fair value through other comprehensive income	(40,354)	64,311	10,479	86,102
Share of acturial loss on remeasurement of defined benefit plans of associates	(10,009)	20,383	(5,313)	20,502
Total comprehensive income for the period, net of tax	3,162,877	2,781,018	1,247,710	1,119,473
Attributable to:				
- Equity holders of the Holding Company	2,849,315	2,492,759	1,144,500	1,021,466
- Non-controlling interest	313,562	288,259	103,211	98,007
	3,162,877	2,781,018	1,247,710	1,119,473

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Shahid Saleem	Mazhar Valjee	Salman Burney
Chief Financial Officer	Chief Executive	Director

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

	Mar 31, 2019	Mar 31, 2018
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,499,126	3,655,836
Adjustments for non-cash charges and other items:		
Depreciation and amortization	386,591	353,584
Share in profit of associates - after taxation	(731,697)	(653,745)
Finance costs	15,825	7,371
Profit earned on call deposits and short-term investments	(238,256)	(294,810)
Liabilities no longer payable written back	(759)	(103)
Gain on revaluation / redemption of investments at fair value through profit and loss	(276,718)	(144,228)
Dividend income	(11,301)	(7,404)
Provision for impairment of trade debts	33,534	(2,875)
Provision for retirement benefits	5,980	5,573
Provision for impairment of factory building	12,200	-
Gain on disposal of property, plant and equipment	(29,990)	(5,935)
	(834,591)	(742,572)
	3,664,535	2,913,264
(Increase) / decrease in current assets		
Stores, spares and loose tools	(4,576)	(42,417)
Stock-in-trade	(2,149,246)	(1,102,811)
Trade debts	(1,225,184)	(1,179,477)
Loans and advances	35,513	(126,763)
Trade deposits and short-term prepayments	(203,830)	(83,606)
Other receivables	20,798	(79,129)
Sales tax refundable	51,467	-
Increase / (decrease) in current liabilities		
Deferred income	6,809	10,782
Trade and other payables	247,681	368,516
	(3,220,568)	(2,120,843)
Cash generated from operations	443,967	792,421
Finance costs paid	(15,653)	(7,372)
Retirement benefits paid	(6,331)	(6,418)
Income tax paid	(1,039,877)	(804,992)
Long-term loans	4,053	1,308
Long-term deposits - net	1,637	51
Net cash used in operating activities	(612,203)	(25,002)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(1,534,149)	(676,915)
Dividends received	544,822	581,563
Profit received on call deposits and short term investments	(649,987)	305,201
Long-term investments made during the period	(436,680)	(574,656)
Proceeds from disposal of property, plant and equipment	49,395	9,571
Short-term investments encashed / (made) during the period	3,671,050	568,980
Net cash generated from investing activities	1,644,451	213,744
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(1,067,632)	(1,637,671)
Net cash used in financing activities	(1,067,632)	(1,637,671)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	(35,385)	(1,448,929)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,855,466	7,541,508
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,820,081	6,092,579
Cash and bank balances	838,618	962,928
Short-term investments	3,259,582	5,129,651
Short-term running finance	(278,119)	-
	3,820,081	6,092,579

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Shahid Saleem
Chief Financial Officer

Mazhar Valimi
Chief Executive

Salman Burney
Director

THAL LIMITED
CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED MARCH 31, 2019

	Issued, subscribed & paid-up capital	Share deposit money	RESERVES				Non-controlling interest	Total equity
			Capital reserve	General reserve	Unappropriated profit	Gain / (Loss) on changes in fair value of available for sale investments		
	Rupees in '000							
Balance as at June 30, 2017 (Audited)	**405,150**	**12**	**67,929**	**11,207,374**	**7,027,888**	**143,928**	**6,116,611**	**24,968,892**
Transfer to general reserve	-	-	-	2,366,000	(2,366,000)	-	-	-
Final dividend @ Rs. 16/- per share for the year ended June 30, 2017	-	-	-	-	-	-	-	-
Interim dividend @ Rs. 2.50/- per share for the half year ended December 31, 2017	-	-	-	-	(202,576)	-	-	**(202,576)**
Subsidiary Companies								
Final dividend @ Rs. 0.304/- per share for the year ended June 30, 2017	-	-	-	-	-	-	(41,303)	**(41,303)**
Interim dividend @ Rs. 0.50/- per share for the period ended September 30, 2017							(68,014)	**(68,014)**
Interim dividend @ Rs. 0.482/- per share for the period ended December 31, 2017							(65,508)	**(65,508)**
Profit for the period	-	-	-	-	2,408,065	-	288,259	**2,696,324**
Other comprehensive income	-	-	-	-	20,383	64,311	-	**84,694**
Total comprehensive income	-	-	-	-	2,428,448	64,311	288,259	**2,781,018**
Balance as at March 31, 2018 (Unaudited)	**405,150**	**12**	**67,929**	**13,573,374**	**6,887,760**	**208,239**	**6,230,045**	**27,372,509**
Balance as at June 30, 2018 (Audited)	**405,150**	**12**	**67,929**	**13,573,374**	**6,152,487**	**164,179**	**6,484,082**	**26,847,213**
Transfer to general reserve	-	-	-	1,592,000	(1,592,000)	-	-	-
Final dividend @ Rs. 8.5/- per share for the year ended June 30, 2018	-	-	-	-	(688,755)	-	-	**(688,755)**
1st Interim dividend @ Rs. 2.50/- per share for the half year ended December 31, 2017					(202,576)			**(202,576)**
Subsidiary Companies								
Final dividend @ Rs. 0.408/- per share for the year ended June 30, 2018	-	-	-	-	-	-	(55,519)	**(55,519)**
Interim dividend @ Rs. 0.502/- per share for the period ended September 30, 2018	-	-	-	-	-	-	(68,258)	**(68,258)**
Interim dividend @ Rs. 0.517/- per share for the period ended December 31, 2018	-	-	-	-	-	-	(70,342)	**(70,342)**
Profit for the period	-	-	-	-	2,899,678	-	313,562	**3,213,240**
Other comprehensive income	-	-	-	-	(10,009)	(40,354)	-	**(50,363)**
Total comprehensive income	-	-	-	-	2,889,669	(40,354)	313,562	**3,162,877**
Balance as at March 31, 2019 (Unaudited)	**405,150**	**12**	**67,929**	**15,165,374**	**6,558,825**	**123,825**	**6,603,525**	**28,924,640**

The annexed notes from 1 to 18 form an integral part of these consolidated condensed interim financial statements.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

THAL LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE PERIOD ENDED MARCH 31, 2019
(UN-AUDITED)

1 THE GROUP AND ITS OPERATIONS

1.1 Thal Limited (the Holding Company) was incorporated on January 31, 1966 as a public company limited by shares and is listed on the Pakistan Stock Exchange.

