

# NISHAT MILLS LIMITED



NML-Exchanges-2011/2139

October 27, 2015

- 1) The General Manager,  
Karachi Stock Exchange Ltd  
Stock Exchange Building  
Stock Exchange Road, KARACHI. **PUCARS / TCS**
- 2) The Secretary,  
Lahore Stock Exchange Ltd.  
19-Khyaban-e-Aiwan-e-Iqbal, LAHORE. **Fax No. (042) 36368485 / TCS**
- 3) The Secretary,  
Islamabad Stock Exchange Ltd.  
55-B ISE Towers, Jinnah Avenue, ISLAMABAD. **Fax No. (051) 111 473 329 / TCS**
- 4) The Executive Director,  
Monitoring & Enforcement Division  
Securities & Exchange Commission of Pakistan  
8<sup>th</sup> Floor, NIC Building, Jinnah Avenue,  
Blue Area, ISLAMABAD. **Fax No. (051) 9218592, 9204915 / TCS**

**SUB: FINANCIAL RESULTS FOR THE YEAR ENDED JUNE 30, 2015**

Dear Sir,

We have to inform you that the Board of Directors of **Nishat Mills Limited** in their meeting held on October 27, 2015 (Tuesday), at 10:00 a.m. at 7- Main Gulberg, Lahore, recommended the followings:-

**i) CASH DIVIDEND:**

A Final Cash Dividend @ **Rs.4.50 per share i.e. 45 %** for the year ended June 30, 2015.

**ii) BONUS ISSUE:**

NIL

**iii) RIGHT SHARES:**

NIL

**iv) ANY OTHER ENTITLEMENT/CORPORATE ACTION:**

NIL

**v) ANY OTHER PRICE SENSITIVE INFORMATION:**

The Board of Directors has also approved :-

- A loan / advance up to Rs. 2 billion to Nishat Linen ( Private) Limited, a wholly owned subsidiary company, to meet the working capital requirements of Nishat Linen (Pvt) Limited.

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# NISHAT MILLS LIMITED



(2)

- Execution of Business Agreement between Nishat Mills Limited and Nishat Linen (Pvt) Limited, a wholly owned subsidiary, for transfer of freehold land measuring 33 Kanals and 13 Marlas from Nishat Mills Limited to Nishat Linen (Pvt) Limited with all permissions of leave and license to operate a textile unit, against a yearly compensation of Rs. 12 Million from the date of possession with an annual increase of 10%.

## THE FINANCIAL RESULTS OF THE COMPANY ARE AS UNDER:-

The separate profit and loss account for the year ended June 30, 2015 of the Company is as follows: -

	2015	2014
	(Rupees in Thousand)	
SALES	51,177,577	54,444,091
COST OF SALES	<u>(45,153,439)</u>	<u>(46,580,317)</u>
GROSS PROFIT	6,024,138	7,863,774
DISTRIBUTION COST	<u>(2,426,295)</u>	<u>(2,554,627)</u>
ADMINISTRATIVE EXPENSES	<u>(1,101,658)</u>	<u>(1,032,238)</u>
OTHER EXPENSES	<u>(366,142)</u>	<u>(344,516)</u>
	<u>(3,894,095)</u>	<u>(3,931,381)</u>
	2,130,043	3,932,393
OTHER INCOME	4,004,655	3,653,041
PROFIT FROM OPERATIONS	<u>6,134,698</u>	<u>7,585,434</u>
FINANCE COST	<u>(1,744,773)</u>	<u>(1,609,882)</u>
PROFIT BEFORE TAXATION	4,389,925	5,975,552
TAXATION	<u>(478,000)</u>	<u>(463,000)</u>
PROFIT AFTER TAXATION	<u>3,911,925</u>	<u>5,512,552</u>
EARNINGS PER SHARE – BASIC AND DILUTED (RUPEES)	11.13	15.68

**NISHAT MILLS LIMITED**

(3)

The consolidated profit and loss account for the year ended June 30, 2015 of the Company is as follows: -

