

FORM-8

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building Stock
Exchange Road
Karachi.

Ref: ILP/PSX/05/2019
Date: 30/04/2019

PUCARS/TCS

Subject: **Transmission of Quarterly Report for the Period Ended March 31, 2019**

Dear Sir,

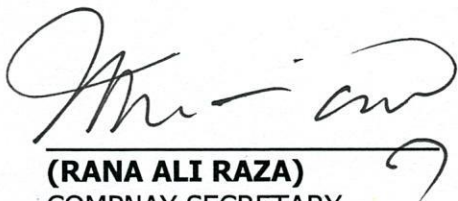
We have to inform you that the Quarterly Report of the Company for the period ended March 31, 2019 have been transmitted through PUCARS and is also available on Company's website.

Please find qualified URL link below: -

<https://interloop-pk.com/wp-content/uploads/2019/04/Quarterly-Report-for-the-3rd-Quarter-Ended-on-march-31-2019.pdf>

You may please inform the TRE Certificate Holders of the Exchange accordingly.

Yours Sincerely,


(RANA ALI RAZA)
COMPANY SECRETARY

Encl: As above.

Office:

Al-Sadiq Plaza P-157, Railway Road,
Faisalabad - Pakistan
T: +92-41-2619724
F: +92-41-2639400

Factory:

1- Km Khurrianwala - Jaranwala Road,
Khurrianwala, Faisalabad - Pakistan
T: +92-41-4360400
F: +92-41-2428704, 2428698, 2428697



QUARTERLY REPORT

for the 3rd Quarter ended March 31, 2019



AN AGENT OF POSITIVE CHANGE

Mission

To be an agent of positive change for the stakeholders and community by pursuing an ethical and sustainable business

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Consolidated Condensed Interim Financial Statements

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Company Information

Board of Directors

Musadaq Zulfqarnain

Chairman / Non-Executive Director

Navid Fazil

Chief Executive Officer / Executive Director

Muhammad Maqsood

Executive Director / Group CFO

Jahan Zeb Khan Banth

Non-Executive Director

Shereen Aftab

Non-Executive Director

Saeed Ahmad Jabal

Independent Director

Tariq Iqbal Khan

Independent Director

Chief Financial Officer

Muhammad Maqsood

Company Secretary

Rana Ali Raza

Head of Internal Audit

Jamshaid Iqbal

Auditors

Kreston Hyder Bhimji & Co.,

Chartered Accountants

Legal Advisor

HaidermotaBNR & Co

Share Registrar

Central Depository Company of Pakistan Limited

Karachi Office:

Share Registrar Department
CDC House, 99 - B, Block B,
S.H.C.H.S, Main Shahra - e - Faisal,
Karachi

Tel: +92-21-111-111-500

Fax: +92-21-34326031

Lahore Office:

Mezzanine Floor,
South Tower, LSE Plaza,
19-Khayaban - e - Aiwan - e - Iqbal, Lahore

Tel: +92-42-36362061-66

Audit Committee

Tariq Iqbal Khan

Chairman

Saeed Ahmad Jabal

Member

Jahan Zeb Khan Banth

Member

Human Resource & Remuneration Committee

Saeed Ahmad Jabal

Chairman

Navid Fazil

Member

Jahan Zeb Khan Banth

Member

Nomination Committee

Musadaq Zulqarnain

Chairman

Navid Fazil

Member

Muhammad Maqsood

Member

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank Pak Limited
Summit Bank Limited
The Bank of Punjab
United Bank Limited

Registered Office

Interloop Limited
Al - Sadiq Plaza, P - 157,
Railway Road, Faisalabad, Pakistan
Phone: +92-41-2619724
Fax: +92-41-2639400
Email:
corporatecommunication@interloop.com.pk
Website: www.interloop-pk.com

Plant Site

Plant 1:

1 - KM Khurrianwala - Jaranwala Road,
Khurrianwala,
Faisalabad, Pakistan.
Phone: +92-41-4360400
Fax: +92-41-2428704

Plant 2 & 4:

7 - KM Khurrianwala - Jaranwala Road,
Khurrianwala, Faisalabad, Pakistan.
Phone: +92-41-4360400
Fax: +92-41-47035005

Plant 3:

8 - KM, Manga - Raiwind Road, Distt.
Kasur, Lahore, Pakistan.
Phone: +92-42-35393643
Fax: +92-42-35393649

Directors' Review Report

The Directors of Interloop Limited are pleased to present the un-audited financial results of the Company for the third quarter of the current financial year and nine months ending on March 31, 2019. We would like to mention that your Company has become listed on the Pakistan Stock Exchange and a reliable platform is now available which is liquid and an efficient digitized market to buy & sell Company shares.

Indutsry / Market Overview:

Till now, the financial year 2019 has been very challenging for the Textile industry in Pakistan. Overall performance of the industry has not been sparkling and the industry has been struggling throughout the period due to high prices of raw materials/energy cost, declining trend of textile products demand, precarious security situation and fragile geopolitical environment of the region. The severity of raw material hampered growth in this sector, with many business closures, resulting in layoffs. Those who were able to weather out had to incur heavy costs for alternate raw material acquisition at the expense of profitability and competitiveness. In spite of all these factors your Company's journey continued successfully and it earned a profit of Rs. 3,311 million for nine months ending on March 31, 2019. However, we are putting our best efforts to utilize our expertise positively in the future. The exchange rate gain has also shown improvements for the export business.

Financial Results:

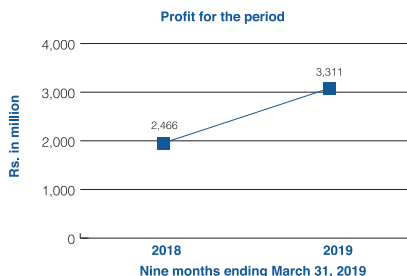
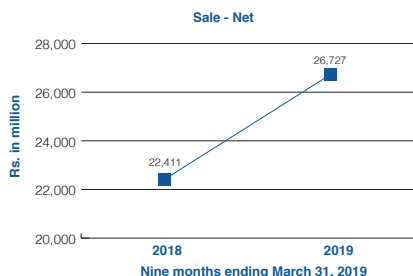
Comparison of the un-audited financial results for the nine months ending on March 31, 2019 as against March 31, 2018 is as follows:

Financial Highlights		Quarter ended March 31		Nine months ended March 31	
		2019	2018	2019	2018
Sales – net	PKR	8,793,801,673	7,869,697,435	26,727,254,117	22,411,138,670
Gross profit	PKR	2,472,870,889	2,209,786,266	8,055,405,290	6,390,058,665
Profit for the period	PKR	1,109,064,884	853,576,192	3,310,976,673	2,466,057,208
Gross profit ratio	%	28.12%	28.08%	30.14%	28.51%
Profit for the period ratio	%	12.61%	10.85%	12.39%	11.00%
Earnings per share – Basic	PKR	1.4544	1.1204	4.3429	3.2372
Earnings per share – Diluted	PKR	1.4184	1.1196	4.3069	3.2364

The financial performance of the Company is notable in spite of various hurdles as mentioned above. During the nine-months period, your Company sales increased to Rs. 26,727 million as compared to Rs. 22,411 million during corresponding period of

last year and your Company earned net profit of Rs. 3,311 million, compared to net profit of Rs. 2,466 million earned during the corresponding period. Net profit rate is impressive at 12.39% compared to 11.00% during the corresponding period, showing distinctiveness within the industry.

The basic earnings per share for the nine-month period is Rs. 4.34 compared to Rs. 3.24 for the corresponding period.



Consolidated Financial Statements:

IL Apparel (Pvt) Limited is the wholly owned subsidiary Company of Interloop Limited. Therefore, the Company has annexed consolidated condensed interim financial information in addition to its separate condensed interim financial information, in accordance with the requirements of International Financial Reporting Standards.

Acknowledgement:

The board records its profound appreciation for its valued shareholders, banks and customers whose cooperation, continued support and patronage have enabled the Company to strive for constant improvement. During the period, relationship between management and the employees remained cordial and we wish to appreciate the dedication, hard work and diligence of workforce of the Company.

For & on behalf of the Board

Navid Fazil
(Chief Executive Officer)
Place: Faisalabad
Date: April 22, 2019

Muhammad Maqsood
(Director)

ڈائریکٹرز جائزہ رپورٹ

کمپنی کے ڈائریکٹران رواں مالی سال کی تیسری سہ ماہی اور مختتمہ مدت 31 مارچ 2019 تک کے 9 ماہ کیلئے کمپنی کے غیر آڈٹ شدہ مالی نتائج پیش کرتے ہوئے خوشی محسوس کرتے ہیں۔ ہم آپ کو یہ اطلاع دینا چاہیں گے کہ آپ کی کمپنی پاکستان شاگ انکسپیکٹ میں لسٹڈ ہو چکی ہے اور اس کی بدولت اب ایک دیرپا پلیٹ فارم میسر آ چکا ہے جو کہ شیئرز کی خریداری اور فروخت کیلئے لیکویڈ اور موثر ڈیجیٹل مارکیٹ ہے۔

انڈسٹری/مارکیٹ کا جائزہ:

