



SHAMS TEXTILE MILLS LIMITED

9 MONTHS REPORT

31 March 2017

(Un-Audited)



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COMPANY INFORMATION

Board of Directors

Muhammad Anwar	(Chairman)
Khalid Bashir	(Chief Executive)
Asif Bashir	
Khurram Mazhar Karim	
Muhammad Asif	(Nominee: NIT)
Shahid Arshad	
Sharik Bashir	

Chief Financial Officer

Farooq Ahmad

Head of Internal Audit

Tariq Javed

Company Secretary

Hashim Tariq

Audit Committee

Khurram Mazhar Karim	(Chairman)
Muhammad Anwar	(Member)
Asif Bashir	(Member)

Human Resource & Remuneration Committee

Asif Bashir	(Chairman)
Muhammad Anwar	(Member)
Khurram Mazhar Karim	(Member)

Share Registrar

Corptec Associates Private Limited
503-E, Johar Town, Lahore.

Auditors

Riaz Ahmad & Company
Chartered Accountants

Bankers

Allied Bank Limited
MCB Bank Limited
National Bank of Pakistan
The Bank of Punjab
Bank Islami Limited
United Bank Limited
Habib Metropolitan Bank Limited

Registered Office

7-B-III, Aziz Avenue, Gulberg-V, Lahore
Ph: +92-423-576 0379, 576 0382
Fax: +92-423-576 0376
Email: info@shams.com.pk
Web: www.shams.com.pk

Project Locations

Kotla Kahloon, District Nankana Sahib, Punjab
3-KM, Faisalabad Road, Chiniot, Punjab

DIRECTORS' REPORT

The Directors are pleased to present their report on the operational results of the Company for the quarter ended March 31, 2017.

General Review

The Textile Industry operated under severe constraints during the period under review. This was despite the improved electricity and gas situation which was alleviated to a great extent through provision of RLNG. The company operated at full production but due to low sale prices and poor offtake, the margins were significantly lower.

The sale price dropped considerably and demand remained poor. Our primary market for yarn China was very depressed. We faced severe competition from India and Vietnam. The world economy in general and the textile economy in particular impacted the demand of our products. There was slow demand from our major buyers so that prices had to be drastically cut to maintain our share of the export market. Our domestic market was also subject to imports of Indian yarn at much lower prices which affected our profitability even further. This also impacted the local sales margins and the company operations went into losses.

Operational Financial Performance:

Due to reduced margins, strict cost controls were exercised in order to reduce the cost of doing business. However, the bottom line of your Company remained negative as we had to hold larger than normal inventories.

Financial summary of the current quarter is as follows:

	NINE MONTHS ENDED	
	31 March 2017	31 March 2016
	(Rupees in thousand)	
SALES	2,571,879	2,291,929
COST OF SALES	(2,483,048)	(2,244,801)
GROSS PROFIT	88,831	47,128
DISTRIBUTION COST	(29,709)	(56,501)
ADMINISTRATIVE EXPENSES	(41,166)	(40,614)
OTHER EXPENSES	(663)	(2,595)
	(71,538)	(99,710)
	17,293	(52,582)
OTHER INCOME	4,098	11,653
PROFIT/(LOSS) FROM OPERATIONS	21,391	(40,929)
FINANCE COST	(31,850)	(28,886)
(LOSS) BEFORE TAXATION	(10,459)	(69,815)
TAXATION	(25,857)	(22,505)
(LOSS) AFTER TAXATION	(36,316)	(92,320)

Future Outlook:

The management does not expect any significant improvement in the over all business scenario in the near future. Although energy costs are expected to be lower others factors such as slag demand for our products will continue to impact our results. However efforts will be continued towards improvements where ever possible.

Acknowledgment:

We would like to thank the Board of Directors for their guidance at all times to all employees and shareholders for their cooperation.