	2015 (Rupees in Thousand)	2014
SALES	79,437,913	87,081,878
COST OF SALES	(66,263,202)	(72,790,722)
GROSS PROFIT	<u>13,174,711</u>	<u>14,291,156</u>
DISTRIBUTION COST	(3,752,069)	(3,779,264)
ADMINISTRATIVE EXPENSES	(1,633,408)	(1,408,929)
OTHER EXPENSES	(294,442)	(372,599)
	<u>(5,679,919)</u>	<u>(5,560,792)</u>
	7,494,792	8,730,364
OTHER INCOME	1,884,036	1,547,955
PROFIT FROM OPERATIONS	<u>9,378,828</u>	<u>10,278,319</u>
FINANCE COST	(3,196,196)	(3,241,464)
	6,182,632	7,036,855
SHARE OF PROFIT FROM ASSOCIATED COMPANIES	2,609,403	2,120,006
PROFIT BEFORE TAXATION	<u>8,792,035</u>	<u>9,156,861</u>
TAXATION	(519,979)	(507,955)
PROFIT AFTER TAXATION	<u>8,272,056</u>	<u>8,648,906</u>
SHARE OF PROFIT ATTRIBUTABLE TO: EQUITY HOLDERS OF HOLDING COMPANY	6,745,246	7,219,768
NON-CONTROLLING INTEREST	1,526,810	1,429,138
	<u>8,272,056</u>	<u>8,648,906</u>
EARNINGS PER SHARE – BASIC AND DILUTED (RUPEES)	<u>19.18</u>	<u>20.53</u>

# NISHAT MILLS LIMITED



(4)

## BOOK CLOSURE NOTICE

The Share Transfer Books of Ordinary Shares of the Company will remain closed from 24-11-2015 to 30-11-2015 (both days inclusive) for entitlement of **45% Final Cash Dividend [i.e. Rs.4.50 (Rupees Four and Fifty Paisas Only) Per Ordinary Share]** and attending of **Annual General Meeting**. Physical transfers / CDS Transactions IDs received in order up to 1:00 p.m. on 23-11-2015 at Registered Office, Nishat House, 53-A, Lawrence Road, Lahore, will be considered in time for entitlement of 45 % Final Cash Dividend and attending of meeting.

## ANNUAL GENERAL MEETING

The Annual General Meeting of the Company will be held on November 30, 2015 (Monday) at 11:00 A.M. Nishat Hotel, 9-A, Gulberg III, Mian Mahmood Ali Kasuri Road, Lahore, notice of Annual General Meeting of the Shareholders is attached for circulation.

## INFORMATION U/S 218 OF THE COMPANIES ORDINANCE, 1984

The Board has approved the revision in monthly remuneration of Chief Executive Officer of the Company from Rs.2,240,000/- to Rs.2,508,800/- per month with effect from July 01, 2015. There is no change in other terms and conditions of his appointment.

A notice in this respect is attached for circulation and information of all concerned.

We will send you requisite copies of printed accounts of the Company for the year ended June 30, 2015 for distribution amongst the members of the TRE certificate holders of the Exchange in due course of time.

Disclosure form in terms of Section 15-D of the Securities and Exchange Ordinance, 1969, is attached for information and circulation amongst the TRE certificate holders of the Exchange.

Thanking you,

Yours truly,

**KHALID MAHMOOD CHOHAN**  
(COMPANY SECRETARY)

**NISHAT MILLS LIMITED**



**TO ALL MEMBERS OF THE COMPANY**

Dear Sir (s) / Madam,

**INFORMATION U/S 218 OF THE COMPANIES ORDINANCE, 1984**

In pursuance of Section 218 of the Companies Ordinance, 1984, the members of Nishat Mills Limited ("the Company") are hereby informed that the Board of Directors of the Company in their meeting held on 27 October 2015 has approved the revision in the monthly remuneration of Mr. Umer Mansha, Chief Executive Officer of the Company from Rs.2,240,000/- to Rs.2,508,800/- per month with effect from 01 July 2015 plus other benefits as per service rules of the Company. There is no change in other terms and conditions of his appointment.