The Holding Company is engaged in the manufacture of jute goods, engineering goods, papersacks and laminate sheets. The registered office of the holding company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

The Group comprises of the Holding Company and its subsidiaries, Noble Computer Services (Private) Limited, Pakistan Industrial Aids (Private) Limited, Makro-Habib Pakistan Limited, A-One Enterprises (Private) Limited, Habib METRO Pakistan (Private) Limited, Thal Boshoku Pakistan (Private) Limited, Thal Power (Private) Limited and Thal Electrical (Private) Limited.

Noble Computer Services (Private) Limited is engaged in providing Internal Audit Services, I.T related Services, Advisory Services, H.R Services and Management Services.

Pakistan Industrial Aids (Private) Limited is engaged in trading of various products.

Makro-Habib Pakistan Limited is engaged in a chain of wholesale / retail cash and carry stores.

A-One Enterprises (Private) Limited was incorporated in Pakistan on December 16, 2011 as a private limited company.

Habib METRO Pakistan (Private) Limited's main business is to own and manage properties.

Thal Boshoku Pakistan (Private) Limited is engaged in the manufacturing of Air cleaner set assembly, Seat track sub assembly and Seat side frame sub assembly for automobiles.

Thal Power (Private) Limited has entered into a joint venture agreement with M/s Novatex for collaboration to develop a 330 MW Coal-fired Power Generation Plant at Thar, Sindh.

Thal Electrical (Private) Limited was incorporated in Pakistan on January 12, 2018 as a private limited company.

These subsidiaries have been consolidated in these consolidated condensed interim financial statements.

1.2 Geographical location and address of busines units

Holding Company:

The registered office of the Holding Company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Plants
The Jute operations are located at Muzaffargarh, Punjab.
Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh
Papersack operations are located at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa.
Laminate operations are located at Hub , Balochistan

Subsidiaries:

Noble Computer Services (Private) Limited operations are located at 2nd Floor, House of Habib, 3-Jinnah Co-perative Housing Society, Block 7/8, Sharae Faisal, Karachi,

Pakistan Industrial Aids (Private) Limited operations are located at - Plot number 192 Korangi Industrial area, Sector 22, Karachi.

Makro Habib Pakistan Limited is located at 2nd, House of Habib - 3- Jinnah Co-Operative Housing Society, Sharae Faisal, Karachi.

A-One Enterprises (Private) Limited is located at 4th Floor, House of Habib - 3- Jinnah Co-Operative Housing Society, Shahrae-Faisal, Karachi

Habib Metro Pakistan (Private) Limited operations are located at Mezzanine Floor, House of Habib, 3-Jinnah Co-perative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Thal Boshoku Pakistan (Private) Limited operations are located at - Plot number 192 Korangi industrial area, Sector 22 and plot number SP-C north western industrial road, Port Qasim, Karachi.

Thal Power (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-perative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Thal Electrical (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-perative Housing Society, Block 7/8, Sharae Faisal, Karachi.

2 BASIS OF PREPERATION

2.1 These consolidated 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 requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended June 30, 2018.

2.3 These consolidated condensed interim financial statements are being submitted to the shareholders as required by the Section 237 of the Companies Act, 2017.

2.4 The Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O. 229 (I)/2019 dated February 14, 2019 has deffered the application of IFRS 9 till June 30, 2019.

3 ACCOUNTING POLICIES

The accounting policies and the methods of computations adopted in the preparation of these consolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended June 30, 2018 except for as follows:

3.1 New / Revised Standards, Interpretations and Amendments

The Group has adopted the following standards and amendment to IFRSs which became effective for the current period:

IFRS 2 - Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)

IFRS 4 - Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Ammendments)

IFRS 15 - Revenue from Contracts with Customers

IAS 40 - Investment Property: Transfers of Investment Property (Ammendments)

IFRIC 22 - Foreign Currency Transactions and Advance Consideration

The adoption of the above standards and amendments in the accounting standards did not have effect on the accounting policies of the Group except as follows:

3.2 IFRS 15 – Revenue from Contracts with Customers

IFRS 15 'Revenue from Contracts with Customers' supersedes IAS 11 'Construction Contracts', IAS 18 'Revenue' and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company is engaged in manufacture of engineering goods, jute goods, laminate sheets and papersack. The Company has assessed that significant performance obligatios in contracts with customers, across all divisions, is based on transfer of control of related goods and is discharged at that point of time. The Company's transfer of goods takes place upon delivery of goods to customers and in case of export when risk and rewards are transferred as per shipping terms.

Based on the above, the Company considers that its existing accounting policies are substantially in compliance with the requirements of IFRS 15.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2018.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
		(Rupees in thousands)	
Operating fixed assets	5.1 & 5.3	**1,567,901**	1,534,660
Capital work-in-progress	5.2	**1,598,015**	413,068
		3,165,916	1,947,728

5.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	Nine Months Ended Mar 31,		Nine Months Ended Mar 31,	
	2019	2018	2019	2018
	(Un-audited)		(Un-audited)	
	(Rupees in thousands)			
Operating fixed assets				
Land - Freehold	-	171,279	**650**	-
Building on freehold land	**19,228**	3,035	-	-
Plant and machinery	**194,730**	101,238	**178**	556
Furniture and fittings	**126**	1,263	**533**	-
Vehicles	**18,908**	682	**5,607**	2,899
Office and mills equipment	**4,434**	22,704	**154**	157
Computer equipment	**18,520**	8,750	**368**	24
Jigs and Fixtures	**4,777**	14,437	-	-
	260,723	323,388	**7,491**	3,636

5.2 Includes capital work in progress on building on freehold land and plant and machinery amounting to Rs. 689.529 million (June 30, 2018: Rs. 325.184 million) and Rs. 659.647 million (June 30, 2018: Rs. 40.118 million), respectively.