For and On behalf of Board of Directors

Khalid Bashir
Chief Executive

April 25, 2017

ڈائریکٹرز رپورٹ

ڈائریکٹرز نو ماہ مارچ 31، 2017 کے مالیاتی حسابات بخوشی پیش کرتے ہیں۔

عام تاثر:

اس وقت ٹیکسٹائل کی صنعت بجلی کی ترسیل میں بہتری اور آرائل این جی کی موجودگی کے باوجود مشکلات کا شکار ہے۔ اگرچہ کمپنی پوری پیداوار کر رہی ہے لیکن کم قیمت کی وجہ سے منافع کافی کم ہے۔

قیمت فروخت کافی کم ہونے کے باوجود طلب میں کوئی اضافہ نہیں ہوا۔ ہمارے دھانگے کی طلب چائنہ میں بھی کم ہوئی ہے۔ ہمارا انڈیا اور ویت نام کے ساتھ کافی سخت مقابلہ ہے۔ دنیا کی معاشی صورتحال عموماً اور ٹیکسٹائل کی معاشی صورتحال خصوصاً ہماری مصنوعات کی طلب پر اثر انداز ہوتی ہے۔ طلب میں کمی کی وجہ سے اور عالمی منڈی میں اپنی جگہ برقرار رکھنے کے لیے قیمتوں میں بہت زیادہ کمی کی ہے۔ اس کے علاوہ ملکی منڈی میں انڈیا سے ستنوں پر دھاگہ درآمد کیا گیا جو کہ نفع پر مزید اثر انداز ہوا۔ اس کا اثر ملکی فروخت پر بھی ہوا اور کاروباری سرگرمیاں نقصان کا شکار ہوئیں۔

کاروباری لاگت کم کرنے کے لیے سخت پالیسیاں اپنائیں گیں تاہم کمپنی کو نقصان برداشت کرنا پڑا کیونکہ کمپنی کے پاس زیادہ سٹاک جمع ہو گیا تھا۔

مالیاتی حسابات:

نومائی	نومائی	(مبلغ ملین میں)
31 مارچ 2016ء	31 مارچ 2017ء	
2,291,929	2,571,879	فروخت
(2,244,801)	(2,483,048)	لاگت فروخت
47,128	88,831	خام منافع
(56,501)	(29,709)	تقسیمی لاگت
(40,614)	(41,166)	آپریٹنگ خرچہ
(2,595)	(663)	متنفر خرچہ
(99,710)	(71,538)	
(52,582)	17,293	متنفر آمدنی
11,653	4,098	
(40,929)	21,391	کاروباری سرگرمی پر منافع/ (نقصان)
(28,886)	(31,850)	فنانس خرچہ
(69,815)	(10,459)	ٹیکسیشن سے پہلے نقصان
(22,505)	(25,857)	ٹیکسیشن
(92,320)	(36,316)	ٹیکسیشن کے بعد نقصان

مستقبل کے امکانات:

مستقبل قریب میں کاروباری حالات کے بہتر ہونے کی کوئی توقع نہیں اگرچہ ایندھن کی لاگت کم ہوگی لیکن ہماری مصنوعات کی طلب میں کمی مالیاتی نتائج پر اثر انداز ہوگی تاہم بہتری کی کوشش جاری رہے گی۔

اظہار تشکر:

ہم تمام بورڈ آف ڈائریکٹرز کی مسلسل رہنمائی کا شکریہ ادا کرتے ہیں اور تمام کارکنوں اور حصہ داروں کا بھی ہمارے ساتھ تعاون کا شکریہ۔

خالد شیر

چیف ایگزیکٹو

25 اپریل 2017ء

CONDENSED INTERIM BALANCE SHEET

As At 31 March 2017

	Un Audited 31 March 2017	Audited 30 June 2016
Note	(Rupees in thousand)	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
25,000,000 (30 June 2016: 25,000,000) ordinary shares of Rupees 10 each	250,000	250,000
Issued, subscribed and paid up share capital		
8,640,000 (30 June 2016: 8,640,000) ordinary shares of Rupees 10 each	86,400	86,400
Reserves	734,272	729,200
Accumulated loss	(210,468)	(174,152)
Total equity	610,204	641,448
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term financing	5 77,220	104,234
Deferred income tax liability	6,565	6,426
	83,785	110,660
CURRENT LIABILITIES		
Trade and other payables	650,046	600,039
Accrued mark-up	6,949	6,243
Short term borrowings	718,416	582,060
Current portion of long term financing	5 61,564	73,127
	1,436,975	1,261,469
Total liabilities	1,520,760	1,372,129
CONTINGENCIES AND COMMITMENTS	6 -	-
TOTAL EQUITY AND LIABILITIES	2,130,964	2,013,577