  
**Khalid Mahmood Chohan**  
Company Secretary

Lahore: 27 October 2015

# NISHAT MILLS LIMITED



## DISCLOSURE FORM

### INTERMS OF SECTION 15D OF THE SECURITIES AND EXCHANGE ORDINANCE, 1969

Name of the Company : Nishat Mills Limited  
Date of Report (Date of earliest : N/A  
event reported if applicable)  
Address of Registered Office : Nishat House, 53-A, Lawrence Road, Lahore.  
Contact Information : Company Secretary, Nishat House, 53-A  
Lawrence Road, Lahore.

Disclosure of inside information by listed company in terms of Section 15D(1).

The Board of Directors of Nishat Mills Limited in their meeting held on Tuesday the 27 of October, 2015, at 10:00 a.m. at 7-Main Gulberg, Lahore, recommended the followings: -

#### CASH DIVIDEND:-

45 % Final Cash Dividend i.e. Rs.4.50 (Rupees Four and Fifty Paisas Only) per share.

#### ANY OTHER PRICE SENSITIVE INFORMATION:

The Board of Directors has also approved :-

- A loan / advance up to Rs. 2 billion to Nishat Linen ( Private) Limited, a wholly owned subsidiary company, to meet the working capital requirements of Nishat Linen (Pvt) Limited.
- Execution of Business Agreement between Nishat Mills Limited and Nishat Linen (Pvt) Limited, a wholly owned subsidiary, for transfer of freehold land measuring 33 Kanals and 13 Marlas from Nishat Mills Limited to Nishat Linen (Pvt) Limited with all permissions of leave and license to operate a textile unit, against a yearly compensation of Rs. 12 Million from the date of possession with an annual increase of 10%.

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**NISHAT MILLS LIMITED**

( 2 )

**THE FINANCIAL RESULTS OF THE COMPANY ARE AS UNDER:-**

The separate profit and loss account for the year ended June 30, 2015 of the Company is as follows: -

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	( Rupees in Thousand )	
SALES	51,177,577	54,444,091
COST OF SALES	(45,153,439)	(46,580,317)
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EARNINGS PER SHARE – BASIC AND DILUTED (RUPEES)	<u>11.13</u>	<u>15.68</u>

# NISHAT MILLS LIMITED

N I S H A T

( 3 )

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	(5,679,919)	(5,560,792)
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EARNINGS PER SHARE – BASIC AND DILUTED (RUPEES)	19.18	20.53



( 4 )

[ ] Intimation of decision of the listed company to delay disclosure of inside information in terms of Section 15D(2).

N/A

[ ] Disclosure of inside information by listed company where the listed company or person acting on its behalf disclosed inside information to third party in terms of Section 15D(3).

N/A

[ ] Disclosure of transaction conducted by person discharging managerial responsibilities within a listed company or person closely associated with them in terms of Section 15D(5).

N/A

### Signatures

In case of company, pursuant to the requirements of the Securities & Exchange Ordinance of 1969 (XVII of 1969), the Company has duly caused this form/statement to be signed on its behalf by the undersigned hereunto duly authorized

October 27, 2015

  
Khalid Mahmood Chohan  
Company Secretary

# NISHAT MILLS LIMITED



## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that Annual General Meeting of the Shareholders of Nishat Mills Limited ("the Company") will be held on November 30, 2015 (Monday) at 11:00 A.M. at Nishat Hotel, 9-A, Gulberg III, Mian Mahmood Ali Kasuri Road, Lahore to transact the following business:

1. To receive, consider and adopt the Audited Unconsolidated and Consolidated Financial Statements of the Company for the year ended June 30, 2015 together with the Directors' and Auditors' reports thereon.
2. To approve Final Cash Dividend @ 45% (i.e. Rs. 4.50 Only Per Share) for the year ended 30 June 2015, as recommended by the Board of Directors.
3. To appoint statutory Auditors for the year ending June 30, 2016 and fix their remuneration.