حسب روایت سال 2019 پاکستان میں ٹیکسٹائل کی صنعت کیلئے مشکلات سے بھرپور رہا۔ انڈسٹری کی مجموعی کارکردگی شاندار تھی اور اس عرصہ میں خام مال/توانائی کے اخراجات کی بلند قیمتوں، ٹیکسٹائل مصنوعات کی طلب میں کمی کے رجحان، کیوریٹی کی نامناسب صورتحال اور خطہ کی خراب جغرافیائی سیاست کی وجہ سے یہ مسلسل کشش کا شکار رہی۔ خام مال میں یہ شدت شعبہ کی ترقی میں رکاوٹ رہی اور کئی کاروبار اختتام پذیر ہوئے۔ جو اس کا مقابلہ کرنے کے قابل ہوئے انکو منافع اور مقابلہ جاتی بنیادوں پر متبادل خام مال کیلئے انتہائی زیادہ قیمت برداشت کرنا پڑی۔ ان تمام عوامل کے باوجود آپ کی کمپنی کا سفر جاری رہا اور ہم مدت مختتمہ 31 مارچ 2019 کے 9 ماہ میں 3,311 ملین روپے کا منافع حاصل کرنے میں کامیاب ہوئے۔ تاہم مستقبل قریب میں ہم اپنی مہارتوں سے بھرپور استفادہ حاصل کرنے کیلئے پرامید ہیں اور اس کیلئے ہم ممکن کوشش کریں گے۔ انکسپیکٹ ریٹ منافع برآمدی کاروبار کیلئے مثبت پیغام لے کر آیا۔

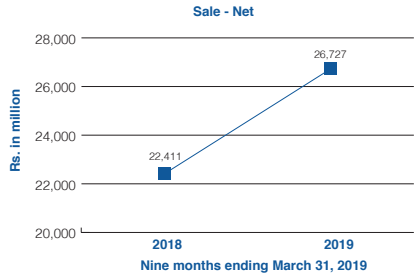
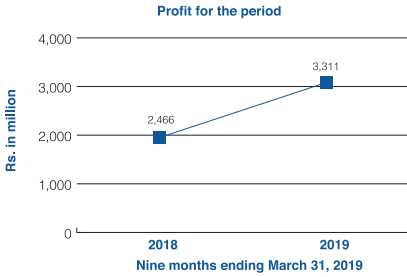
مالی نتائج:

مدت مختتمہ 31 مارچ 2019 کے 9 ماہ کے غیر آڈٹ شدہ مالی نتائج کا مدت مختتمہ 31 مارچ 2018 کے اسی عرصہ سے موازنہ حسب ذیل ہے:

اہم مالی نکات	سہ ماہی مختتمہ 31 مارچ		مدت مختتمہ 31 مارچ کے 9 ماہ	
	2019	2018	2019	2018
فروخت - نیٹ روپے	8,793,801,673	7,869,697,435	26,727,254,117	22,411,138,670
مجموعی منافع روپے	2,472,870,889	2,209,786,266	8,055,405,290	6,390,058,665
مدت کیلئے منافع روپے	1,109,064,884	853,576,192	3,310,976,673	2,466,057,208
مجموعی منافع کی شرح فیصد	28.12%	28.08%	30.14%	28.51%
منافع برائے مدت تناسب فیصد	12.61%	10.85%	12.39%	11.00%
آمدن فی شیئر - بنیادی روپے	1.4544	1.1204	4.3429	3.2372
آمدن فی شیئر - مجموعی روپے	1.4184	1.1196	4.3069	3.2364

کمپنی کی مالی کارکردگی مذکورہ بالا مختلف رکاوٹوں کے باوجود نمایاں رہی۔ 9 ماہ کے اس عرصہ میں آپ کی کمپنی کی کمزور 26,727 ملین روپے رہی جبکہ اسی دورانہ کیلئے گزشتہ کمزور 22,411 ملین روپے تھی اور آپ کی کمپنی نے گزشتہ اسی مدت کے 2,466 ملین روپے مجموعی منافع کے مقابلہ میں اس دفعہ 3,311 ملین روپے منافع حاصل کیا۔ مجموعی منافع کی شرح گزشتہ مدت کی 11.00 فیصد کے مقابلہ میں اس مرتبہ 12.39 فیصد رہی جو کہ انڈسٹری میں امتیازی رہی۔

بنیادی آمدن فی شیئر 4.34 روپے رہی جو کہ اسی دورانہ کیلئے گزشتہ سال 3.24 روپے تھی۔



استحکام شدہ مالی ایشیٹمنٹس:

آئی ایل اےپریل (پرائیویٹ) لمیٹڈ، انٹرلوپ لمیٹڈ کی ملکیت ایک ذیلی کمپنی ہے۔ اسی لئے کمپنی نے انٹر نیٹل فنانشل رپورٹنگ اسٹینڈرڈز کے مطابق اپنی الگ اینٹرپرائز مالی معلومات کے علاوہ منسلک مجموعی استحکام شدہ اینٹرپرائز مالی معلومات بھی مرتب کی ہیں۔

اقرار نامہ:

بورڈ اپنے قابل قدر اسٹیک ہولڈرز، بینکوں اور صارفین کی حدود درجہ داد دہی کرتا ہے جن کے تعاون، مسلسل سپورٹ اور سرپرستی نے مسلسل بہتری کیلئے کاوشیں یقینی بنائیں۔ اس مدت کے دوران انتظامیہ اور ملازمین کے درمیان تعلق انتہائی خوشگوار رہا اور ہم کمپنی کے ملازمین کے عزم و محنت اور جان فشانی کیلئے نیک تمناؤں کا اظہار کرتے ہیں۔

برائے اور بحکم بورڈ


محمد مقصود
(ڈائریکٹر)


نویہ فاضل
(چیف ایگزیکٹو آفیسر)

مقام: فیصل آباد
تاریخ: ۲۲ اپریل ۲۰۱۹

Unconsolidated Condensed Interim Financial Statements

**For The Quarter and Nine Months
Ended March 31, 2019**

Unconsolidated Condensed Interim Statement of Financial Position

As at March 31, 2019

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
Assets			
Non Current Assets			
Property, plant and equipment	5	17,039,181,088	15,451,966,848
Intangible asset		36,130,838	42,411,059
Long term investments	6	979,549,286	380,549,286
Long term loans - staff		92,977,896	60,746,885
Long term deposits		27,023,345	25,055,445
		18,174,862,453	15,960,729,523
Current Assets			
Stores and spares		894,004,424	779,198,611
Stock in trade		7,054,875,603	5,121,718,003
Trade debts	7	7,837,459,161	7,293,008,673
Loans and advances		1,252,858,707	617,743,740
Prepayment and other receivables		327,753,464	179,864,209
Tax refunds due from government		2,598,021,754	2,451,806,446
Short term investments		142,096,178	147,423,663
Deferred employee share option compensation expense		—	5,013,622
Cash and bank balances	8	6,391,821,551	193,686,593
		26,498,890,842	16,789,463,560
Total Assets		44,673,753,295	32,750,193,083

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
Equity and Liabilities			
Share Capital and Reserves			
Authorized share capital	9	10,000,000,000	3,000,000,000
Issued, subscribed and paid up capital	10	7,631,974,500	1,901,104,230
Share deposit money	11	5,024,900,000	–
Reserves		27,523,278	38,861,728
Unappropriated profit		4,765,492,409	7,142,573,682
		17,449,890,187	9,082,539,640
Non Current Liabilities			
Long term financing	12	4,934,091,160	2,247,935,094
Liabilities against assets subject to finance lease		–	615,363
Deferred liabilities		2,211,263,255	1,925,611,810
		7,145,354,415	4,174,162,267
Current Liabilities			
Trade and other payables	13	3,843,504,894	2,730,412,199
Dividend payable		–	475,276,124
Accrued mark up		193,243,143	137,855,938
Short term borrowings		15,102,014,198	15,180,936,840
Current portion of non current liabilities		939,746,458	969,010,075
		20,078,508,693	19,493,491,176
Contingencies and Commitments	14	–	–
Total Equity and Liabilities		44,673,753,295	32,750,193,083

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Bant
Director



Muhammd Maqsood
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Profit or Loss

For the quarter and nine months ended March 31, 2019

Note	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
Sales - net	8,793,801,673	7,869,697,435	26,727,254,117	22,411,138,670
Cost of sales 15	(6,320,930,784)	(5,659,911,169)	(18,671,848,827)	(16,021,080,005)
Gross profit	2,472,870,889	2,209,786,266	8,055,405,290	6,390,058,665
Distribution cost	(573,845,971)	(649,796,807)	(1,976,574,980)	(1,916,776,718)
Administrative expenses	(492,031,608)	(418,724,097)	(1,439,830,445)	(1,159,809,144)
Other operating expenses	62,571,598	(90,653,804)	(322,844,142)	(278,960,811)
Other income	—	214,795	3,640,744	2,809,336
	(1,003,305,981)	(1,158,959,913)	(3,735,608,823)	(3,352,737,337)
Profit from operations	1,469,564,908	1,050,826,353	4,319,796,467	3,037,321,328
Finance cost	(309,814,491)	(118,106,166)	(839,826,707)	(346,066,607)
Profit before taxation	1,159,750,417	932,720,187	3,479,969,760	2,691,254,721
Taxation	(50,685,533)	(79,143,995)	(168,993,087)	(225,197,513)
Profit for the period	1,109,064,884	853,576,192	3,310,976,673	2,466,057,208
Earnings per share - basic	1.4544	1.1204	4.3429	3.2372
Earnings per share - diluted 17	1.4184	1.1196	4.3069	3.2364

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Comprehensive Income

For the quarter and nine months ended March 31, 2019

	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
Profit for the period	1,109,064,884	853,576,192	3,310,976,673	2,466,057,208
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss:	—	—	—	—
Items that may be reclassified subsequently to profit or loss:	—	—	—	—
Total comprehensive income for the period	1,109,064,884	853,576,192	3,310,976,673	2,466,057,208