5.3 During the period, capital work in progress amounting to Rs. 188.005 million (Mar 31, 2018: Rs. 42.474 million) was transferred to operating fixed assets

6. LONG-TERM INVESTMENTS

6.1 During the period , the Company has made further investment in Sindh Engro Coal Mining Company (SECMC) amounting to Rs. 436.680 million

7 STOCK-IN-TRADE

Raw material			
In hand	7.1	**4,013,289**	2,645,618
In transit		**896,446**	648,361
		4,909,735	3,293,979
Work-in-process		**236,909**	226,833
Finished goods			
In hand		**1,044,914**	526,335
In transit		**4,835**	-
		1,049,749	526,335
		6,196,393	4,047,147

7.1 This includes items amounting to Rs. 178.7 million (June 30, 2018 : Rs. 38.284 million) carried at net realizable value. [Cost Rs. 238 49 million (June 30, 2018 . Rs. 93.422 million)]

8 SHORT TERM INVESTMENTS

8.1 This represents investment in Term Deposit Receipts amounting to Rs. 1,192.334 million (June 30, 2018: Rs. 1,128.239 million), Government Treasury Bills amounting to Rs. 2,110.976 million (June 30, 2018: 1,881.850 million) and mutual funds amounting to Rs. 3,921.552 million (June 30, 2018: 6,059.148 million).

8.2 Term deposit receipts include Rs. 920.699 million (June 30, 2018: Rs. 579.843 million) maintained with Habib Metropolitan Bank Limited, a related party.

8.3 These Include short-term investments amounting to Rs. 3,259.7582 million (June 30, 2018: Rs. 2,789.394 million) having maturity up to three months.

9 INCOME TAX - Net

	Note	Mar 31, 2019 (Un-audited)	June 30, 2018 (Audited)
		(Rupees in thousands)	
Group Tax Relief adjustments	9.1	**593,466**	593,466
Group Taxation adjustments	9 2	**2,225**	512
Income Tax provision less tax payments - net		**(865,959)**	(690.901)
		(270,268)	(96.923)

9.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its Holding Company for set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Holding Company has adjusted its tax liabilities for the tax years 2008-2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired has been paid to the subsidiary company.

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years; the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

9.2 In terms of the provision of Section 59AA of the Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries MHPL and A-One Enterprises (Private) Limited have irrevocably opted to be taxed as one fiscal unit for the tax year 2019.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the year ended June 30, 2018

10.2 Commitments

10.2.1 Letter of guarantees issued by banks on behalf of the Group amounts to Rs. 1,399.208 million (June 30, 2018: Rs. 1,437.701 million).

10.2.2 Post dated cheques issued to collector of Customs amounts to Rs. 153.617 million (June 30, 2018: Rs. 24.545 million)

10.2.3 Letter of credits outstanding for raw material and spares amounts to Rs 2,564.349 million (June 30, 2018: Rs. 1,723.577 million).

10.2.4 Commitments in respect of capital expenditure amounts to Rs.1.285 million (June 30, 2018: Rs. 7.515 million).

10.2.5 Commitments for rentals under Ijarah agreements in respect of vehicles and computers to a related party amount to Rs. 37.126 million (June 30, 2018: 29.187 million).

10.2.6 Commitments for rentals under operating lease agreements in respect of Land amount to Rs 2,386.139 million (June 30, 2018: Rs. 2,466.099 million)

	Nine Months Ended	
	Mar 31, 2019	Mar 31, 2018
	(Un-audited)	
	(Rupees in thousands)	
11 OTHER INCOME		
Income from financial assets		
Dividend income	**11,301**	7,404
Profit earned on call deposits and short-term investments	**241,453**	294,810
Gain on revaluation / redemption of investments at fair value through profit and loss	**276,718**	144,228
Others	**10,417**	3,369
	539,889	449,811
Income from non-financial assets		
Gain on disposal of property, plant and equipment	**38,978**	5,935
Rental income	**1,134,281**	1,088,980
Others	**192,489**	154,942
	1,365,748	1,249,857
	1,905,637	1,699,668

	Nine Months Ended	
	Mar 31, 2019	Mar 31, 2018
	(Un-audited)	
	(Rupees in thousands)	
12 BASIC AND DILUTED EARNINGS PER SHARE		
There is no dilutuve effect on the basic earnings per share of the Holding Company, which is based on:		
Profit after taxation attributable to the equity holders of the holding company	**2,899,678**	2,408,065
	Number of shares in thousands	
Weighted average number of ordinary shares of Rs. 5/- each in issue	**81,030**	81,030
	Rupees	
Basic and diluted earnings per share	**35.79**	29.72

13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Group comprise associate companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions and balances with related parties during the period, other than those disclosed elsewhere in these consolidated condensed interim finanacial statements, are as follows:

Relationship	Nature of transactions	Nine Months Ended Mar 31, 2019	Mar 31, 2018
		(Un-audited)	
		(Rupees in thousands)	
Associates	Sales	**8,819,666**	7,398,713
	Professional Services rendered	**54,517**	189,602
	Rental Income on properties	**1,149,042**	1,108,897
	Insurance premium	**20,643**	23,746
	Purchase of assets	**11,250**	1,644
	Purchase of goods	**453,522**	420,225
	Insurance claim received	**3,646**	610
	Mark-up and bank charges paid	**8,626**	2,892
	Profit received	**50,893**	168,682
	Supplies purchased	**35,148**	37,974
	Licence fee, signage and others	**5,193**	5,814
	Rent Paid	**-**	1,929
	Ijarah Rentals	**16,379**	16,599
Employee benefit plans	Contribution to provident fund	**33,772**	29,690
	Contribution to retirement benefit fund	**5,980**	5,575
Key management personnel	Key management personnel compensation	**113,632**	112,245

13.1 Key management personnel remuneration corresponding figure in note 13 has been revised in line with the new definition of key management personnel under directives issued by the Securities and Exchange Commission of Pakistan.