By Order of the Board

  
(KHALID MAHMOOD CHOCHAN)  
COMPANY SECRETARY

Lahore  
October 27, 2015

### NOTES:

#### 1. BOOK CLOSURE NOTICE:-

The Ordinary Shares Transfer Books of the Company will remain closed from **24-11-2015 to 30-11-2015 (both days inclusive)** for entitlement of **45% Final Cash Dividend ( i.e. Rs. 4.50 Per Share)** and attending and voting at Annual General Meeting. Physical transfers/ CDS Transactions IDs received in order in all respect up to 1:00 p.m. on 23-11-2015 at Company's Share Registrar, M/s THK Associates (Pvt) Limited, **Karachi Office**, Ground Floor, State Life Building No. 3, Dr. Zia Uddin Ahmed Road, Karachi, **Lahore Office**, THK Associates (Pvt) Ltd. 2<sup>nd</sup> Floor, DYL Motorcycles Ltd. Office Building, Plot No. 346 Block No. G-III, Khokar Chowk, Main Boulevard, Johar Town, Lahore, will be considered in time for entitlement of 45% Final Cash Dividend and attending of meeting.

## NISHAT MILLS LIMITED



2. A member eligible to attend and vote at this meeting may appoint another member his / her proxy to attend and vote instead of him/her. Proxies in order to be effective must reach the Company's registered office not less than 48 hours before the time for holding the meeting. Proxies of the Members through CDC shall be accompanied with attested copies of their Computerized National identity Card (CNIC). In case of corporate entity, the Board's Resolution/power of attorney with specimen signature shall be furnished along with proxy form to the Company. The shareholders through CDC are requested to bring original CNIC, Account Number and Participant Account Number to produce at the time of attending the meeting.

3. Shareholders are requested to immediately notify the change in address, if any.

4. **Submission of copy of CNIC (Mandatory):**

The Securities and Exchange Commission of Pakistan (SECP) vide their S.R.O. 779 (i) 2011 dated August 18, 2011 has directed the company to print your Computerized National Identity Card (CNIC) number on your dividend warrants and if your CNIC number is not available in our records, your dividend warrant will not be issued / dispatched to you. In order to comply with this regulatory requirement, you are requested to kindly send photocopy of your CNIC to your Participant / Investor Account Services or to us (in case of physical shareholding) immediately to Company's Share Registrar, M/s THK Associates (Pvt) Limited.

5. **Revision of Withholding Tax on dividend income under Section 150 of Finance Act 2014:**

It is further being informed that pursuant to the provisions of Finance Act 2014, effective from July 1, 2015 a new criteria for withholding of tax on dividend income has been introduced by Federal Board of Revenue (FBR), as per this criteria, 'Filer' and 'Non-Filer' shareholders will pay tax on dividend income @ 12.50% and 17.50% respectively.

You are therefore advised to check and ensure your Filer status from Active Tax Payer List (ATL) available at FBR website <http://www.fbr.gov.pk/> as well as ensure that your CNIC / Passport number has been recorded by your Participant / Investor Account Services (in case your shareholding is in book entry form) or by Company's Share Registrar M/s THK Associates (Pvt) Limited (in case of physical shareholding). Corporate bodies (non-Individual shareholders) should ensure that their names and National Tax Numbers (NTN) are available in Active Tax Payer List at FBR website and recorded by Participant / Investor Account Services or by Company's Share Registrar (in case of physical shareholding).

# NISHAT MILLS LIMITED



## 6. Dividend Mandate (Optional):

Under Section 250 of the Companies Ordinance, 1984 a shareholder may, if so desires, direct the Company to pay dividend through his/ her/its bank account. In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide Circular Number 18 of 2012 dated June 05, 2012, kindly authorize the company for direct credit of your cash dividend in your bank account (please note that giving bank mandate for dividend payments is optional, in case you do not wish to avail this facility please ignore this notice, dividend will be paid to you through dividend warrant at your registered address). If you want to avail the facility of direct credit of dividend amount in your bank account, please provide following information to Company's Share Registrar, M/s THK Associates (Pvt) Limited.

Bank Account Details of Shareholder	
Title of Bank Account	
Bank Account Number	
Bank's name	
Branch name and address	
Cell number of shareholder	
Landline number of shareholder, if any	
It is stated that the above-mentioned information is correct and in case of any change therein, I / we will immediately intimate to the company and the concerned share registrar.	
Name, signature, folio # and CNIC number of shareholder	
<b>Notes:</b>	
(1) Those shareholders, who hold shares in book entry form in their CDS accounts, will provide the above dividend mandate information directly to their respective Participant / CDC Investor Account Services Department.	
(2) If dividend mandate information has already been provided by you, ignore this request.	

