



SAJJAD TEXTILE MILLS LIMITED

**QUARTERLY REPORT
MARCH 31, 2017
(UN-AUDITED)**



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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muhammad Asim Sajjad - Chief Executive
 Mrs. Seema Sajjad - Chairperson
 Mr. Salman Muhammad Aslam
 Mrs. Ayesha Rahim
 Miss Batool Zahra
 Mr. Mehr Allah Yar
 Mr. Sultan Mehmood

BANKERS

Askari Bank Limited
 Habib Bank Limited
 Bank Alfalah Limited
 Habib Metropolitan Bank Limited

CFO/COMPANY SECRETARY

Mr. Irfan Hamid

AUDITORS

M/s. Mudassar Ehtisham & Company,
 Chartered Accountants

COMPANY SHARE REGISTRARS

Hameed Majeed Associates (Pvt) Ltd
 1st Floor, H.M. House,
 7 - Bank Square, Lahore
 TEL: 042-37235081-82
 FAX: 042-37358817
 e-mail: shares@hmaconsultants.com

AUDIT COMMITTEE

Mr. Sultan Mehmood - Chairman
 Mr. Mehr Allah Yar - Member
 Miss Batool Zahra - Member

REGISTERED OFFICE

19-B, Off. Zafar Ali Road,
 Gulberg-V, Lahore.
 Tel: 042-35775501 & 02
 Fax: 042-35711526
 E-Mail: Info@sajjadtextile.com

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Mr. Salman Muhammad Aslam – Chairman
 Mr. Mehr Allah Yar - Member
 Mrs. Seema Sajjad - Member
 Mrs. Ayesha Rahim - Member

MILLS ADDRESS

64-KM, Multan Road, Jumber Kalan
 Tehsil Chunian
 District Kasur.
 Tel: 04951-388102

Dear Shareholders,
Assalam-o-Alaikum,

The Directors are pleased to present the reviewed financial statements for the 3rd Quarter and Nine Months ended March 31, 2017 .

Financial Results

The financial results are as under:

	Jul. 2016- Mar. 2017 (Rupees)	Jan. - Mar. 2017 (Rupees)
Sales - Net	139,763,753	11,004
Cost of Sales	162,152,081	5,035,504
Gross (Loss)	(22,388,328)	(5,024,500)
(Loss) Before Taxation	(52,874,359)	(14,182,768)
(Loss) After Taxation	(53,326,218)	(14,392,452)

The Company suffered before tax loss of Rs. (14.18) million and Rs. (52.87) million for the 3rd quarter and nine months ended March 31, 2017 respectively, as against before tax loss of Rs. (22.24) million and Rs. (89.21) million for the corresponding periods last year.

Earnings/ (Loss) per share

Loss after tax per share was Rs. (0.68) and Rs. (2.51) for the 3rd quarter and nine months ended March 31, 2017 respectively, as against per share loss of Rs. (0.75) and Rs. (2.19) for the corresponding periods last year.

The manufacturing operations of the Company remained suspended during the 3rd quarter March 31, 2017 as per intimation sent to Pakistan Stock Exchange and the Securities and Exchange Commission of Pakistan on September 22, 2016. The Company obtained approval of its Members in the Extraordinary General Meeting held on April 06, 2017 to dispose off the entire Plant and Machinery of the Company to settle partially the overdue trade creditors and to utilize the remaining amount in trading activities along with the amount generated on account of renting/letting out of the Company's premises as permissible under the Memorandum of Association of the Company. The Board avails the opportunity to appreciate the devoted work done by the executive, officers, staff and workers of the Company.

For and on behalf of the Board

27th April, 2017
Lahore

MUHAMMAD ASIM SAJJAD
Chief Executive Officer

ڈائریکٹر رپورٹ

محترم حصص یافتگان،

السلام علیکم،

ڈائریکٹر مارچ 31، 2017 تیسری سہ ماہی اور نو ماہ کے اختتام پر کمپنی کا غیر آڈٹ مالیاتی جائزہ آپ کو پیش کرتے ہیں۔

مالیاتی نتائج

مالیاتی نتائج حسب ذیل ہیں:

Jan. - Mar. 2017 (Rupees)	Jul. 2016- Mar. 2017 (Rupees)
11,004	139,763,753
5,035,504	162,152,081
(5,024,500)	(22,388,328)
(14,182,768)	(52,874,359)
(14,392,452)	(53,326,218)