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes In Equity

For the nine months ended March 31, 2019

			Capital Reserve	Revenue Reserves		
	Share Capital	Share Deposit Money	Share Premium	Employee Share Option Compensation Reserve	Unappropriated Profit	Total
(Rupees)						
Balance as at July 01, 2017 - audited	1,899,384,990	-	19,423,604	1,628,524	12,522,990,106	14,443,427,224
Profit for the period	-	-	-	-	2,466,057,208	2,466,057,208
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	2,466,057,208	2,466,057,208
Shares issued under the ESOS	1,719,240	-	10,831,140	(1,628,524)	-	10,921,856
Transactions with owners:						
Dividend to ordinary shareholders	-	-	-	-	(475,276,125)	(475,276,125)
Balance as at March 31, 2018 (un-audited)	1,901,104,230	-	30,254,744	-	14,513,771,189	16,445,130,163
Balance as at July 01, 2018 - audited	1,901,104,230	-	30,254,744	8,606,984	7,142,573,682	9,082,539,640
Profit for the period	-	-	-	-	3,310,976,673	3,310,976,673
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	3,310,976,673	3,310,976,673
Issue of ordinary shares	5,000,000	-	-	-	-	5,000,000
Shares issued under the ESOS	7,557,580	-	27,523,278	(8,606,984)	-	26,473,874
Share deposit money	-	5,024,900,000	-	-	-	5,024,900,000
Issuance of bonus shares	5,718,312,690	-	(30,254,744)	-	(5,688,057,946)	-
Balance as at March 31, 2019 (un-audited)	7,631,974,500	5,024,900,000	27,523,278	-	4,765,492,409	17,449,890,187

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammad Maqsood
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Cash Flows

For the nine months ended March 31, 2019

	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)	
A) Cash Flows From Operating Activities		
Profit before taxation	3,479,969,760	2,691,254,721
Adjustments for:		
Depreciation	1,212,081,611	1,037,180,244
Amortization	6,369,341	7,741,853
Workers' profit participation fund	183,156,303	156,996,626
Staff retirement gratuity	385,263,257	350,664,439
Employee share option compensation expense	5,035,966	594,712
Loss on disposal of property, plant and equipment	17,520,899	25,375,487
Remeasurement loss/(gain) on investment in mutual funds	5,327,486	(4,569,639)
Profit on TDRs	(182,286)	(225,414)
Interest on loan to Metis International (Pvt) Ltd	(3,458,458)	(2,583,922)
Interest income on long term loan to SNGPL	–	(15,863)
Finance cost	839,826,707	346,066,607
Operating cash flows before working capital changes	6,130,910,586	4,608,479,851
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(114,805,813)	(37,205,970)
Stock in trade	(1,933,157,600)	(1,523,698,583)
Trade debts	(544,450,488)	(1,498,302,851)
Loans and advances	(628,629,386)	(1,292,275,460)
Prepayment and other receivables	(144,430,797)	343,304,802
Tax refunds due from government	(198,988,157)	(330,331,519)
Short term investment in mutual funds - net	–	4,569,639
(Decrease)/Increase in current liabilities		
Trade and other payables	1,140,579,398	1,876,110,192
	(2,423,882,843)	(2,457,829,750)
Cash generated from operations	3,707,027,743	2,150,650,101
Finance cost paid	(763,014,762)	(350,548,959)
Income tax paid	(116,220,238)	(213,841,193)
Staff retirement gratuity paid	(99,611,812)	(153,861,247)
Workers' profit participation fund paid	(232,067,747)	(156,372,804)
Long term loans paid	(38,716,592)	(10,091,263)
Long term deposits (paid) / received	(1,967,900)	3,142,512
Profit on TDRs received	182,286	225,414
Interest on loan to Metis International (Pvt) Ltd received	–	2,583,922
Interest income on loan to SNGPL received	–	15,863
Net cash generated from operating activities	2,455,610,978	1,271,902,346

	Note	Un audited March 31, 2019	Un audited March 31, 2018
		(Rupees)	
B) Cash Flows From Investing Activities			
Additions in:			
Property, plant and equipment		(2,894,632,471)	(2,377,433,840)
Intangible asset		(89,120)	(5,576,396)
Proceeds from disposal of property, plant and equipment		77,815,721	53,769,343
Long term investments		(599,000,000)	(1,083,864,000)
Net cash used in investing activities		(3,415,905,870)	(3,413,104,893)
C) Cash Flows From Financing Activities			
Long term financing obtained		3,363,039,685	1,200,000,000
Repayment of long term financing		(705,677,001)	(783,680,861)
Payment of liabilities against assets subject to finance lease		(1,085,598)	(560,882)
Short term borrowings - net		(78,922,642)	2,968,838,676
Share capital issued		12,557,580	1,719,240
Share deposit money received		5,024,900,000	–
Share premium		18,893,950	9,576,095
Dividend paid		(475,276,124)	(475,276,125)
Net cash generated from financing activities		7,158,429,850	2,920,616,143
Net increase in cash and cash equivalents	(A+B+C)	6,198,134,958	779,413,596
Cash and cash equivalents at the beginning of the period		193,686,593	82,602,369
Cash and cash equivalents at the end of the period	18	6,391,821,551	862,015,965

The annexed notes 1 to 25 form an integral part of these unconsolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements

For the quarter and nine months ended March 31, 2019

1. Legal Status and Operations

Interloop Limited (the Company) was incorporated in Pakistan on 25th April, 1992 as a private limited company and subsequently it was converted into public limited company on 18th July, 2008 and was listed on Pakistan Stock Exchange on 5th April, 2019. The registered office of the Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 7-km Jaranwala road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand road, Lahore. The Company is engaged in the business of manufacturing and selling of socks, leggings and yarn, providing yarn dyeing services and to generate electricity for its own use.

2. Basis of Preparation

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:

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

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

This unconsolidated condensed interim unconsolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the financial statements for the year ended on 30 June 2018.

3. Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with the approved accounting standards require 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Company's financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of operating fixed assets
- Impairment of assets
- Stores and spares
- Stock-in-trade
- Trade debts and other receivables
- Staff retirement benefits
- Provisions
- Contingencies
- Taxation

4. Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of preceding annual audited financial statements of the Company for the year ended June 30, 2018, except as follows:

4.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as BOD that makes strategic decisions.

4.2 New Standards, Interpretations and Amendments

The Company has adopted the following amendments and interpretation of IFRSs which became effective for the current period:

IFRS 15 - Revenue from Contracts with Customers

Further, IFRS - 9 "Financial Instruments" replaces IAS - 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after 1 July 2018. However, the Securities and Exchange Commission of Pakistan vide its notification dated 14 February 2019 has deferred the applicability of IFRS - 9 on interim period ending before 30 June 2019. Therefore, these unconsolidated condensed interim financial statements do not include the impact of adoption of the standard.

- IFRS 15 Revenue from Contracts with Customers

IFRS 15 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 Company has concluded that revenue from sale of goods should be recognised at the point in time when control of the goods is transferred to the customer. However, the management believes that changes in IFRS 15 does not have any material impact on unconsolidated condensed interim financial statements of the Company.

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
5. Property, Plant and Equipment			
Operating fixed assets	5.1	16,258,502,230	15,152,541,600
Capital work-in-progress	5.2	780,678,858	299,425,248
		17,039,181,088	15,451,966,848
5.1 Operating fixed assets			
Opening written down value		15,152,541,600	13,466,187,866
Add: Additions during the period/year	5.1.1	2,413,378,861	3,292,637,017
Less: Disposals during the period/year		(95,336,620)	(134,747,568)
Less: Depreciation charged during the period/year		(1,212,081,611)	(1,471,535,715)
Closing written down value		16,258,502,230	15,152,541,600
5.1.1 Additions during the period/year			
Freehold land		364,663,457	43,745,505
Buildings on freehold land		476,629,917	586,277,578
Plant and machinery		1,229,275,183	1,977,839,159
Tools and equipments		89,581,124	165,242,150
Office equipments		36,392,825	88,602,519
Electric installations		40,326,144	209,987,287
Furniture and fixtures		85,400,494	53,971,640
Vehicles		91,109,717	166,971,179
		2,413,378,861	3,292,637,017
5.2 Capital work-in-progress			
Civil works		373,669,689	178,202,521
Plant and machinery		278,040,171	32,696,096
Tools and equipments		23,246,540	24,280,851
Office equipments		7,301,524	2,309,523
Electric installations		41,444,414	24,865,972
Furniture and fixtures		18,677,460	35,545,841
Vehicles		6,001,204	198,787
Computer software		32,297,856	1,325,657
		780,678,858	299,425,248
6. Long Term Investments			
Unquoted - at cost			
Associate			
IL Bangla Limited		379,549,286	379,549,286
Subsidiary			
IL Apparel (Pvt) Limited		600,000,000	1,000,000
		979,549,286	380,549,286

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
7. Trade Debts			
Considered good			
Foreign - secured		3,954,640,180	3,064,438,632
Foreign - unsecured	7.1	3,519,811,490	3,899,669,697
Local - unsecured	7.1	363,007,491	328,900,344
		7,837,459,161	7,293,008,673

7.1 Management consider that these debts are good and will be recovered accordingly.

8. Cash and Bank Balances

This includes Rs. 6,119,926,357/- received against initial public offering of the Company on Pakistan Stock Exchange, which is represented by Rs. 5,024,900,000/- in respect of share deposit money and Rs. 1,095,026,357/- as refundable to unsuccessful applicants. Further, it is pertinent to mention here that these funds were not available for use by the Company on reporting date. After the reporting date the amount refundable was duly refunded and remaining balance was available for use to the Company.