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

Chief Executive

SHAMS TEXTILE MILLS LIMITED

	Un Audited 31 March 2017	Audited 30 June 2016
Note	(Rupees in thousand)	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	7 956,146	995,832
Long term security deposits	1,576	1,576
	957,722	997,408
CURRENT ASSETS		
Stores, spare parts and loose tools	52,057	42,428
Stock-in-trade	793,550	628,707
Trade debts	89,927	85,118
Advances	13,336	47,859
Short term prepayments	1,490	5,026
Other receivables	4,507	1,663
Short term investments	69,395	64,323
Sales tax refundable	70,283	53,381
Taxation - net	69,818	78,847
Cash and bank balances	8,879	8,817
	1,173,242	1,016,169
TOTAL ASSETS	2,130,964	2,013,577

Director

SHAMS TEXTILE MILLS LIMITED

CONDENSED INTERIM PROFIT & LOSS ACCOUNT (Un-Audited)
For The Period Ended 31 March 2017

	NINE MONTHS ENDED		QUARTER ENDED	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
Note	(Rupees in thousand)			
SALES	2,571,879	2,291,929	640,749	651,607
COST OF SALES	8 (2,483,048)	(2,244,801)	(607,230)	(629,507)
GROSS PROFIT	88,831	47,128	33,519	22,100
DISTRIBUTION COST	(29,709)	(56,501)	(6,910)	(19,030)
ADMINISTRATIVE EXPENSES	(41,166)	(40,614)	(13,852)	(13,478)
OTHER EXPENSE	(663)	(2,595)	(321)	(694)
	(71,538)	(99,710)	(21,083)	(33,202)
	17,293	(52,582)	12,436	(11,102)
OTHER INCOME	4,098	11,653	1,670	4,313
PROFIT / (LOSS) FROM OPERATIONS	21,391	(40,929)	14,106	(6,789)
FINANCE COST	(31,850)	(28,886)	(12,912)	(10,801)
(LOSS) / PROFIT BEFORE TAXATION	(10,459)	(69,815)	1,194	(17,590)
TAXATION	(25,857)	(22,505)	(6,968)	(6,883)
(LOSS) AFTER TAXATION	(36,316)	(92,320)	(5,774)	(24,473)
(LOSS) PER SHARE - BASIC AND DILUTED (RUPEES)	(4.20)	(10.69)	(0.67)	(2.83)

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

Chief Executive

Director

**CONDENSED INTERIM STATEMENT OF
COMPREHENSIVE INCOME (Un-audited)**

For The Period Ended 31 March 2017

	NINE MONTHS ENDED		QUARTER ENDED	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	(Rupees in thousand)			
(LOSS) AFTER TAXATION	(36,316)	(92,320)	(5,774)	(24,473)
OTHER COMPREHENSIVE (LOSS) / INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss:				
Surplus on remeasurement of available for sale investments	5,072	22,177	3,536	20,468
Other comprehensive income for the period	5,072	22,177	3,536	20,468
TOTAL COMPREHENSIVE (LOSS) FOR THE PERIOD	(31,244)	(70,143)	(2,238)	(4,005)

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

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT (Un-Audited)
For The Period Ended 31 March 2017