سیلز نیٹ

فروخت کی مالیت

مجموعی نقصان کے

قبل از ٹیکسیشن نقصان

ٹیکسیشن کے بعد نقصان

کمپنی کا قبل از ٹیکس نقصان 14.18 ملین روپے اور 52.87 ملین روپے بالترتیب برائے زیر بحث تیسری سہ ماہی اور نو ماہ میں ہوا جبکہ گزشتہ سال اسی مدت میں کمپنی کا بالترتیب قبل از ٹیکس 22.24 ملین روپے اور قبل از ٹیکس نقصان 89.21 ملین روپے رہا۔

کمپنی کا بعد از ٹیکس نقصان فی حصص 0.68 روپے اور 2.51 روپے بالترتیب برائے زیر بحث تیسری سہ ماہی اور نو ماہ میں رہا جبکہ گزشتہ سال اسی مدت میں کمپنی کا بالترتیب بعد از ٹیکس فی حصص 0.75 روپے اور بعد از ٹیکس نقصان فی حصص 2.19 روپے رہا۔

کمپنی کو زیر بحث تیسری سہ ماہی اور نو ماہ کے دوران پاکستان اسٹاک ایکسچینج اور سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان کو اطلاع کے مطابق کمپنی کے مینوفیکچرنگ آپریشنز معطل کر رہے۔ اپریل 06، 2017 کو منعقد غیر معمولی جنرل میٹنگ میں کمپنی کی پوری پلانٹ اور مشینری کی فروخت سے واجب تجارت قرض کی جزوی طور پر ادائیگی اور کمپنی کے احاطے کا کرایہ پردینے کے ساتھ ساتھ ٹریڈنگ کی سرگرمیوں میں باقی رقم کا استعمال کرنے کی اراکین سے منظوری حاصل کی ہے۔ ڈائریکٹر کمپنی کے ایگزیکٹوز، اسٹاف اور کارکنوں کی لگن اور محنت کے لئے ان کی تہہ دل سے تعریف کرتے ہیں۔

برائے اور بحکم بورڈ

محمد عاصم سجاد

چیف ایگزیکٹو آفیسر

27 اپریل، 2017ء

لاہور

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT MARCH 31, 2017

	Notes	MARCH 31, 2017 (Un-Audited)	JUNE 30, 2016 (Audited)
		----- Rupees -----	
ASSETS			
NON - CURRENT ASSETS			
Property, Land and Building	8.1	1,916,251	292,882,540
Investment Properties	8.3	180,565,804	-
Long term deposits		11,826,813	11,368,938
		194,308,868	304,251,478
CURRENT ASSETS			
Stores & spares		-	16,037,323
Stock in trade		-	59,121,238
Trade debts		10,730,113	27,374,398
Loans and advances		5,146,285	6,991,258
Trade deposits, prepayments and other receivables		23,588,159	23,385,916
Short term investment		18,870	18,870
Cash and bank balances		1,667,106	10,022,975
		41,150,533	142,951,978
Property, plant and Machinery held for sale	8.2	110,461,219	-
TOTAL ASSETS		345,920,620	447,203,456
EQUITY AND LIABILITIES			
SHARE CAPITAL & RESERVES			
Authorised capital			
30,000,000 ordinary shares of Rs. 10/- each		300,000,000	300,000,000
Issued, subscribed and paid up capital		212,678,000	212,678,000
21,267,800 ordinary shares of Rs. 10/- each		13,058	13,058
Reserve		(478,441,285)	(426,701,566)
Accumulated loss		(265,750,227)	(214,010,508)
Surplus on revaluation of fixed assets		129,753,707	130,157,067
NON CURRENT LIABILITIES			
Deferred liabilities		-	298,930
		-	298,930
CURRENT LIABILITIES			
Trade and other payables		105,203,366	194,695,904
Accrued mark-up on sponsors' loans		29,956,617	22,565,762
Short term loan from directors - unsecured	10.	346,513,889	306,044,820
Provision for taxation		243,267	7,451,481
		481,917,139	530,757,967
Contingencies & commitments		-	-
TOTAL EQUITY AND LIABILITIES		345,920,620	447,203,456