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale. Investment in associates are carried using equity method of accounting.

Available-for-sale financial assets and financial assets designated at fair value through profit and loss account which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date (Level 1 Valuation). The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book values.

There were no transfers amongst levels during the period.

15 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks. These consolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual consolidated financial statements of the Group for the year ended 30 June 2018. There have been no changes in any risk management policies since the year end.

16 SEGMENT ANALYSIS

	Nine Months Ended									
	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
	Engineering		Building material and allied products		Real estate management & others		Elimination		Total	
	Rupees in thousand									
SALES REVENUE	**12,052,389**	9,663,985	**5,120,794**	4,504,900	**330,604**	341,181	**(131,628)**	(120,579)	**17,372,159**	14,389,487
SEGMENT RESULT	**2,455,653**	2,012,720	**667,064**	477,286	**881,781**	844,082	-	-	**4,004,497**	3,334,088
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									**(612,491)**	(631,268)
Other income									**631,270**	495,041
Operating profit									**4,023,276**	3,197,861
Finance cost									**(15,827)**	(7,371)
Other charges									**(240,020)**	(188,399)
Share in profit of associates									**731,697**	653,745
Taxation									**(1,285,886)**	(959,512)
									3,213,240	2,696,324

	Quarter ended									
	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018	Mar 31, 2019	Mar 31, 2018
	Engineering		Building material and allied products		Real estate management & others		Elimination		Total	
	Rupees in thousand									
SALES REVENUE	**4,241,452**	3,477,552	**1,937,900**	1,888,006	**115,984**	112,823	**(42,073)**	(42,945)	**6,253,263**	5,435,436
SEGMENT RESULT	**954,844**	717,598	**297,500**	255,209	**297,136**	279,535	-	-	**1,549,479**	1,252,342
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									**(189,261)**	(234,658)
Other income									**215,115**	156,258
Operating profit									**1,575,333**	1,173,942
Finance cost									**(8,176)**	(3,446)
Other charges									**(95,685)**	(69,613)
Share in profit of associates									**230,392**	248,397
Taxation									**(459,320)**	(336,411)
									1,242,544	1,012,869

17 GENERAL

17.1 Figures have been rounded off to the nearest thousands.

17.2 Corresponding figures have been re-arranged , wherever necessary. However, there were no significant rearrangment to report.

18 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on April 25, 2019 by the Board of Directors of the Holding Company.

Shahid Saleem
Chief Financial Officer

Mazhar Valjee
Chief Executive

Salman Burney
Director

تھل نووا نے پرائیویٹ پاور انفرااسٹرکچر بورڈ (پی پی آئی بی) سے لیٹر آف انٹینٹ (ایل او آئی) اور لیٹر آف سپورٹ (ایل او ایس) حاصل کرلیا ہے۔ نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (این ای پی آر اے) نے پروجیکٹ کمپنی کو تھر کول پر جنریشن لائسنس جاری کردیا اور اپ فرنٹ ٹیرف بھی تفویض کردیا ہے۔ تھل نووا کو سندھ اینوائرمینٹل پروٹیکشن ایجنسی (ایس ای پی اے) کی جانب سے نو آبجیکشن سرٹیفکیٹ (این او سی) بھی جاری کردیا گیا ہے۔

چائنا مشینری اینڈ انجینئرنگ کارپوریشن کو پروجیکٹ کیلئے بطور ای پی سی کنٹریکٹر مقرر کیا گیا ہے اور ایس ای سی ایم سی سالانہ 1.9 ملین ٹن لگنائیٹ کی فراہمی کے لیے کول سپلائر ہوگا۔ چائنا ڈیولپمنٹ بینک (''سی ڈی بی'') اور حبیب بینک لمیٹڈ (''ایچ بی ایل'') بالترتیب غیر ملکی اور مقامی کرنسی پروجیکٹ قرضے کیلئے مصروف عمل ہیں۔

کمپنی نے سینٹرل پاور پرچیز ایجنسی (گارنٹی) لمیٹڈ (سی پی پی اے (جی)) کے ساتھ پاور پرچیز ایگریمنٹ (''پی پی اے'') اور پی پی آئی بی کے ساتھ امپلی مینٹیشن ایگریمنٹ (''آئی اے'') تشکیل دیا ہے۔

تھل نووا نے سائٹ پر کام کے آغاز کیلئے موبلائزیشن ایڈوانس بشمول ای پی سی کنٹریکٹر کو لمیٹڈ نوٹس ٹو پروسیڈ (ایل این ٹی پی) فراہم کردیا ہے۔ اس اقدام سے پروجیکٹ کی کمرشل آپریشنز کی تاریخ کے حصول میں کامیابی ممکن ہوجائے گی۔

اظہارِ تشکر

ہم اللہ تعالیٰ کے بے حد شکر گزار ہیں کہ اس نے ہمیں چیلنج کے وقت میں اپنی رحمت سے نوازا۔ ہم اپنے بورڈ آف ڈائریکٹرز، کسٹمرز، ڈیلرز، بینکرز اور جوائنٹ وینچر اور ٹیکنیکل پارٹنرز کے مسلسل تعاون اور کمپنی پر ان کے اعتماد کو سراہتے ہیں۔ ہم اپنے تمام ساتھی ملازمین کی کاوشوں کے بھی معترف ہیں جنہوں نے سخت محنت اور دل جمعی کے ساتھ بہترین نتائج کے حصول کے لئے کوششیں کیں۔

منجانب بورڈ

مظہر والجی
چیف ایگزیکٹو آفیسر

کراچی:
مورخہ: 25 اپریل 2019

(7)