9. Authorized Share Capital

Un audited March 31, 2019	Audited June 30, 2018		Un audited March 31, 2019	Audited June 30, 2018
[Number of shares]			(Rupees)	
965,000,000	265,000,000	Ordinary shares of Rs. 10 each	9,650,000,000	2,650,000,000
35,000,000	35,000,000	Non-voting ordinary shares of Rs. 10 each	350,000,000	350,000,000
1,000,000,000	300,000,000		10,000,000,000	3,000,000,000

10. Issued, Subscribed and Paid Up Capital

Un audited March 31, 2019	Audited June 30, 2018		Un audited March 31, 2019	Audited June 30, 2018
[Number of shares]			(Rupees)	
21,900,000	21,400,000	Ordinary shares of Rs. 10 each fully paid in cash	219,000,000	214,000,000
738,500,000	168,200,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	7,385,000,000	1,682,000,000
1,266,181	510,423	Non-voting ordinary shares of Rs. 10 each fully paid in cash	12,661,810	5,104,230
1,531,269	–	Non-voting ordinary shares of Rs. 10 each issued as fully paid bonus shares	15,312,690	–
763,197,450	190,110,423		7,631,974,500	1,901,104,230

11. Share Deposit Money

This represents amount received against initial public offering of the Company on Pakistan Stock Exchange. The shares against the same were issued subsequent to the reporting date.

	Un audited March 31, 2019	Audited June 30, 2018
	(Rupees)	
12. Long Term Financing		
Opening balance	3,216,474,934	2,927,290,755
Add: Obtained during the period/year	3,363,039,685	1,300,000,000
Less: Repaid during the period/year	(705,677,001)	(1,010,815,821)
	5,873,837,618	3,216,474,934
Less: Current portion of long term financing	(939,746,458)	(968,539,840)
	4,934,091,160	2,247,935,094

13. Trade and other Payables

This includes Rs. 1,095,026,357/- received against initial public offering which was refundable to unsuccessful applicants. The same was also refunded subsequent to the reporting period.

	Un audited March 31, 2019	Audited June 30, 2018
	(Rupees)	
14. Contingencies and Commitments		
14.1 Contingencies		
Bank guarantees issued by various banks on behalf of the company in favour of:		
Sui Northern Gas Pipelines limited against supply of gas.	386,803,700	386,803,700
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	196,852,944	172,852,944
Faisalabad Electric Supply Company (FESCO) against supply of electricity	70,374,020	70,414,020
Punjab Revenue Authority	8,031,850	4,334,550
State Bank of Pakistan	127,550,856	25,000,000
Collector of Customs	23,164	-
	789,636,534	659,405,214
Post dated cheques issued in favour of custom authorities for release of imported goods	3,279,674,151	2,643,165,836

	Un audited March 31, 2019	Audited June 30, 2018
	(Rupees)	
14.2 Commitments		
Under letters of credit for:		
Capital expenditure	1,074,970,733	747,705,729
Raw material	243,001,869	209,205,545
Stores and spares	118,057,641	37,153,231
	1,436,030,243	994,064,505

	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
15. Cost of Sales				
Raw material consumed	3,852,742,155	3,287,529,949	11,613,109,259	9,671,981,792
Stores and spares consumed	213,080,616	241,884,910	610,579,843	628,763,441
Knitting charges	—	24,971,628	11,896,766	159,372,037
Salaries, wages and benefits	1,345,028,979	1,329,683,104	4,057,700,860	3,768,318,582
Staff retirement gratuity	112,983,494	98,619,084	325,746,977	297,866,114
Fuel and power	470,795,236	441,183,679	1,601,655,859	1,294,712,110
Repairs and maintenance	44,543,608	32,695,943	101,706,137	86,267,154
Insurance	13,146,118	12,962,124	39,883,071	37,027,696
Depreciation	381,475,732	324,660,219	1,088,033,231	924,816,649
Rent, rate and taxes	8,587,965	5,883,763	22,715,800	25,397,401
Other manufacturing costs	60,766,910	49,405,872	164,820,392	76,299,247
	6,503,150,813	5,849,480,275	19,637,848,195	16,970,822,223
Opening work in process	425,447,710	347,823,823	471,275,666	450,678,073
Closing work in process	(542,492,738)	(360,764,606)	(542,492,738)	(360,764,606)
	(117,045,028)	(12,940,783)	(71,217,072)	89,913,467
Cost of goods manufactured	6,386,105,785	5,836,539,492	19,566,631,123	17,060,735,690
Opening finished goods	2,050,650,114	1,577,616,500	1,484,177,407	1,120,717,608
Closing finished goods	(1,978,670,709)	(1,546,121,531)	(1,978,670,709)	(1,546,121,531)
	71,979,405	31,494,969	(494,493,302)	(425,403,923)
	6,458,085,190	5,868,034,461	19,072,137,821	16,635,331,767
Duty drawback	(137,154,406)	(208,123,292)	(400,288,994)	(614,251,762)
	6,320,930,784	5,659,911,169	18,671,848,827	16,021,080,005

Note	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
16. Other Operating Expenses				
Loss on disposal of property, plant and equipment	5,891,314	19,726,465	17,520,899	25,375,487
Charity and donations 16.1	(124,168,599)	3,598,900	116,839,454	101,158,337
Workers' profit participation fund	61,039,495	67,328,439	183,156,303	156,996,626
(Gain)/Loss on investments in mutual funds measured at fair value through profit or loss	(5,333,808)	–	5,327,486	(4,569,639)
	(62,571,598)	90,653,804	322,844,142	278,960,811

16.1 Charity and donations amount is negative due to reversal of excess provision of rupees 150 million, which the management feel that it will not incur now.

17. Earnings Per Share - Dilutive

To calculate the dilutive earnings per share, the share deposit money has been considered as issued share capital.

	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)	
18. Cash and Cash Equivalents		
Cash and bank balances	6,391,821,551	862,012,348
Short term investments - Term Deposit Receipts (TDRs)	–	3,617
	6,391,821,551	862,015,965

19. Transactions with Related Parties

Related parties include subsidiary company, associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

i) Transactions

Name	Nature of transaction	Quarter ended		Nine months ended	
		Un audited March 31, 2019 Rupees	Un audited March 31, 2018 Rupees	Un audited March 31, 2019 Rupees	Un audited March 31, 2018 Rupees
IL Bangla Limited - Associate	Sale of asset	-	-	-	2,001,914
	Expenses paid on behalf of associate	1,431,884	1,613,909	5,782,070	5,478,963
	Sale of yarn	-	-	18,598	-
IL Apparel (Pvt) Limited - Subsidiary	Investment in share capital	150,000,000	-	599,000,000	-
	Sale of yarn	3,209,443	-	3,209,443	-
	Processing services	181,047	-	181,047	-
	Gratuity transferred	1,430,100	-	1,430,100	-
Interloop Holdings (Pvt) Limited - Associate	Long term financing	30,000,000	-	3,000,000,000	-
	Mark up on long term financing	36,957,533	-	64,006,849	-
	Sale of asset	12,910,391	-	12,910,391	-
Texlan Center (Pvt) Limited - Associate	Sale of asset	27,383,375	20,766,413	182,436,973	22,899,272
	Sale of yarn	129,784,338	47,932,265	332,926,415	80,424,452
	Spare parts and packing material	12,252,798	11,481,141	31,060,565	36,056,483
Global Veneer Trading Limited - Associate	Commission	246,252,734	279,965,025	761,913,911	784,849,349
Eurosox Plus BV - Associate	Sale of socks	192,251,405	230,140,403	582,112,628	785,346,926
Interloop Employees Provident Fund	Contribution to the fund	8,737,678	11,041,998	24,767,018	21,514,651
Key management personnel & other related parties	Sale of asset	-	-	5,592,976	-
	Repayment of loan	-	-	146,573,125	-
	Issuance of bonus shares	-	-	5,587,323,300	-
	Issuance of share capital	-	-	3,000,000	-
	Issuance of share capital-Non Voting	-	-	3,399,970	-
	Dividend paid	3,399,970	-	-	-
	Remuneration and other benefits	124,496,859	474,075,725	-	474,075,725
			119,639,991	364,513,504	289,777,162

ii) Period end balances	Name	Nature of transaction	Un audited	Audited
			March 31, 2019 Rupees	June 30, 2018 Rupees
	IL Bangla Limited - Associate	Trade Debts	26,708,098	40,365,500
		Prepayment And Other Receivables	82,752,216	86,759,715
	Texlan Center (Pvt) Limited - Associate	Trade Debts	178,749,117	84,944,308
	Eurosox Plus BV - Associate	Prepayment And Other Receivables	194,454,707	-
		Trade Debts	300,982,275	112,510,971
	IL Apparel (Pvt) Limited - Subsidiary	Trade Debts	3,390,490	-
		Trade and other payables	1,430,100	-
	Global Veneer Trading Limited - Associate	Trade and other payables	82,169,225	-
	Interloop Employees Provident Fund	Trade and other payables	5,044,966	4,249,673
	Interloop Limited ESOS Management Trust	Trade and other payables	10,614	-
	Interloop Holdings (Pvt) Limited - Associate	Long term financing	3,000,000,000	-
		Prepayment And Other Receivables	12,910,391	-

20. Operating Segments

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker ('CODM'). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic and business decisions.

a) Hosiery

This segment relates to the sale of socks and tights.

b) Spinning

This segment relates to the sale of yarn.

c) Other operating segments

This represent various segments of the Company which currently do not meet the minimum reporting threshold mention in international financial reporting standards. These mainly includes. energy, yarn dyeing , denim and active wear.