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

CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

	Notes	Nine Months ended 31, March		Quarter ended 31, March	
		2017	2016	2017	2016
		----- Rupees -----			
Sales	9.	139,763,753	607,461,868	11,004	145,727,154
Less: cost of sales	10.	162,152,081	659,225,849	5,035,504	157,862,231
GROSS LOSS		(22,388,328)	(51,763,981)	(5,024,500)	(12,135,077)
Selling & distribution expenses		1,143,286	4,798,761	-	425,592
Administrative expenses		22,457,224	28,954,329	6,558,844	7,905,703
Other operating expenses		123,779	-	66,801	-
		23,724,290	33,753,090	6,625,646	8,331,295
		(46,112,618)	(85,517,070)	(11,650,146)	(20,466,371)
Other income/(Loss)		658,018	747,332	200,610	(79,215)
OPERATING LOSS BEFORE FINANCE COST		(45,454,600)	(84,769,739)	(11,449,536)	(20,545,586)
Finance Cost		7,419,759	4,436,473	2,733,232	1,690,390
LOSS BEFORE TAXATION		(52,874,359)	(89,206,212)	(14,182,768)	(22,235,976)
TAXATION					
-Current		243,267	(5,230,808)	1,091	(989,761)
-Prior		208,592	(3,112,536)	208,592	(2,112,536)
-Deferred		-	51,029,022	-	9,350,446
		451,859	42,685,678	209,683	6,248,149
LOSS AFTER TAXATION		(53,326,218)	(46,520,534)	(14,392,452)	(15,987,827)
BASIC LOSS PER SHARE	-	(2.51)	(2.19)	(0.68)	(0.75)

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

CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

	<u>Nine Months ended 31, March</u>		<u>Quarter ended 31, March</u>	
	2017	2016	2017	2016
	----- Rupees -----			
LOSS AFTER TAXATION	(53,326,218)	(46,520,534)	(14,392,452)	(15,987,827)
Other Comprehensive Income / (Loss)				
(Deficit) / Surplus on re-measurement of investment available for sale to fair value	-	-	-	-
Income tax relating to component of other comprehensive income / (loss)	-	-	-	-
TOTAL COMPREHENSIVE LOSS	(53,326,218)	(46,520,534)	(14,392,452)	(15,987,827)

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

CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)

FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

	MARCH 31, 2017	MARCH 31, 2016
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit(Loss) before taxation	(52,874,359)	(89,206,212)
Adjustments for:		
Depreciation	7,409,327	15,122,761
Financial charges	7,419,759	4,436,473
WPPF provision	-	-
WWF provision	-	-
(Profit)\Loss on sale of assets	45,654	(24,414)
Gratuity provision	193,404	5,076,350
	-	-
Operating (Loss) before working capital changes	(37,806,215)	(64,595,042)
Adjustments for working capital changes:		
(Increase) / Decrease In Current Assets		
Stores & spares	7,620,617	1,175,207
Stock in trade	59,121,238	69,129,649
Trade debts	16,644,285	10,785,386
Loans and advances	1,844,973	(276,629)
Trade deposits, prepayments and other receivables	(202,243)	20,214,165
	85,028,870	101,027,778
Increase / (Decrease) In Current Liabilities		
Trade and Other Payables	(89,492,538)	(92,639,920)
	(89,492,538)	(92,639,920)
Cash generated from / (Utilized in) Operations	(42,269,882)	(56,207,184)
Financial charges paid	(28,904)	(198,783)
Gratuity paid	(492,334)	(4,157,659)
Income Tax paid	(7,192,985)	(15,441,744)
	(7,714,224)	(19,798,186)
Net cash generated / (utilized) in operating activities	(49,984,106)	(76,005,370)
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital Expenditure in Property, Plant & Equipment	(657,832)	(8,870,100)
Sale Proceeds from disposal of Property, Plant & Equipment	1,817,000	50,000
Long Term Deposits	-	-
Net Cash (outflow) / inflow from investing activities	1,159,168	(8,820,100)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loan from directors - unsecured	-	-
Short term loan from directors - unsecured	40,469,069	72,525,373
Net Cash (outflow) / inflow from investing activities	40,469,069	72,525,373
NET INCREASE IN CASH AND CASH EQUIVALENTS	(8,355,869)	(12,300,097)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	7. 10,022,975	19,657,625
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,667,106	7,357,528