پروجیکٹ کے فیز I، جو اینگرو پاور جین تھر لمیٹڈ کو 3.8 ملین ٹن لگنائیٹ سالانہ سپلائی کرے گا، نے اپنا فنانشل کلوز 4 اپریل 2016 کو حاصل کیا تھا اور اب تکمیل کے حتمی مراحل میں ہے۔ فیز I کیلئے کمرشل آپریشنز ڈیٹ (سی او ڈی) شیڈول سے آگے (متوقع طور پر 2019 کی پہلی ششماہی) ہے۔ لگ بھگ 111 ملین بلین کیوبک میٹرز (بی سی ایم) فضلہ کان سے صاف کیا جا چکا ہے اور اس کے پہلے صارف یعنی اینگرو پاور جین تھر لمیٹڈ (ای پی ٹی ایل) کو کوئلے کی سپلائی کا آغاز ہو چکا ہے۔ آج کی تاریخ تک 52,298 ٹن کوئلہ پاور پلانٹ کو فراہم کیا جا چکا ہے۔

پروجیکٹ کے فیز I کیلئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 36.1 امریکی ڈالر (پاک روپے میں مساوی رقم) کے مجموعی ایکسپوژر کی منظوری دی تھی جس میں 24.3 ملین امریکی ڈالر کی ایکویٹی انویسٹمنٹ، 5 ملین امریکی ڈالر کی کاسٹ اوور۔رن اور 6.8 ملین امریکی ڈالر ڈیبٹ سروسنگ ریزرو کیلئے رکھے گئے ہیں۔ آج کی تاریخ تک کمپنی 1,961 ملین روپے (17.49 ملین امریکی ڈالر کے مساوی) کی سرمایہ کاری کر چکی ہے۔

ایس ای سی ایم سی پروجیکٹ کے دوسرے فیز کیلئے فنانشل کلوز کے حصول کے لئے حتمی مراحل میں ہے جس سے کان کی حقیقی فراہمی کی گنجائش دگنی ہو جائے گی۔

پروجیکٹ کے فیز II کے لئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 7.1 ملین امریکی ڈالر (پاک روپے میں مساوی رقم) کے مجموعی ایکسپوژر کی منظوری دی ہے جس میں 4.6 ملین امریکی ڈالر کی ایکویٹی انویسٹمنٹ، 1.3 ملین امریکی ڈالر برائے کاسٹ اوور۔رن اور 1.2 ملین امریکی ڈالر ڈیبٹ سروسنگ ریزرو (LIBOR/KIBOR کے اتار چڑھاؤ کے ایڈجسٹمنٹ کے باعث) کیلئے شامل ہیں۔

ایس ای سی ایم سی تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ اور تھر انرجی لمیٹڈ کے ساتھ بالترتیب ہر ایک کے لیے 330 میگاواٹ پاور پلانٹ کے لیے سالانہ اضافی 1.9 ملین ٹن لگنائٹ کی فراہمی کے لیے کول سپلائی ایگریمنٹس کر چکی ہے۔ مزید برآں ایس ای سی ایم سی دو مراحل کے ٹیرف (Two Stage Tarif) کے لئے ٹی سی ای بی کی منظوری کے انتظار میں ہے جس سے کمپنی کو دو مراحل میں فنانشل کلوز کے حصول کے ساتھ دیگر دو صارفین یعنی تھل نووا پاور تھر (پرائیویٹ لمیٹڈ) اور تھر انرجی لمیٹڈ کا فنانشل کلوز بھی حاصل ہو جائے گا۔

تھل پاور (پرائیویٹ) لمیٹڈ

کمپنی نے اپنے مکمل ملکیتی ذیلی ادارے، تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے ایک جوائنٹ وینچر پروجیکٹ کمپنی یعنی تھل نووا پاور تھر پرائیویٹ لمیٹڈ (تھل نووا) تشکیل دی ہے جو تھر سندھ میں واقع 330 میگاواٹ مائن ماؤتھ کول۔ فائرڈ پاور جنریشن پلانٹ ہے۔

جوائنٹ وینچر تھل پاور، نووا پاور جین لمیٹڈ (نووا ٹیکس لمیٹڈ کا ذیلی ادارہ) اور حب پاور کمپنی کے مابین کیا گیا ہے جو سندھ اینگرو کول مائننگ کمپنی (ایس ای سی ایم سی) کے تحت مصروف عمل مائن (کان) سے نکالے جانے والے کوئلے سے چلایا جائے گا۔

(6)

حبیب۔میٹرو پاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل)

حبیب میٹرو پاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل) کا مرکزی کاروبار جائیداد کی ملکیت اور اس کا انتظام سنبھالنا ہے۔تھل لمیٹڈ ایچ ایم پی ایل کمپنی میں 60 فیصد شیئر ہولڈنگ کی حامل ہے جبکہ 40 فیصد میٹرو کیش اینڈ کیری انٹرنیشنل ہولڈنگ بی۔وی۔ کے پاس ہیں۔کمپنی مختلف کاروباری مواقوں کی تلاش میں مصروفِ عمل ہے تاکہ کیش اینڈ کیری ریٹیل رینٹل بزنس کو فروغ دیا جاسکے اور اپنے اسٹور لوکیشنز سے ادارے میں مزید توسیع دی جائے۔

سہ ماہی کے دوران تھل لمیٹڈ نے ایچ ایم پی ایل سے 105.5 ملین روپے کا عبوری منافع منقسمہ وصول کیا۔

میکرو۔حبیب پاکستان لمیٹڈ (ایم ایچ پی ایل)

میکرو حبیب پاکستان لمیٹڈ (ایم ایچ پی ایل) تھل لمیٹڈ کا مکمل ملکیتی ذیلی ادارہ ہے جو میکرو صدر اسٹور کی ملکیت بھی رکھتا ہے۔11 ستمبر 2015 کو معزز سپریم کورٹ آف پاکستان نے ایم ایچ پی ایل کی نظر ثانی پٹیشن مسترد کردی اور اس کے نتیجے میں صدر اسٹور بند کردیا گیا۔