20.1 Segment Information

[illegible]

20.2 Reconciliation of reportable segment assets and liabilities

	Hosiery				Spinning				Others				Total Company			
	Un audited		Audited		Un audited		Audited		Un audited		Audited		Un audited		Audited	
	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees	March 2019 Rupees	June 2018 Rupees
Total assets for reportable segment	24,473,358,721	22,042,675,572	6,696,055,707	4,933,605,472	3,365,826,733	2,570,376,984	34,535,241,181	29,546,658,028								
Unallocated assets:																
Long term investments							979,549,286	380,549,286								
Long term deposits							27,023,345	25,055,445								
Short term investments							142,086,178	147,423,663								
Tax refunds due from government							2,598,021,754	2,451,806,446								
Cash and bank balances							6,391,821,551	193,686,593								
Other corporate assets							-	5,013,622								
Total assets as per balance sheet							44,673,753,295	32,750,193,083								
Total liabilities for reportable segment	2,080,716,471	1,820,209,900	74,282,333	61,365,981	56,284,451	44,035,929	2,211,263,255	1,925,611,810								
Unallocated liabilities:																
Long term financing							4,934,091,160	2,247,935,094								
Short term borrowings							15,102,014,198	15,180,938,840								
Current portion of non current liabilities							939,746,458	969,010,075								
Other corporate liabilities							4,036,748,037	3,344,159,624								
Total liabilities as per balance sheet							27,222,863,108	23,667,653,443								

21. Fair Value Measurement of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Amount in Rupees	Un-audited			
	March 31, 2019			
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Short term investments	142,096,178	–	–	142,096,178
Total Assets	142,096,178	–	–	142,096,178
Total Liabilities	–	–	–	–
Amount in Rupees	Audited			
	June 30, 2018			
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Short term investments	147,423,663	–	–	147,423,663
Total Assets	147,423,663	–	–	147,423,663
Total Liabilities	–	–	–	–

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

22. Financial Risk Management

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

23. Date of Authorization for Issue

The financial statements were authorized for issue on April 22, 2019 by the Board of Directors of the Company.

24. Corresponding Figures

In order to comply with the requirements of IAS 34, the unconsolidated condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the unconsolidated condensed interim statement of profit or loss, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

25. Events after the Reporting Date

The company issued 109,000,000 number of shares which includes 81,750,000 through book building process and remaining number of shares through the general public offer and raised its capital from 763,197,450 to 872,197,450 number of shares after incorporating the effect of initial public offering.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Bant
Director



Muhammd Maqsood
Chief Financial Officer

Consolidated Condensed Interim Financial Statements

**For The Quarter and Nine Months
Ended March 31, 2019**

Consolidated Condensed Interim Statement of Financial Position

As at March 31, 2019

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
Assets			
Non Current Assets			
Property, plant and equipment	6	17,567,736,633	15,456,594,515
Intangible asset		36,130,838	42,411,059
Long term investments	7	98,379,576	115,455,480
Long term loans - staff		92,977,896	60,746,885
Long term deposits		32,123,345	25,055,445
		17,827,348,288	15,700,263,384
Current Assets			
Stores and spares		896,144,878	779,198,611
Stock in trade		7,062,980,616	5,121,718,003
Trade debts	8	7,840,352,021	7,293,008,673
Loans and advances		1,252,858,707	617,743,740
Prepayment and other receivables		380,167,560	171,892,139
Tax refunds due from government		2,598,021,754	2,451,812,101
Short term investments		142,096,178	147,423,663
Deferred employee share option compensation expense		—	5,013,622
Cash and bank balances	9	6,426,225,176	195,938,550
		26,598,846,890	16,783,749,102
Total Assets		44,426,195,178	32,484,012,486

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
Equity and Liabilities			
Share Capital and Reserves			
Authorized share capital	10	10,000,000,000	3,000,000,000
Issued, subscribed and paid up capital	11	7,631,974,500	1,901,104,230
Share deposit money	12	5,024,900,000	–
Reserves		62,995,247	54,912,634
Unappropriated profit		4,412,610,860	6,860,266,179
Equity attributable to holders of parent company		17,132,480,607	8,816,283,043
Non-controlling interest		–	–
Total equity		17,132,480,607	8,816,283,043
Non Current Liabilities			
Long term financing	13	4,934,091,160	2,247,935,094
Liabilities against assets subject to finance lease		–	615,363
Deferred liabilities		2,212,540,306	1,925,611,810
		7,146,631,466	4,174,162,267
Current Liabilities			
Trade and other payables	14	3,912,079,306	2,730,488,199
Dividend payable		–	475,276,124
Accrued mark up		193,243,143	137,855,938
Short term borrowings		15,102,014,198	15,180,936,840
Current portion of non current liabilities		939,746,458	969,010,075
		20,147,083,105	19,493,567,176
Contingencies And Commitments	15	–	–
Total Equity and Liabilities		44,426,195,178	32,484,012,486

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Consolidated Condensed Interim Statement of Profit or Loss

For the quarter and nine months ended March 31, 2019

Note	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
(Rupees)				
Sales - net	8,790,411,183	8,211,755,781	26,723,863,627	23,262,536,146
Cost of sales 16	(6,321,743,534)	(5,908,485,413)	(18,672,661,577)	(16,721,763,990)
Gross profit	2,468,667,649	2,303,270,368	8,051,202,050	6,540,772,156
Distribution cost	(577,068,014)	(649,796,807)	(1,979,797,023)	(1,916,776,718)
Administrative expenses	(508,446,655)	(440,635,249)	(1,466,550,403)	(1,228,036,592)
Other operating expenses	62,571,598	(106,806,919)	(322,844,142)	(309,692,096)
Gain from changes in fair value less costs to sell of biological assets	—	66,464,706	—	140,360,334
Other income	154,299	17,021,596	3,795,043	36,915,046
	(1,022,788,772)	(1,113,752,673)	(3,765,396,525)	(3,277,230,026)
Profit from operations	1,445,878,877	1,189,517,695	4,285,805,525	3,263,542,130
Finance cost	(309,815,103)	(121,921,345)	(839,835,112)	(358,914,341)
Share of loss from associate	(18,249,106)	(6,615,909)	(36,496,967)	(40,518,749)
Profit before taxation	1,117,814,668	1,060,980,441	3,409,473,446	2,864,109,040
Taxation	(50,763,265)	(83,419,724)	(169,070,819)	(235,839,981)
Profit for the period	1,067,051,403	977,560,717	3,240,402,627	2,628,269,059
Attributable to:				
Shareholders of parent company	1,067,051,403	946,919,579	3,240,402,627	2,562,443,749
Non- controlling interest	—	30,641,137	—	65,825,311
	1,067,051,403	977,560,717	3,240,402,627	2,628,269,059
Earnings per share - basic	1.3993	1.2832	4.2503	3.4501
Earnings per share - diluted 18	1.3646	1.2823	4.2151	3.4493

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Consolidated Condensed Interim Statement of Comprehensive Income

For the quarter and nine months ended March 31, 2019

	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
Profit for the period	1,067,051,403	977,560,717	3,240,402,627	2,628,269,059
Other comprehensive (loss) / income:				
Items that will not be reclassified subsequently to profit or loss:	–	–	–	–
Items that may be reclassified subsequently to profit or loss:				
Exchange difference on translating foreign operations	(880,913)	4,612,479	19,421,063	10,857,275
Total comprehensive income for the period	1,066,170,490	982,173,196	3,259,823,690	2,639,126,334
Attributable to:				
Shareholders of parent company	1,066,170,490	951,532,058	3,259,823,690	2,573,301,023
Non- controlling interest	–	30,641,137	–	65,825,311
	1,066,170,490	982,173,196	3,259,823,690	2,639,126,334

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Consolidated Condensed Interim Statement of Changes In Equity

For the nine months ended March 31, 2019

Attributable to owners of the Parent

			Capital Reserve		Revenue Reserves				
	Share Capital	Share Deposit Money	Share Premium	Employee Share Option Compensation Reserve	Unappropriated Profit	Translation Reserve	Total	Non Controlling Interest	Total
	(Rupees)								
Balance as at July 01, 2017 - audited	1,899,384,990	-	19,423,604	1,628,524	12,407,930,382	-	14,328,367,500	671,559,926	14,999,927,426
Profit for the period	-	-	-	-	2,562,443,749	-	2,562,443,749	65,825,311	2,628,269,059
Other comprehensive income	-	-	-	-	-	10,857,275	10,857,275	-	10,857,275
Total comprehensive income for the period	-	-	-	-	2,562,443,749	10,857,275	2,573,301,023	65,825,311	2,639,126,334
Shares issued under the ESOS	1,719,240	-	10,831,140	(1,628,524)	-	-	10,921,856	-	10,921,856
Transactions with owners:									
Issuance of shares of subsidiary	-	-	-	-	-	-	-	3,000,000	3,000,000
Dividend to ordinary shareholders	-	-	-	-	(475,276,125)	-	(475,276,125)	-	(475,276,125)
	-	-	-	-	(475,276,125)	-	(475,276,125)	3,000,000	(472,276,125)
Balance as at March 31, 2018 (un-audited)	1,901,104,230	-	30,254,744	-	14,495,098,006	10,857,275	16,437,314,254	740,385,237	17,177,699,491
Balance as at July 01, 2018 - audited	1,901,104,230	-	30,254,744	8,606,984	6,860,266,179	16,050,906	8,816,283,043	-	8,816,283,043
Profit for the period	-	-	-	-	3,240,402,627	-	3,240,402,627	-	3,240,402,627
Other comprehensive income	-	-	-	-	-	19,421,063	19,421,063	-	19,421,063
Total comprehensive income for the period	-	-	-	-	3,240,402,627	19,421,063	3,259,823,690	-	3,259,823,690
Issue of ordinary shares	5,000,000	-	-	-	-	-	5,000,000	-	5,000,000
Shares issued under the ESOS	7,557,580	-	27,523,278	(8,606,984)	-	-	26,473,874	-	26,473,874
Share deposit money	-	5,024,900,000	-	-	-	-	5,024,900,000	-	5,024,900,000
Issuance of bonus shares	5,718,312,690	-	(30,254,744)	-	(5,688,057,946)	-	-	-	-
Transactions with owners:									
Dividend to ordinary shareholders	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2019 (un-audited)	7,631,974,500	5,024,900,000	27,523,278	-	4,412,610,860	35,471,969	17,132,480,607	-	17,132,480,607