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

CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-audited)

FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

	Capital Reserve			Total
	Issued, subscribed & paid up capital	Reserve on re-measurement of available for sale investment to fair value	Accumulated (Loss)	
	----- Rupees -----			
BALANCE AS AT JUNE 30, 2015	212,678,000	16,521	(148,606,248)	64,088,274
Total comprehensive loss				
Loss for the Nine months period ended March 31, 2016			(46,520,534)	(46,520,534)
Other comprehensive income			(46,520,534)	(46,520,534)
Revaluation surplus on account of:				
-on account of Incremental Depreciation current period - net of Tax			2,918,993	2,918,993
-Disposal of Property, Plant & Machinery - net of Tax			2,918,993	2,918,993
BALANCE AS AT MARCH 31, 2016	212,678,000	16,521	(192,207,789)	20,486,732
Total comprehensive loss				
Loss for the quarter period ended June 30, 2016			(235,582,953)	(235,582,953)
Other comprehensive income		(3,463)	(3,463)	(3,463)
		(3,463)	(235,582,953)	(235,586,416)
Revaluation surplus on account of:				
-on account of Incremental Depreciation current period - net of Tax			1,089,176	1,089,176
-Disposal of Property, Plant & Machinery - net of Tax			1,089,176	1,089,176
BALANCE AS AT JUNE 30, 2016	212,678,000	13,058	(426,701,566)	(214,010,508)
Total comprehensive loss				
Loss for the Nine months period ended March 31, 2017			(53,326,218)	(53,326,218)
Other comprehensive income			(53,326,218)	(53,326,218)
Revaluation surplus on account of:				
-on account of Incremental Depreciation current period - net of Tax			1,586,499	1,586,499
-Disposal of Property, Plant & Machinery - net of Tax			1,586,499	1,586,499
BALANCE AS AT MARCH 31, 2017	212,678,000	13,058	(478,441,285)	(265,750,227)

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

CHIEF EXECUTIVE

DIRECTOR

CONDENSED INTERIM NOTES TO THE ACCOUNTS (Un-audited)

FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

1. THE COMPANY AND ITS OPERATIONS

The company is incorporated as a public limited company in Pakistan under the Companies Ordinance, 1984 and is listed on Pakistan Stock Exchange Limited. The Company is principally engaged in manufacturing, selling, buying and dealing in yarn of all types. The registered office of the company is situated at 19-B, Off Zafar Ali Road, Gulberg-V, Lahore.

Board of directors in its meeting held on September 21, 2016 decided to close down the business of the company as due to increase in prices of raw material and other inputs without increase in yarn sales prices in the local and international market, the operation of the textile unit had become un-economical and huge losses were expected to arise if the business was carried on.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the nine months and quarter period ended March 31, 2017 is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard - 34: "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where the requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information has not been subjected to audit or limited scope review by the statutory auditors of the Company, as required by the Code of Corporate Governance and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.

The comparative condensed interim profit and loss account and condensed interim statement of comprehensive income and notes, thereto, for the nine months and quarter period ended March 31, 2016 are also included in this condensed financial information, which were not subject to review.

This condensed interim financial information does not include all the information and disclosures required for full financial statements, and should be read in conjunction with the company's audited annual financial Statements for the year ended June 30, 2016.

3. BASIS OF ACCOUNTING

The accounting policies adopted for preparation of these half year and quarterly un-audited accounts are the same as adopted in the preceding annual accounts of the Company for the year ended June 30, 2016.

3.1. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND PRONOUNCEMENTS.

Standards, interpretations and amendments to published approved accounting standards that became effective during the period

A number of new or amended standards became applicable for the financial year beginning on July 1, 2016. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

Standards, interpretations and amendments to published approved accounting standards that are not yet effective and have not been early adopted by the Company

A number of new or amended standards were published that are not yet effective and have not been early adopted by the Company. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.

The preparation of this condensed interim financial information in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from the estimates.

During the preparation of this condensed interim financial information, changes in the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty from those that were applied to the financial statements of the Company for the year ended June 30, 2016 do not have any material impact.

4. ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding audited annual financial statements of the Company for the year ended June 30, 2016, except for changes resulting from initial application of standards, amendments or interpretations to existing standards.

However, amendments / improvements and new interpretations of approved accounting standards effective during the period, were not relevant to the Company's operations and did not have any material impact on the accounting policies of the Company.