9 دسمبر 2015 کو ہونے والی ایک پیش رفت کے طور پر فاضل سپریم کورٹ آف پاکستان نے نظر ثانی پٹیشن کی بحالی کے لئے آرمی ویلفیئر ٹرسٹ (اے ڈبلیوٹی) کی درخواست کو منظور کرلیا۔اپنی 2 فروری 2016 کی سماعت میں معزز چیف جسٹس نے اے ڈبلیوٹی کی نظر ثانی درخواست کا جائزہ لیتے ہوئے تبصرہ کیا کہ ایم ایچ پی ایل اور وزارتِ دفاع دونوں کو میرٹ پر اپنے نکات پر بحث میں حصہ لینے کا موقع دیا جائے گا جیسا کہ یہ دونوں اے ڈبلیوٹی کی پٹیشن میں جوابداران ہیں۔

اے ڈبلیوٹی کی نظر ثانی پٹیشن کی سماعت پہلے ایک نئے بینچ کے روبرو 17 اکتوبر 2017 کو مقرر کی گئی تھی تاہم شہری اور کے ڈبلیو ایس بی کی نمائندگی کرنے والی کونسل کی جانب سے داخل کردہ التواء کی درخواست کے باعث سماعت کے دوران مزید کوئی کارروائی نہ ہوسکی۔

پاور سیکٹر میں سرمایہ کاری

سندھ اینگرو کول مائننگ کمپنی لمیٹڈ

ایس ای سی ایم سی حکومتِ سندھ، تھل لمیٹڈ، اینگرو پاور جن لمیٹڈ، حب پاور کمپنی لمیٹڈ، حبیب بینک لمیٹڈ، سی ایم ای سی تھر مائننگ انویسٹمنٹس لمیٹڈ اور ایس پی آئی منگڈ ونگ کے مابین ایک جوائنٹ وینچر ہے یہ تھر کول بلاک۔II میں پاکستان کے پہلے اوپن پٹ مائننگ پروجیکٹ کو تیار کرنے میں سرگرمِ عمل ہے۔

(5)

مالی سال کی آخری سہ ماہی کیلئے آؤٹ لک سیمنٹ کی فروخت میں مستقل طور پر کمی اور رمضان المبارک اور عید الفطر قریب ہونے کے باعث ملا جلا رجحان کا حامل ہوگا اور اس کے ساتھ اس کے اثرات تعمیراتی صنعت پر بھی مرتب ہوں گے۔

لیمینیٹس بزنس

لیمینیٹ صنعت میں برانڈ 'فارمائٹ' نے اپنی بہترین کوالٹی اور ایک وسیع تر غیر روایتی شعبے میں سسٹمز اور ریگولیشنز کے تحت اپنی مستحکم پوزیشن برقرار رکھی ہوئی ہے۔ ہائی پریشر لیمینیٹس (ایچ پی ایل) اور لو پریشر لیمینیٹس (ایل پی ایل) کی نئی منفرد یورپی سیریز کو مارکیٹ میں بے حد پذیرائی حاصل ہوئی ہے۔

پروڈکٹ لائن اور سروسز کی توسیع سے کاروبار برقرار رکھنے اور عمومی طور پر غیر روایتی اور غیر مستقل مارکیٹ میں صارف کی دلچسپی برقرار رکھنے میں مدد ملے گی۔

وسط مدت میں انتظامیہ نے اپنی توجہ ایکسپورٹ سیلز کی جانب بڑھائی تاکہ مقامی مارکیٹ کی طلب میں کمی کا سدِ باب کیا جائے۔

ذیلی ادارے

تھل بوشوکو پاکستان لمیٹڈ (ٹی بی پی کے)

زیر جائزہ مدت کے دوران کمپنی کا سیلز ریونیو پچیس فیصد (25 فیصد) سال بہ سال کی بنیاد پر بڑھا۔ یہ اضافہ حجم میں اضافے کے باعث ہوا۔

نئی سہولت کی تعمیر اور مشینری کی تنصیب مارچ 2019 میں مکمل کر لی گئی تھی اور کمپنی کا ہدف کارسیٹس کی آزمائشی پیداوار کے لیے ہے۔ نئی سہولت سے تجارتی پیداوار کا آغاز 2019 کے آخر تک متوقع ہے۔

کمپنی نے گزشتہ سال میں ہر ایک 10 پاکستانی روپے مالیت کے 50 ملین رائٹ شیئرز کے اجراء کی منظوری دی۔ نظر ثانی شدہ شیئر ہولڈنگ کے پیٹرن کے تحت تھل لمیٹڈ کمپنی میں 55 فیصد شیئر ہولڈنگ کی ملکیت رکھتی ہے جبکہ ٹویوٹا ٹسوشو کارپوریشن جاپان 10 فیصد ملکیت، ٹویوٹا بوشوکو کارپوریشن جاپان 9.6 فیصد ملکیت اور ٹویوٹا بوشوکو ایشیا کارپوریشن اب کمپنی کے 25.4 فیصد کی ملکیت کی حامل ہے

کمپنی نے زیر ونقائص کے ساتھ بروقت تکمیل کو یقینی بنانے کیلئے اوریجنل ایکوپمنٹ مینوفیکچررز (او ای ایم) کی جانب طے کردہ معیار کے پیمانوں پر پورا اترنے کا سلسلہ جاری رکھا ہوا ہے، صنعت کا مستقبل کا جائزہ انتہائی امید افزاء ہے۔ موجودہ اور نئے او ای ایم صارفین سے مزید مقامی انحصار کمپنی کے لئے منافع کی شرح بہتر بنانے کا موقع فراہم کرے گا۔

انتظامیہ با کفایت پیداواری عمل، نئی سہولت سے بہتر پروڈکشن کی تیاری اور ٹیم ممبران کیلئے کام کے محفوظ اور صحت مند ماحول کی فراہمی کے ضمن میں مستقل طور پر توجہ دے رہی ہے۔

(4)