# NISHAT MILLS LIMITED



## 7. Transmission of Annual Financial Statements through Email:

In pursuance of the directions given by the Securities and Exchange Commission of Pakistan (SECP) vide SRO 787 (I)/2014 dated September 8, 2014, those shareholders who desire to receive Annual Financial Statements in future through email instead of receiving the same by Post are advised to give their formal consent along with their valid email address on a standard request form which is available at the Company's website i.e. [www.nishatmills.com](http://www.nishatmills.com) and send the said form duly signed by the shareholder along with copy of his CNIC to the Company's Share Registrar M/s THK Associates (Pvt) Limited. Please note that giving email address for receiving of Annual Financial Statements instead of receiving the same by post is optional, in case you do not wish to avail this facility please ignore this notice, Financial Statements will be sent to you at your registered address.

### Statement under Rule 4(2) of the Companies (Investment in Associated Companies or Associated Undertakings) Regulations, 2012

Name of Investee Company	MCB Bank Limited	Nishat Hotels and Properties Limited	Nishat Power Limited	Nishat Energy Limited
<b>Total Investment Approved:</b>	Equity investment of Rupees 2.593 billion was approved by members in EOGM held on March 31, 2014 for the period of three (3) years.	Equity investment of Rupees 1 billion was approved by members in EOGM held on March 31, 2014 for the period of three (3) years.	Investment of Rupees 1.5 billion by way of loans and advances was approved by members in EOGM held on March 31, 2014 for the period of three (3) years.	Equity investment of Rs. 4.875 billion and guarantee(s) upto Rs. 1 billion to the lenders of Nishat Energy Limited was approved by members in AGM held on 31 October 2015 for a period of (3) years.
<b>Amount of Investment Made to date:</b>	Investment of Rupees 838.959 million has been made against this approval to date.	Investment of Rupees 500 million has been made against this approval to date.	Nil	Equity Investment of Rupees 2.5 million has been made against this approval to date.
<b>Reasons for not having made complete investment so far where resolution required it to be implemented in specified time:</b>	Partial investment has been made in investee company. Further investment will be made depending on market conditions at appropriate time.	Partial investment has been made in investee company. Commercial operations of the investee company have not yet started. Nishat Mills Limited will make further equity investment at a suitable time after considering the macro economic conditions of the country.	No loan has been extended after the approval because funds request has not yet been made by the investee company.	Investment in Nishat Energy Limited is based on certain milestones which have not yet been accomplished. The first such milestone is conduction Feasibility Study. NEL has submitted its partial feasibility report to Punjab Power Development Board. Remaining portion of Feasibility Report shall be submitted soon.

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<b>Material change in financial statements of associated company or associated undertaking since date of the resolution passed for approval of investment in such company:</b>	At the time of approval, as per then available latest financial statements for the year ended 31 December 2013, the basic Earnings per Share was Rs. 19.31 and Break-up Value per Share was Rs. 87.39. As per latest available financial statements for the year ended 31 December 2014, the Basic Earnings per share is Rs. 21.85 and Break-up Value per Share is Rs.96.05 and for the review of half year ended June 30, 2015, the Basic Earnings per share is Rs. 12.17 and Break-up Value per Share is Rs.99.21.	At the time of approval, as per then available latest financial statements for the year ended 30 June 2013, the basic Loss per Share was Re.0.37 and Break-up Value per Share was Rs.12.26. As per latest available audited financial statements for the year ended 30 June 2015, the Basic Loss per share is Rs.0.09 and Break-up Value per Share is Rs. 9.91.	At the time of approval, as per then available latest financial statements for the year ended 30 June 2013, the basic Earnings per Share was Rs.7.74 and Break-up Value per Share was Rs.26.00. As per latest available audited financial statements for the year ended 30 June 2015, the Basic Earnings per share is Rs.8.80 and Break-up Value per Share is Rs. 32.79.	Nishat Energy Limited has issued paid-up share capital of 1 million shares of Rs. 10 each amounting to Rs. 10 million.  As per latest available audited financial statements for the year ended 30 June 2015, the basic loss per share is Rs. 4.94 and Break-up Value per Share is Rs. 5.06.
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