5. ASSETS HELD FOR SALE

Non-current assets held for sale and disposal groups are presented separately in the current section of the balance sheet when the following criteria are met: the Group is committed to selling the asset or disposal group, an active plan of sale has commenced, and the sales is expected to be completed within 12 months immediately before the initial classification of the assets and disposal group as held for sale, the carrying amounts of the assets (or all the assets and liabilities in the groups) are measured in accordance with the applicable accounting policies. Assets held for sale and disposal groups are subsequently measured at the lower of their carrying amount and fair value less cost to sell. Assets held for sale are no longer amortized or depreciated.

6. INVESTMENT PROPERTY

Investment properties, including freehold and long leasehold properties, are those which are held either to earn rental income or for capital appreciation or both. Investment properties include property that is being constructed or developed for future use as an investment property. Investment properties are initially measured at cost, including transaction costs. After initial recognition investment properties are carried at their fair values, based on annual market valuations as determined by independent valuers.

Any surplus or deficit on revaluation is recognised in the income statement as a valuation gain or loss.

When the company begins to redevelop an existing investment property for continued use as investment property, the property continues to be classified as an investment property and is carried at fair value with valuation gains and losses being recorded in the income statement.

7. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by the management in applying the company's accounting policies and key sources of estimation of uncertainty are the same as those were applied to the annual audited financial statements for the year ended June 30, 2016.

CONDENSED INTERIM NOTES TO THE ACCOUNTS (Un-audited)
FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

		MARCH 31, 2017	JUNE 30, 2016
		Rupees	
8. PROPERTY, PLANT AND EQUIPMENT			
Tangible operating fixed assets - at net book value	8.1	1,916,251	292,882,541
Held for sale	8.2	102,044,512	-
Transfer to investment property	8.3	180,565,804	-
		<u>284,526,567</u>	<u>292,882,541</u>
8.1 Detail of additions and disposals at net book value along with depreciation charged during the period / year are as follows:			
<u>DESCRIPTION</u>			
Opening net book value		292,882,541	466,158,167
<u>Additions at cost during the period / year</u>			
Plant and Machinery		657,832	12,886,785
Tools & Equipments		-	1,476,396
Computers		-	51,000
		<u>657,832</u>	<u>14,414,181</u>
<u>Transferred to:</u>			
Held for sale		102,044,512	-
Investment Properties		180,565,804	-
		<u>282,610,316</u>	<u>-</u>
<u>Disposals at cost/revalued figure during the period / year</u>			
Plant and Machinery		(5,390,878)	-
Vehicles		(600,200)	(503,900)
		<u>(5,991,078)</u>	<u>(503,900)</u>
<u>Adjustment due to revaluation</u>			
Land Revaluation		-	6,795,300
Building Revaluation		-	15,356,904
Plant and Machinery Revaluation		-	(189,549,297)
		<u>-</u>	<u>(167,397,093)</u>
<u>Disposals during the period / year</u>			
Depreciation charged thereon		7,409,327	20,267,129
Depreciation Adjustment of Disposal		4,386,600	478,314
Closing net book value		<u>1,916,251</u>	<u>292,882,541</u>
8.2 Held For Sale			
At March 31, 2017 comprise of plant and machinery in 67 KM, Multan Road, Jumber Kalan, District Kasur.			
Plant & Machinery is being sold on "As is where is" basis, hence no selling cost in recognised.			
8.3 INVESTMENT PROPERTIES			
Opening Balance		-	-
Acquisitions		-	-
Transfer from Property, Plant and Equipments.		180,565,804	-
Closing Balance		<u>180,565,804</u>	<u>-</u>
Investment properties comprises of land and building transferred from property, plant and equipment (see note 8.1) to investment property, since the property was no longer used by the company and as such it was decided the building would be leased to a third party.			
9. CASH AND BANK BALANCES			
Cash in hand		76,422	202,512
Cash with banks		1,590,684	2,050,744
		<u>1,667,106</u>	<u>2,253,256</u>
10. SPONSORS' LOAN - UNSECURED			
Interest free - Short Term Loan	10.1	199,437,447	199,437,447
Interest bearing - Short Term Loan	10.2	147,076,442	106,607,373
		<u>346,513,889</u>	<u>306,044,820</u>
10.1 This represents interest-free loan obtained from directors, and sponsors. These loans are unsecured and there is no fixed tenure for repayment.			
10.2 The loan is unsecured and carries markup @ 3 months kibar plus 2%.			
11. CONTINGENCIES & COMMITMENTS			
There is no significant change in the status of contingencies as reported in preceding published annual financial statements of the company for the year ended June 30, 2016			
		Nine Months ended 31, March	Quarter ended 31, March
		2017	2016
		Rupees	
12. SALES			
<u>Local:</u>			
-Sales of yarn - Local		138,929,298	461,021,679
-Sales of yarn - Export		-	137,327,797
-Sale of waste		1,236,335	12,922,339
		<u>140,165,633</u>	<u>611,271,814</u>
Less Commission on:			
-Sales of yarn - Local		(401,880)	(1,637,390)
-Sales of yarn - Export		-	(2,172,556)
		<u>(401,880)</u>	<u>(3,809,946)</u>
		<u>139,763,753</u>	<u>607,461,868</u>
12.1 Being in zero rated sector, no Sales Tax is involved.			
		11,004	145,727,154