وائر ہارنیس کیلئے نئی سہولت کی تعمیر ٹی اے اے کے ساتھ یازاکی کارپوریشن جاپان کے تحت اب مکمل ہو چکا ہے اور اس کی تجارتی پیداوار کا آغاز ممکنہ طور پر 2019 کے آخر میں کر دیا جائے گا۔

انتظامیہ نے مستقل طور پر بہتری کے عمل میں تسلسل اور اپنی توجہ بالخصوص اپنے ٹیم ممبران کیلئے کام کرنے کے محفوظ اور صحتمندانہ ماحول کی فراہمی پر توجہ دینے کے ذریعے پیداواری عمل با کفایت بنانے پر جاری رکھی۔

تعمیراتی سامان اور اس سے متعلق مصنوعات کا شعبہ

31 مارچ 2019 کو ختم ہونے والی 9 ماہ کی مدت کے دوران بلڈنگ میٹریل اور متعلقہ مصنوعات کے شعبے میں سیلز ریونیو 5.1 بلین روپے تک جا پہنچا اور اس طرح سال بہ سال کی بنیاد پر تیرہ فیصد (13 فیصد) اضافہ حاصل ہوا۔

جوٹ بزنس

تھل جوٹ نے اپنا مثبت رجحان کا سلسلہ برقرار رکھا اور زیر جائزہ مدت کے دوران مقامی مارکیٹ میں نمایاں سپلائر کی حیثیت سے اپنی پوزیشن برقرار رکھی۔ اس کاروبار کو خام مال کی بڑھتی ہوئی قیمتوں اور روپے کی قدر میں کمی سمیت پبلک پروکیورمنٹ ایجنسیز (پی پی ایز) سے اناج کی بوریوں کی طلب کم ہونے کی وجہ سے اخراجات میں قابل غور دباؤ کا سامنا کرنا پڑا۔

آنے والی مدت میں بزنس نے اپنا درآمدی دائرہ کار بڑھانے کا منصوبہ بنایا ہے جبکہ مقامی مارکیٹ میں اپنی مستحکم موجودگی کو بھی برقرار رکھا جائے گا۔ مزید براں، بڑھتے ہوئے اخراجات دھیرے دھیرے صارفین پر منتقل کر دیئے جائیں گے۔

انتظامیہ پیداواری عمل با کفایت بنانے پر توجہ دینے اور مقامی اور عالمی مارکیٹوں میں مسابقتی فوائد کو یقینی بنانے کے لیے انوینٹریز کی راشنلائزیشن پر توجہ دے رہی ہے۔

پیپر سیک بزنس

جانے والی مدت پیپر سیک بزنس کے لیے خصوصی طور پر چیلنجنگ رہی، شمال میں ایک طویل مون سون سیزن نے تعمیراتی صنعت کو سست روی کا شکار کر دیا، خام مال کے نرخوں میں اضافے کے رجحان اور روپے کی قدر میں کمی سے سیمنٹ کے بزنس کو مستقل طور پر دباؤ کا سامنا رہا۔

جانے والی مدت کے دوران سیمنٹ سیکٹر کیلئے سالانہ ترقی کے لحاظ سے اگرچہ ایک منفی سال دیکھنے میں آیا تاہم اس کے باوجود پیپر سیک بزنس اخراجات میں اضافے کو بروقت منتقل کرنے اور اوور ہیڈز پر محتاط کنٹرول کرنے کے اقدامات پر عمل کر کے محفوظ شرح حاصل کرنے میں کامیاب رہا۔

(3)

فنانس کی خاص خاص باتیں

	روپے بلین میں			
	اسٹینڈ الون		کنسالیڈیٹڈ	
	برائے مدت مختتمہ 31 مارچ 2019	برائے مدت مختتمہ 31 مارچ 2018	برائے مدت مختتمہ 31 مارچ 2019	برائے مدت مختتمہ 31 مارچ 2018
سیلز	16,493	13,623	17,372	14,389
قبل از ٹیکس منافع	3,403	2,710	4,499	3,655
بعد از ٹیکس منافع	2,456	2,054	3,213	2,696
فی شیئر آمدنی (روپے میں)	30.32	25.35	35.79	29.72

کارکردگی کا جائزہ

کمپنی نے 31 مارچ 2019 کو ختم ہونے والی 9 ماہ مدت کے دوران 16.5 بلین روپے کا غیر مجموعی سیلز ریونیو حاصل کیا جو سال بہ سال کی بنیاد پر اکیس فیصد (21 فیصد) کا اضافہ ظاہر کرتا ہے۔ بنیادی اور خالص آمدنی فی شیئر (ای پی ایس) 30.32 روپے رہی جو گزشتہ سال کی اس مدت میں 25.35 روپے تھی۔

کاروبار کی مختصر صورتحال ۔ انجینئرنگ کا شعبہ

کمپنی کا انجینئرنگ کا شعبہ تھرمل اینڈ انجن کمپونینٹس اور الیکٹرک سسٹمز بزنس پر مشتمل ہے۔ یہ کاروبار بنیادی طور پر آٹو انڈسٹری کیلئے پارٹس کی فراہمی پر توجہ دیتے ہیں۔

عمومی طور پر آٹو انڈسٹری کے لئے ایک اتار چڑھاؤ والے سال کے باوجود انجینئرنگ کے شعبے نے 11.3 بلین روپے کا ٹرن اوور حاصل کیا جو سال بہ سال کی بنیاد پر چوبیس فیصد (24 فیصد) زائد ہے۔ یہ شرح نمو بنیادی طور پر بلند تر حجم کے باعث حاصل ہوئی۔

نان فائلرز کے لئے نئی گاڑیوں کی خریداری پر پابندی کے باعث زیر جائزہ مدت کے دوران آٹو سیکٹر میں سست روی کے برخلاف کارکردگی قدرے بہتر رہی۔ ان اقدامات کے نتیجے میں آٹو کی صنعت نے سال بہ سال کی بنیاد پر چھ فیصد (6 فیصد) کی کمی رجسٹرڈ کی۔ اگرچہ انکم ٹیکس کے نان فائلرز کیلئے گاڑیوں کی خریداری پر عائد شرط اپریل 2019 میں رعایت دیدی گئی تھی تاہم سخت میکرو اکنامک ماحول اور گاڑیوں کی فنانسنگ کے بلند تر اخراجات کے باعث آئندہ مدت میں بھی نئی کاروں کی طلب کم رہے گی۔