	Note	Nine Months Ended	
		31 March 2017	31 March 2016
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (utilized in) operations	9	(26,250)	(102,758)
Finance cost paid		(31,133)	(28,332)
Income tax paid		(16,689)	(22,341)
Dividend paid		(11)	10
Net cash generated from / (utilized in) operating activities		(74,083)	(153,421)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(24,018)	(10,447)
Proceeds from sale of property, plant and equipment		384	1,950
Net cash used in investing activities		(23,634)	(8,497)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		16,268	-
Repayment of long term financing		(54,845)	(54,845)
Short term borrowings - net		136,356	214,760
Net cash from financing activities		97,779	159,915
Net increase / (decrease) in cash and cash equivalents		62	(2,003)
Cash and cash equivalents at the beginning of the period		8,817	4,418
Cash and cash equivalents at the end of the period		8,879	2,415

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

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Un-Audited)
For The Period Ended 31 March 2017

	SHARE CAPITAL	Reserves					Accumulated Loss	TOTAL EQUITY
		Capital		Revenue		Total reserves		
		Premium on issue of right shares	Fair value reserve	Sub total	General reserve			
(Rupees in thousand)								
Balance as at 30 June 2015 (Audited)	86,400	86,400	37,615	124,015	600,000	724,015	(63,054)	747,361
Loss for the nine months ended 31 March 2016	-	-	-	-	-	-	(92,320)	(92,320)
Other comprehensive income for the nine months ended 31 March 2016	-	-	22,177	22,177	-	22,177	-	22,177
Total comprehensive loss for the nine months ended 31 March 2016	-	-	22,177	22,177	-	22,177	(92,320)	(70,143)
Balance as at 31 March 2016 (Un-audited)	86,400	86,400	59,792	146,192	600,000	746,192	(155,374)	677,218
Loss for the three months ended 30 June 2016	-	-	-	-	-	-	(18,778)	(18,778)
Other comprehensive income for the three months ended 30 June 2016	-	-	(16,992)	(16,992)	-	(16,992)	-	(16,992)
Total comprehensive loss for the three months ended 30 June 2016	-	-	(16,992)	(16,992)	-	(16,992)	(18,778)	(35,770)
Balance as at 30 June 2016 (Audited)	86,400	86,400	42,800	129,200	600,000	729,200	(174,152)	641,448
Loss for the nine months ended 31 March 2017	-	-	-	-	-	-	(36,316)	(36,316)
Other comprehensive loss for the nine months ended 31 March 2017	-	-	5,072	5,072	-	5,072	-	5,072
Total comprehensive loss for the nine months ended 31 March 2017	-	-	5,072	5,072	-	5,072	(36,316)	(31,244)
Balance as at 31 March 2017 (Un-audited)	86,400	86,400	47,872	134,272	600,000	734,272	(210,468)	610,204

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

Chief Executive

Director

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)
For The Period Ended 31 March 2017

1. THE COMPANY AND ITS OPERATIONS

Shams Textile Mills Limited ("the Company") is a public limited Company incorporated in Pakistan under the Companies Act, 1913 (Now the Companies Ordinance, 1984) and is listed on Pakistan Stock Exchange Limited. Its registered office is situated at 7-B-III, Aziz Avenue, Gulberg V, Lahore. The Company is engaged in the business of manufacturing, sale and trading of yarn.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to the shareholders, as required by Section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the nine months ended 31 March 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information should be read in conjunction with the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

	Un-audited	Audited
	31 March	30 June
	2017	2016
	(Rupees in thousand)	
5. LONG TERM FINANCING - SECURED		
Opening balance	177,361	214,536
Add: Obtained during the period / year	16,268	35,952
Less: Repaid during the period / year	54,845	73,127
	138,784	177,361
Less: Current portion shown under current liabilities	61,564	73,127
	77,220	104,234

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)
For The Period Ended 31 March 2017

7. CONTINGENCIES AND COMMITMENTS**Contingencies**

Bank guarantees of Rupees 69.596 million (30 June 2016: Rupees 69.596 million) are given by the banks of the Company in favour of Sui Northern Gas Pipelines Limited against gas connections, Lahore Electric Supply Company Limited (LESCO) and Faisalabad Electric Supply Company Limited (FESCO) against electricity connections and Director Excise and Taxation, Karachi against infrastructure cess.