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Bant
Director



Muhammd Maqsood
Chief Financial Officer

Consolidated Condensed Interim Statement of Cash Flows

For the nine months ended March 31, 2019

	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)	
A) Cash Flows from Operating Activities		
Profit before taxation	3,409,473,446	2,864,109,040
Adjustments for:		
Depreciation	1,214,347,406	1,099,497,981
Amortization	6,369,341	7,741,853
Workers' profit participation fund	183,156,303	168,315,901
Staff retirement gratuity	386,540,308	353,408,143
Employee share option compensation expense	5,035,966	594,712
Loss on disposal of property, plant and equipment	17,520,899	25,826,447
Loss on disposal of biological assets	–	18,961,050
Remeasurement loss/(gain) on investment in mutual funds	5,327,486	(4,569,639)
Profit on TDRs	(182,286)	(225,414)
Interest on loan to Metis International (Pvt) Ltd	(3,458,458)	(2,583,922)
Interest income on long term loan to SNGPL	–	(15,863)
Gain from changes in fair value less costs to sell of biological assets	–	(140,360,334)
Share of loss from associate	36,496,967	40,518,749
Finance cost	839,835,112	358,914,341
Operating cash flows before working capital changes	6,100,462,490	4,790,133,045
Changes in working capital		
(Increase)/decrease in current assets		
Stores and spares	(116,946,267)	(38,069,240)
Feed, health and breeding	–	50,231,331
Stock in trade	(1,941,262,613)	(1,523,698,583)
Trade debts	(547,343,348)	(1,508,714,268)
Loans and advances	(628,629,386)	(1,292,275,460)
Prepayment and other receivables	(191,519,258)	307,771,910
Tax refunds due from government	(198,988,157)	(330,308,322)
Short term investment in mutual funds - net	–	4,569,639
(Decrease)/Increase in current liabilities		
Trade and other payables	1,201,061,220	1,865,855,728
	(2,423,627,809)	(2,464,637,265)
Cash generated from operations	3,676,834,681	2,325,495,780
Finance cost paid	(763,023,167)	(367,532,881)
Income tax paid	(121,573,430)	(220,221,684)
Staff retirement gratuity paid	(99,611,812)	(154,823,527)
Workers' profit participation fund paid	(232,067,747)	(163,022,216)
Long term loans paid	(38,716,592)	(9,362,096)
Long term deposits (paid) / received	(7,067,900)	3,376,362
Profit on TDRs received	182,286	225,414
Interest on loan to Metis International (Pvt) Ltd received	–	2,583,922
Interest income on loan to SNGPL received	–	15,863
Net cash generated from operating activities	2,414,956,319	1,416,734,937

	Note	Un audited March 31, 2019	Un audited March 31, 2018
		(Rupees)	
B) Cash Flows from Investing Activities			
Additions in:			
Property, plant and equipment		(3,420,826,144)	(2,435,719,287)
Intangible asset		(89,120)	(5,576,396)
Proceeds from disposal of property, plant and equipment		77,815,721	54,713,983
Proceeds from deaths/disposal of biological assets		–	59,914,577
Long term investments		–	(83,864,000)
Net cash used in investing activities		(3,343,099,543)	(2,410,531,123)
C) Cash Flows from Financing Activities			
Long term financing obtained		3,363,039,685	1,123,749,998
Repayment of long term financing		(705,677,001)	(783,680,861)
Payment of liabilities against assets subject to finance lease		(1,085,598)	(2,141,096)
Short term borrowings - net		(78,922,642)	2,968,838,676
Share capital issued		12,557,580	4,719,240
Share deposit money received		5,024,900,000	–
Share premium		18,893,950	9,576,095
Dividend paid		(475,276,124)	(475,276,125)
Net cash generated from financing activities		7,158,429,850	2,845,785,927
Net increase in cash and cash equivalents	(A+B+C)	6,230,286,626	1,851,989,741
Cash and cash equivalents at the beginning of the period		195,938,550	232,046,813
Cash and cash equivalents at the end of the period	19	6,426,225,176	2,084,036,554

The annexed notes 1 to 26 form an integral part of these consolidated condensed interim financial statements.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

Notes To The Consolidated Condensed Interim Financial Statements

For the quarter and nine months ended March 31, 2019

1. The Group and Its Operations

The Group comprises of:

Interloop Limited- The Holding Company

Interloop Limited (the Holding Company) was incorporated in Pakistan on 25th April, 1992 as a private limited company and subsequently it was converted into public limited company on 18th July, 2008 and was listed on Pakistan Stock Exchange on 5th April, 2019. The registered office of the Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The manufacturing facilities are located at 1-km, 7-km Jaranwala road, Khurrianwala, Faisalabad and 8-km Manga Mandi, Raiwand road, Lahore. The Company is engaged in the business of manufacturing and selling of socks, leggings and yarn, providing yarn dyeing services and to generate electricity for its own use.

IL Apparel (Private) Limited - The Subsidiary (Holding- 100% (June 30, 2018: 100%))

IL Apparel (Private) Limited was incorporated in Pakistan on 28th March, 2018 under the Companies Act, 2017. The registered office of the Company is situated at Al-Sadiq Plaza, P-157, Railway Road, Faisalabad. The principal business activity of the Company will be manufacturing and sale of garments and allied products.

Interloop Dairies Limited - The Associate (Holding - Nil (June 30, 2018: Nil))

Interloop Dairies Limited was incorporated in Pakistan on 29th March, 2010 as a Public Limited Company, The registered office of the Company is situated at P-157, Al-Sadiq plaza, Railway Road, Faisalabad and dairy farm is situated at 28-KM Sheikhpura Hafizabad Road, Adda Kairwala, near Mandi Jhabran, Sheikhpura in the province of Punjab. The Company is engaged in the business of dairy farming and allied products.

During the previous financial year the investment of Interloop Limited in the share capital of Interloop Dairies Limited was transferred from Interloop Limited to Interloop Holdings (Pvt) Limited on May 16, 2018, as a result of demerger of investment segment of Interloop Limited into Interloop Holdings (Pvt) Limited. Now the holding company of the Interloop Dairies is changed to Interloop Holdings (Pvt) Limited. However, the financial effects, for the period from July 01, 2017 to March 31, 2018, relating to Interloop Dairies Limited have been incorporated in these consolidated condensed interim financial statements.

IL Bangla Limited - The Associate (Holding- 43.75% (June 30, 2018: 43.75%))

IL Bangla Ltd. is a private limited company incorporated under the Companies Act 1994 as applicable in Bangladesh vide Registration No. C-77561/09 dated 21 May 2009 floated by foreign investors (Pakistan and West Indies) having its registered Office at House # 267, Road # 19, New DOHS Mohakhali, Dhaka, Bangladesh and factory at Dakkhin kongshadi Vatpara, Narsingdi Sadar, Narsingdi, Bangladesh. The company's main objective is to carry on the business of manufacturing and sale/export of socks and hosieries.

2. Basis of Preparation

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:

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

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

This consolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the consolidated financial statements for the year ended on 30 June 2018.

3. Critical Accounting Estimates and Judgments

The preparation of financial statements in conformity with the approved accounting standards require 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. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods. Judgments made by management in application of the approved accounting standards that have significant effect on the financial statements and estimates with a significant risk of material adjustments in the next year are discussed in respective policy notes. The areas where various assumptions and estimates are significant to the Group's financial statements or where judgment was exercised in application of accounting policies are as follows:

- Estimate of useful life of operating fixed assets
- Impairment of assets
- Stores and spares
- Stock-in-trade
- Trade debts and other receivables
- Staff retirement benefits
- Provisions
- Contingencies
- Taxation

4. Summary of Significant Accounting Policies

The accounting policies adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of preceding annual consolidated audited financial statements of the Group for the year ended June 30, 2018, except as follows:

4.1 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The chief operating decision maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as BOD that makes strategic decisions.

4.2 New Standards, Interpretations and Amendments

The Group has adopted the following amendments and interpretation of IFRSs which became effective for the current period:

IFRS 15 - Revenue from Contracts with Customers

Further, IFRS - 9 "Financial Instruments" replaces IAS - 39 "Financial Instruments: Recognition and Measurement" for annual periods beginning on or after 1 July 2018. However, the Securities and Exchange Commission of Pakistan vide its notification dated 14 February 2019 has deferred

the applicability of IFRS - 9 on interim period ending before 30 June 2019. Therefore, these consolidated condensed interim financial statements do not include the impact of adoption of the standard.

- IFRS 15 Revenue from Contracts with Customers

IFRS 15 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 Group has concluded that revenue from sale of goods should be recognised at the point in time when control of the goods is transferred to the customer. However, the management believes that changes in IFRS 15 does not have any material impact on these consolidated condensed interim financial statements of the Group.

5. Basis of Consolidation

Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The assets and liabilities of Subsidiary Companies have been consolidated on a line by line basis and carrying value of investments held by the Holding Company is eliminated against Holding Company's share in paid up capital of the Subsidiary Companies.