CONDENSED INTERIM NOTES TO THE ACCOUNTS (Un-audited)

FOR THE NINE MONTHS & QUARTER PERIOD ENDED MARCH 31, 2017

	Nine Months ended 31, March		Quarter ended 31, March	
	2017	2016	2017	2016
	Rupees			
13. COST OF SALES				
Raw material consumed	44,977,968	413,974,946	105,570	87,420,505
Salaries, wages & benefits	17,732,718	61,637,667	1,755,631	19,042,353
Fuel & power	23,158,133	108,664,726	1,123,201	31,583,497
Repair and maintenance	413,940	1,785,753	38,204	695,326
Other manufacturing overheads	4,945,353	11,708,091	66,712	3,532,562
Rent, Rates & Taxes	100,000	314,401	-	-
Cotton cess duty	50,470	797,091	-	101,334
Store consumed	3,245,350	10,130,233	13,915	3,240,435
Insurance	2,553,302	3,086,694	838,996	569,685
Packing material consumed	2,244,817	9,904,599	-	2,328,736
Depreciation	5,893,147	13,984,816	1,093,276	4,671,725
	105,315,197	635,989,017	5,035,504	153,186,159
Opening stock of work in process	8,322,990	7,974,828	-	6,329,177
Closing stock of work in process	-	(3,254,027)	-	(3,254,027)
	8,322,990	4,720,801	-	3,075,150
Cost of goods manufactured	113,638,187	640,709,818	5,035,504	156,261,308
Opening stock of finished goods	47,334,621	25,376,603	-	7,650,393
Closing stock of finished goods	-	(8,368,792)	-	(8,368,792)
	47,334,621	17,007,811	-	(718,399)
Opening stock of waste	1,179,273	2,582,220	-	3,393,321
Closing stock of waste	-	(1,073,999)	-	(1,073,999)
	1,179,273	1,508,221	-	2,319,322
	162,152,081	659,225,849	5,035,504	157,862,231
13.1 Raw Material Consumed				
Opening Raw Material	2,284,354	49,611,682	105,570	5,063,099
Add: Purchases	42,693,614	373,868,241	-	91,862,383
Less: Closing Stock	-	(9,504,977)	-	(9,504,977)
	44,977,968	413,974,946	105,570	87,420,505

14. TRANSACTIONS WITH RELATED PARTIES / ASSOCIATED UNDERTAKING

Transactions with related parties and associated undertakings are as under:

- There was no sale or purchase transactions with associated undertaking.
- Short term interest free loan payable to directors and sponsors Rs. 199.437 million as at March 31, 2017 June 30, 2016 Rs. 199.437 million.)
- Short term interest bearing loan payable to directors and sponsors Rs. 147.08 million as at March 31, 2017 (June 30, 2016 Rs. 106.607 million.)

15. FINANCIAL RISK MANAGEMENT

The companies' financial risk management objectives and policies are consistent with those disclosed in the audited annual financial statements of the company as at and for the year ended June 30, 2016.

16. DATE OF AUTHORIZATION

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on April 27, 2017.

17. GENERAL

- Figures have been rounded off to the nearest rupee.

CHIEF EXECUTIVE

DIRECTOR

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