(2)

تھل لمیٹڈ

ڈائریکٹرز کی جائزہ رپورٹ برائے شیئر ہولڈرز

معزز شیئر ہولڈرز،

بورڈ آف ڈائریکٹرز کی جانب سے میں بمسرت 31 مارچ 2019 کو ختم ہونے والی مدت کے لئے ڈائریکٹرز کی جائزہ رپورٹ بشمول غیر آڈٹ شدہ عبوری کنڈینسڈ مالیاتی حسابات پیش کر رہا ہوں۔

معاشی اہم نکات

مالیاتی سال 2019 میں آج کی تاریخ تک اقتصادی پالیسی میں شرح سود کے ریٹس میں اضافے، امریکی ڈالر کے مقابلے میں روپے کی قدر میں کمی سمیت کئی نمایاں تبدیلیاں کی گئیں۔ مالی سال 2019 کے ستمبر سے بیشتر اوقات نئی حکومت ملک میں مجموعی طلب کو کم کرنے کے ذریعے ادائیگیوں کے توازن کے حوالے سے کوششوں میں مصروف رہی۔

حکومت کی جانب سے کئے گئے پالیسی اقدامات نے گزشتہ چند ماہ کے دوران تیزی سے صورتحال کو قابو کرنے کا آغاز کیا اور ورلڈ بینک کی جانب سے ابتدائی تخمینے میں معاشی استحکام کی رفتار کو رواں مالی سال کے دوران 3.4 فیصد تک سست رہنے کا اشارہ دیا گیا۔ یہ امر حیرت کا باعث نہیں کیونکہ مالیاتی سال 2019 کے پہلے 9 ماہ کیلئے کرنٹ اکاؤنٹ خسارہ سال بہ سال کی بنیاد پر لگ بھگ 40 فیصد تک کم رہا۔

تاہم اقتصادی اشاریوں نے مالیاتی سال 2019 کے پہلے 9 ماہ کے لئے مالی خسارے کے ساتھ ملا جلا رجحان ظاہر کیا جس کی وجہ سے جی ڈی پی میں 2.7 فیصد تک اضافہ رجسٹر کیا گیا جو اس کے مقابلے میں گزشتہ سال کی اسی مدت میں 2.3 فیصد تھا۔ اوسطاً کنزیومر پرائس انڈیکس (سی پی آئی) برائے جانے والے مالیاتی سال 2019 کے 9 ماہ 6.79 فیصد (300bps زائد) پر گردش کرتا رہا جو گزشتہ سال کی اسی مدت کے مقابلے میں بڑھا۔ زیر جائزہ مدت کے دوران روپے کی قدر امریکی ڈالر کے مقابلے میں مزید 13 فیصد کم ہوگئی۔

صنعتی محاذ پر، جیسا کہ سی پیک پروگرام فیز II مرحلے کی جانب بڑھ رہا ہے، جہاں صنعتی اور زرعی تعاون کا آغاز ہو چکا ہے، ایف ڈی آئی ان فلوز کے بارے میں توقع ہے کہ یہ مزید شعبوں تک پھیل جائے گا، اہم بات یہ ہے کہ ان سے مثبت سماجی اور معاشی اثرات کے ساتھ نان۔ڈیبٹ ان فلوز کی تشکیل کا امکان ہے۔

رواں مالی سال کی باقیماندہ مدت کیلئے ہم توقع کرتے ہیں حکومت بیرونی کھاتوں کے بندوبست پر خصوصی توجہ دے گی۔ موجودہ صورتحال کے تناظر میں افراطِ زر کا دباؤ آئندہ مدت میں بھی جاری رہنے کا امکان ہے کیونکہ پاکستان کی معیشت کا بڑا انحصار مختصر مدت کیلئے درآمد اور بتدریج درآمدات کے متبادل تلاش کرنے پر رہے گا۔

(1)

CORPORATE INFORMATION

Chairman - Non-executive
Rafiq M. Habib

Independent Director
Asif Qadir
Aliya Saeeda Khan

Non-execuive Director
Sohail P. Ahmed
Ali S. Habib
Mohamedali R. Habib
Salman Burney

Chief Executive Officer
Mazhar Valjee

Chief Financial Officer
Shahid Saleem

Company Secretary
Salman Khalid

Audit Committee

Asif Qadir	Chairman - Independent
Sohail P. Ahmed	Member
Mohamedali R. Habib	Member
Salman Burney	Member

Human Resource & Remuneration Committee

Asif Qadir	Chairman - Independent
Salman Burney	Member
Ali S. Habib	Member
Mazhar Valjee	Member

External Auditors
EY Ford Rhodes Chartered Accountants

Legal Advisors
A. K. Brohi & Co., Karachi
K. A. Wahab & Co., Karachi
Fazal-e-Ghani Advocates, Karachi

Tax Advisors
EY Ford Rhodes Chartered Accountants

Bankers
Habib Bank Limited
Standard Chartered Bank (Pakistan) Limited
United Bank Limited
National Bank of Pakistan
Habib Metropolitan Bank Limited
Meezan Bank Limited
Albaraka Islamic Bank
Bank Al-Habib Limited
Faysal Bank Limited
Industrial & Commercial Bank of China Limited

Registered Office
4th Floor, House of Habib
3-Jinnah Cooperative Housing Society, Block 7/8
Sharae Faisal, Karachi - 75350
PABX: 92(21) 3431-2030, 3431-2185
Fax: 92(21) 3431-2318, 3439-0868
E-mail: tl@hoh.net
Web: www.thallimited.com

Share Registrar:
FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran
Nursery, Block-6, P.E.C.H.S.
Shahra-e-Faisal, Karachi
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