Intragroup balances and transactions have been eliminated.

Non-controlling interests are that part of net results of the operations and of net assets of Subsidiary Companies attributable to interest which are not owned by the Holding Company. Non-controlling interests are presented as separate item in the consolidated financial statements.

Associates

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Interests in associates are accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, until the date on which significant influence ceases.

Unrealized gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group companies' interest in the investee. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
6. Property, Plant And Equipment			
Operating fixed assets	6.1	16,512,544,567	15,154,363,767
Capital work-in-progress	6.2	1,055,192,066	302,230,748
		17,567,736,633	15,456,594,515

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
6.1 Operating fixed assets			
Opening written down value		15,154,363,767	14,531,869,711
Add: Additions during the period/year	6.1.1	2,667,864,826	3,364,736,674
Less: Disposals during the period/year		(95,336,620)	(1,200,296,164)
Less: Depreciation charged during the period/year		(1,214,347,406)	(1,541,946,454)
Closing written down value		16,512,544,567	15,154,363,767
6.1.1 Additions during the period/year			
Freehold land		585,190,294	43,745,505
Buildings on freehold land		476,629,917	626,863,076
Plant and machinery		1,229,275,183	1,989,343,631
Tools and equipments		89,581,124	169,875,837
Office equipments		46,422,437	88,650,519
Electric installations		49,877,054	212,724,648
Furniture and fixtures		93,300,245	54,060,529
Vehicles		97,588,572	179,472,929
		2,667,864,826	3,364,736,674
6.2 Capital work-in-progress			
Civil works		435,704,151	178,202,521
Plant and machinery		376,608,002	32,696,096
Tools and equipments		53,298,225	24,280,851
Office equipments		10,836,431	2,309,523
Electric installations		84,827,440	24,865,972
Furniture and fixtures		26,356,482	35,545,841
Vehicles		6,001,204	198,787
Computer software		34,071,040	4,131,157
Unallocated expenses		27,489,091	–
		1,055,192,066	302,230,748
7. Long Term Investments			
Un-quoted associate - at equity method			
IL Bangla Limited	7.1	98,379,576	115,455,480
7.1 Investment in associated company - under equity method			
Opening balance		115,455,480	152,436,606
Share of loss for the period/year		(36,496,967)	(53,032,032)
Exchange gain		19,421,063	16,050,906
		(17,075,904)	(36,981,126)
Closing balance		98,379,576	115,455,480

	Note	Un audited March 31, 2019	Audited June 30, 2018
		(Rupees)	
8. Trade Debts			
Considered good			
Foreign - secured		3,954,640,180	3,064,438,632
Foreign - unsecured	8.1	3,526,094,840	3,899,669,697
Local - unsecured	8.1	359,617,001	328,900,344
		7,840,352,021	7,293,008,673

8.1 Management consider that these debts are good and will be recovered accordingly.

9. Cash and Bank Balances

This includes Rs. 6,119,926,357/- received against initial public offering of the Company on Pakistan Stock Exchange, which is represented by Rs. 5,024,900,000/- in respect of share deposit money and Rs. 1,095,026,357/- as refundable to unsuccessful applicants. Further, it is pertinent to mention here that these funds were not available for use by the Holding Company on reporting date. After the reporting date the amount refundable was duly refunded and remaining balance was available for use to the Holding Company.

10. Authorized Share Capital

Un audited March 31, 2019	Audited June 30, 2018		Un audited March 31, 2019	Audited June 30, 2018
[Number of shares]			(Rupees)	
965,000,000	265,000,000	Ordinary shares of Rs. 10 each	9,650,000,000	2,650,000,000
35,000,000	35,000,000	Non-voting ordinary shares of Rs. 10 each	350,000,000	350,000,000
1,000,000,000	300,000,000		10,000,000,000	3,000,000,000

11. Issued, Subscribed and Paid Up Capital

Un audited March 31, 2019	Audited June 30, 2018		Un audited March 31, 2019	Audited June 30, 2018
[Number of shares]			(Rupees)	
21,900,000	21,400,000	Ordinary shares of Rs. 10 each fully paid in cash	219,000,000	214,000,000
738,500,000	168,200,000	Ordinary shares of Rs. 10 each issued as fully paid bonus shares	7,385,000,000	1,682,000,000
1,266,181	510,423	Non-voting ordinary shares of Rs. 10 each fully paid in cash	12,661,810	5,104,230
1,531,269	–	Non-voting ordinary shares of Rs. 10 each issued as fully paid bonus shares	15,312,690	–
763,197,450	190,110,423		7,631,974,500	1,901,104,230

12. Share Deposit Money

This represents amount received against initial public offering of the Company on Pakistan Stock Exchange. The shares against the same were issued subsequent to the reporting date.

	Un audited March 31, 2019	Audited June 30, 2018
	(Rupees)	
13. Long Term Financing		
Opening balance	3,216,474,934	2,927,290,755
Add: Obtained during the period/year	3,363,039,685	1,300,000,000
Less: Repaid during the period/year	(705,677,001)	(1,010,815,821)
	5,873,837,618	3,216,474,934
Less: Current portion of long term financing	(939,746,458)	(968,539,840)
	4,934,091,160	2,247,935,094

14. Trade and other Payables

This includes Rs. 1,095,026,357/- received against initial public offering which was refundable to unsuccessful applicants. The same was also refunded subsequent to the reporting period.

	Un audited March 31, 2019	Audited June 30, 2018
	(Rupees)	
15. Contingencies and Commitments		
15.1 Contingencies		
Bank guarantees issued by various banks on behalf of the company in favour of:		
Sui Northern Gas Pipelines limited against supply of gas.	386,803,700	386,803,700
The Director, Excise and Taxation, Karachi against imposition of infrastructure cess	197,852,944	172,852,944
Faisalabad Electric Supply Company (FESCO) against supply of electricity	70,374,020	70,414,020
Punjab Revenue Authority	8,031,850	4,334,550
State Bank of Pakistan	127,550,856	25,000,000
Collector of Customs	23,164	-
	790,636,534	659,405,214
Post dated cheques issued in favour of custom authorities for release of imported goods	3,279,674,151	2,643,165,836

	Un audited March 31, 2019	Audited June 30, 2018
	(Rupees)	
15.2 Commitments		
Under letters of credit for:		
Capital expenditure	1,146,861,078	747,705,729
Raw material	243,001,869	209,205,545
Stores and spares	121,678,725	37,153,231
	1,511,541,672	994,064,505

	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
16. Cost of Sales				
Raw material consumed	3,852,742,155	3,287,529,949	11,613,109,259	9,671,981,792
Stores and spares consumed	213,080,616	241,884,910	610,579,843	628,763,441
Feed, health and breeding expenses	–	202,328,059	–	556,830,930
Knitting charges	–	24,971,628	11,896,766	159,372,037
Salaries, wages and benefits	1,345,841,729	1,339,717,259	4,058,513,610	3,796,528,973
Staff retirement gratuity	112,983,494	98,619,084	325,746,977	297,866,114
Fuel and power	470,795,236	452,211,570	1,601,655,859	1,340,605,333
Repairs and maintenance	44,543,608	39,408,679	101,706,137	106,867,561
Insurance	13,146,118	24,280,561	39,883,071	65,067,662
Depreciation	381,475,732	331,376,236	1,088,033,231	944,943,292
Rent, rate and taxes	8,587,965	5,883,763	22,715,800	25,397,401
Other manufacturing costs	60,766,910	49,842,821	164,820,392	77,281,672
	6,503,963,563	6,098,054,519	19,638,660,945	17,671,506,208
Opening work in process	425,447,710	347,823,823	471,275,666	450,678,073
Closing work in process	(542,492,738)	(360,764,606)	(542,492,738)	(360,764,606)
	(117,045,028)	(12,940,783)	(71,217,072)	89,913,467
Cost of goods manufactured	6,386,918,535	6,085,113,736	19,567,443,873	17,761,419,675
Opening finished goods	2,050,650,114	1,577,616,500	1,484,177,407	1,120,717,608
Closing finished goods	(1,978,670,709)	(1,546,121,531)	(1,978,670,709)	(1,546,121,531)
	71,979,405	31,494,969	(494,493,302)	(425,403,923)
	6,458,897,940	6,116,608,705	19,072,950,571	17,336,015,752
Duty drawback	(137,154,406)	(208,123,292)	(400,288,994)	(614,251,762)
	6,321,743,534	5,908,485,413	18,672,661,577	16,721,763,990

Note	Quarter ended		Nine months ended	
	Un audited March 31, 2019	Un audited March 31, 2018	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)			
17. Other Operating Expenses				
Loss on disposal of property, plant and equipment	5,891,314	20,177,425	17,520,899	25,826,447
Loss on disposal of biological assets	–	8,535,371	–	18,961,050
Charity and donations 17.1	(124,168,599)	3,598,900	116,839,454	101,158,337
Workers' profit participation fund	61,039,495	74,495,223	183,156,303	168,315,901
(Gain)/Loss on investments in mutual funds measured at fair value through profit or loss	(5,333,808)	–	5,327,486	(4,569,639)
	(62,571,598)	106,806,919	322,844,142	309,692,096

17.1 Charity and donations amount is negative due to reversal of excess provision of rupees 150 million, which the management feel that it will not incur now.

18. Earnings Per Share - Dilutive

To calculate the dilutive earnings per share, the share deposit money has been considered as issued share capital.

	Un audited March 31, 2019	Un audited March 31, 2018
	(Rupees)	
19. Cash and Cash Equivalents		
Cash and bank balances	6,426,225,176	919,032,937
Short term investments - Term Deposit Receipts (TDRs)	–	1,165,003,617
	6,426,225,176	2,084,036,554

20. Transactions With Related Parties

Related parties include associated companies and undertakings, entities under common directorship, directors, major shareholders, key management personnel, employees benefit trust and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

i) Transactions

Name	Nature of transaction	Quarter ended		Nine months ended	
		Un audited March 31, 2019 Rupees	Un audited March 31, 2018 Rupees	Un audited March 31, 2018 Rupees	Un audited March 31, 2018 Rupees
IL Bangla Limited - Associate	Sale of asset	-	-	-	2,001,914
	Expenses paid on behalf of associate	1,431,884	1,613,909	5,782,070	5,478,963
	Sale of yarn	-	-	18,598	-
Interloop Holdings (Pvt) Limited - Associate	Long term financing	30,000,000	-	3,000,000,000	-
	Mark up on long term financing	36,957,533	-	64,006,849	-
	Sale of asset	12,910,391	-	12,910,391	-
Texlan Center (Pvt) Limited - Associate	Sale of asset	27,383,375	20,766,413	182,436,973	22,899,272
	Sale of yarn	129,784,338	47,932,265	332,926,415	80,424,452
	Spare parts and packing material	12,252,798	11,481,141	31,060,565	36,056,483
Global Veneer Trading Limited - Associate	Commission	246,252,734	279,965,025	761,913,911	784,849,349
Eurosox Plus BV - Associate	Sale of socks	192,251,405	230,140,403	582,112,628	785,346,926
Interloop Employees Provident Fund	Contribution to the fund	8,737,678	11,041,998	24,767,018	21,514,651
Key management personnel & other related parties	Sale of asset	-	-	5,592,976	-
	Repayment of loan	-	-	146,573,125	-
	Issuance of bonus shares	-	-	5,587,323,300	-
	Issuance of share capital	-	-	3,000,000	-
	Issuance of share capital-Non Voting	3,399,970	-	3,399,970	-
	Dividend paid	-	474,075,725	-	474,075,725
	Remuneration and other benefits	130,797,780	119,639,991	377,946,809	289,777,162

ii) Period end balances

Name	Nature of transaction	Un audited March 31, 2019 Rupees	Audited June 30, 2018 Rupees
IL Bangla Limited - Associate	Trade Debts	26,708,098	40,365,500
	Prepayment And Other Receivables	82,752,216	86,759,715
Texlan Center (Pvt) Limited - Associate	Trade Debts	178,749,117	84,944,308
	Prepayment And Other Receivables	194,454,707	-
Eurosox Plus BV - Associate	Trade Debts	300,982,275	112,510,971
Global Veneer Trading Limited - Associate	Trade and other payables	82,169,225	-
Interloop Employees Provident Fund	Trade and other payables	5,044,966	4,249,673
Interloop Limited ESOS Management Trust	Trade and other payables	10,614	-
Interloop Holdings (Pvt) Limited - Associate	Long term financing	3,000,000,000	-
	Prepayment And Other Receivables	12,910,391	-

21.

Operating Segments

Management monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Operating segments are reported in a manner consistent with internal reporting provided to the Chief Operating Decision Maker (CODM). Segment performance is generally evaluated based on certain key performance indicators including business volume and gross profit.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

The management has determined the operating segments based on the reports reviewed by the CODM that are used to make strategic and business decisions.

a) Hosiery

This segment relates to the sale of socks and tights.

b) Spinning

This segment relates to the sale of yarn.

c) Dairies

This segment relates to the sale of milk.

d) Other operating segments

This represent various segments of the Group which currently do not meet the minimum reporting threshold mentioned in international financial reporting standards. These mainly includes apparel, energy, yarn dyeing , denim and active wear.

21.1 Segment Information

	Nine months ended				Nine months ended				Nine months ended				Nine months ended				Nine months ended			
	March 2019		March 2018		March 2019		March 2018		March 2019		March 2018		March 2019		March 2018		March 2019		March 2018	
	Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees		Rupees	
Revenue																				
External sale	22,343,502,291	18,780,676,658	4,182,418,387	3,517,554,741	-	-	851,397,476	-	-	197,939,749	112,907,271	-	-	-	-	-	26,723,863,627	23,282,536,146	-	-
Intersegment sale	94,553,974	107,993,643	2,072,131,025	1,842,220,036	-	-	-	-	-	2,300,943,358	1,988,882,781	-	-	-	-	-	(4,467,628,357)	(3,713,086,460)	-	-
	22,438,056,265	18,888,670,301	6,254,549,612	5,159,774,777	-	-	851,397,476	2,498,883,107	2,081,790,052	(4,467,628,357)	(3,713,086,460)	-	-	-	-	-	26,723,863,627	23,282,536,146	-	-
Cost of sales	(15,009,244,313)	(13,034,913,346)	(5,888,484,870)	(4,846,956,127)	-	-	(700,683,385)	(2,232,560,751)	(1,853,306,392)	4,467,628,357	3,713,086,460	-	-	-	-	-	(18,672,661,577)	(16,721,763,999)	-	-
	7,428,811,952	5,847,756,955	356,064,742	313,818,650	-	-	150,713,491	266,322,356	228,483,090	-	-	-	-	-	-	-	8,051,202,050	6,540,772,156	-	-
Administrative expenses																				
Distribution cost	(1,351,674,957)	(1,123,504,773)	(53,743,708)	(23,326,907)	-	-	(68,227,448)	(61,131,740)	(12,777,464)	-	-	-	-	-	-	-	(1,468,550,403)	(1,228,086,592)	-	-
Gain from changes in fair value less costs to sell of biological assets	(1,917,687,816)	(1,872,043,492)	(48,535,725)	(55,237,529)	-	-	-	(13,579,452)	(9,485,697)	-	-	-	-	-	-	-	(1,979,797,023)	(1,916,776,718)	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	(3,269,362,773)	(2,995,548,265)	(102,278,431)	(58,764,436)	-	-	72,132,886	(74,705,222)	(22,273,161)	-	-	-	-	-	-	-	(3,446,347,426)	(3,004,452,978)	-	-
Profit before taxation and unallocated income and expenses	4,158,452,179	2,852,208,680	253,783,311	255,054,214	-	-	222,846,377	191,617,134	208,269,899	-	-	-	-	-	-	-	4,601,854,624	3,336,319,180	-	-
Unallocated income and expenses																				
Other operating expenses	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,844,142)	(30,682,096)	-	-
Other income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,795,043	36,915,046	-	-
Finance cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(639,835,112)	(558,914,341)	-	-
Share of loss from associate	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(36,496,967)	(40,518,749)	-	-
Taxation	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(188,070,819)	(235,833,981)	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Profit after taxation																	3,240,402,827	2,628,269,059	-	-

21.2 Reconciliation of reportable segment assets and liabilities

	Hosiery			Spinning			Others			Total Company		
	Un audited	Audited	Rupees	Un audited	Audited	Rupees	Un audited	Audited	Rupees	Un audited	Audited	Rupees
	March 2019	June 2018		March 2019	June 2018		March 2019	June 2018		March 2019	June 2018	
Total assets for reportable segment	24,473,358,721	22,042,675,572		6,696,655,707	4,933,605,472		3,959,934,721	2,567,032,581		35,129,349,149	29,543,313,825	
Unallocated assets:												
Long term investments										98,379,576	115,455,480	
Long term deposits										32,123,345	25,055,445	
Short term investments										142,096,178	147,423,663	
Tax refunds due from government										2,598,021,754	2,451,812,101	
Cash and bank balances										6,426,225,176	195,938,550	
Other corporate assets										-	5,013,622	
Total assets as per balance sheet										44,426,195,178	32,484,012,486	
Total liabilities for reportable segment	2,080,716,471	1,820,209,900		74,282,333	61,385,981		57,561,502	44,035,929		2,212,540,306	1,925,611,810	
Unallocated liabilities:												
Long term financing										4,834,081,160	2,247,935,084	
Short term borrowings										15,102,014,198	15,180,936,840	
Current portion of non current liabilities										939,746,458	989,010,075	
other corporate liabilities										4,105,322,449	3,344,235,624	
Total liabilities as per balance sheet										27,293,714,571	23,667,729,443	

22. Fair Value Measurement of Financial Instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the Group is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Group to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly (that is, derived from prices).

Level 3 – Inputs for the asset or liability that are not based on observable market data (that is, unadjusted) inputs.

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

Amount in Rupees	Un-audited			
	March 31, 2019			
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Short term investments	142,096,178	–	–	142,096,178
Total Assets	142,096,178	–	–	142,096,178
Total Liabilities	–	–	–	–

Amount in Rupees	Audited			
	June 30, 2018			
	Level 1	Level 2	Level 3	Total
At fair value through profit or loss				
Short term investments	147,423,663	–	–	147,423,663
Total Assets	147,423,663	–	–	147,423,663
Total Liabilities	–	–	–	–

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the Group's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

23. Financial Risk Management

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

24. Date of Authorization for Issue

The financial statements were authorized for issue on April 22, 2019 by the Board of Directors of the Company.

25. Corresponding Figures

In order to comply with the requirements of IAS 34, the consolidated condensed interim statement of financial position has been compared with the balances of annual audited consolidated financial statements of preceding financial year, whereas, the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

26. Events after the Reporting Date

The Holding Company issued 109,000,000 number of shares which includes 81,750,000 through book building process and remaining number of shares through the general public offer and raised its capital from 763,197,450 to 872,197,450 number of shares after incorporating the effect of initial public offering.



Navid Fazil
Chief Executive Officer



Jahan Zeb Khan Banth
Director



Muhammd Maqsood
Chief Financial Officer

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