Commitments

- i. Contracts for capital expenditures amounted to Rupees Nil (30 June 2016: Rupees 17.908 million).
- ii. Letters of credit for other than capital expenditures amounted to Rupees 6.868 million (30 June 2016: Rupees 91.171 million).

	Un-audited 31 March 2017	Audited 30 June 2016
	(Rupees in thousand)	
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 7.1)	905,267	946,403
Capital work-in-progress (Note 7.2)	50,879	49,429
	956,146	995,832
7.1 Operating fixed assets		
Opening book value	946,403	999,647
Add: Cost of additions during the period / year (Note 7.1.1)	22,568	36,408
Less: Book value of deletions during the period / year (Note 7.1.2)	116	1,340
Less: Depreciation charged during the period / year	63,588	88,312
Closing book value	905,267	946,403
7.1.1 Cost of additions		
Plant and machinery	16,803	29,749
Vehicles	5,765	6,659
	22,568	36,408
7.1.2 Book value of deletions		
Vehicles	116	1,340
7.2 Capital work-in-progress		
Buildings	50,879	47,135
Advance against purchase of motor vehicles	-	2,250
Letter of credit	-	44
	50,879	49,429

SHAMS TEXTILE MILLS LIMITED

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)
For The Period Ended 31 March 2017

	Un-Audited			
	Nine Months Ended		Quarter Ended	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
	(Rupees in thousand)			
8. COST OF SALES				
Raw materials consumed	1,714,671	1,756,253	599,247	500,528
Salaries, wages and other benefits	184,292	168,461	61,821	48,624
Stores, spare parts and loose tools consumed	61,729	62,297	23,658	19,095
Packing materials consumed	45,164	43,632	15,509	7,161
Repair and maintenance	21,305	21,068	7,641	6,781
Fuel and power	279,862	260,824	99,227	76,948
Insurance	5,080	3,642	1,907	1,219
Other factory overheads	3,380	3,729	1,284	1,139
Depreciation	60,815	63,546	20,360	21,191
	2,376,298	2,383,452	830,654	682,686
Work-in-process:				
Opening stock	27,855	26,581	29,894	30,709
Closing stock	(23,262)	(18,696)	(23,262)	(18,696)
	4,593	7,885	6,632	12,013
Cost of goods manufactured	2,380,891	2,391,337	837,286	694,699
Finished goods:				
Opening stock	494,532	151,263	162,319	232,607
Closing stock	(392,375)	(297,799)	(392,375)	(297,799)
	102,157	(146,536)	(230,056)	(65,192)
	2,483,048	2,244,801	607,230	629,507

	Un-audited	
	Nine Months Ended	
	31 March 2017	31 March 2016
	(Rupees in thousand)	

**9. CASH GENERATED FROM / (UTILIZED IN)
OPERATIONS**

Loss before taxation	(10,459)	(69,815)
Adjustments for non-cash charges and other items:		
Depreciation	63,588	65,945
Gain on sale of property, plant and equipment	(268)	(1,420)
Finance cost	31,850	28,886
Working capital changes (Note 9.1)	(110,961)	(126,354)
	(26,250)	(102,758)

9.1 Working capital changes

(Increase) / decrease in current assets:		
- Stores, spare parts and loose tools	(9,629)	13,989
- Stock-in-trade	(164,843)	(213,935)
- Trade debts	(4,809)	56,219
- Advances	34,523	29,007
- Short term prepayments	3,536	(1,191)
- Other receivables	(2,844)	(1,834)
- Sales tax refundable	(16,902)	(11,129)
	(160,968)	(128,874)
(Decrease) / increase in trade and other payables	50,007	2,520
	(110,961)	(126,354)

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)
For The Period Ended 31 March 2017

10. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL STATEMENTS

(i) Fair value hierarchy

Judgements and estimates are made in determining the fair values of the financial instruments that are recognised and measured at fair value in this condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 March 2017	Level 1	Level 2	Level 3	Total
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Rupees in thousand

Financial assets

Available for sale financial assets	69,395	-	-	69,395
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Total financial assets	69,395	-	-	69,395
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Recurring fair value measurements At 30 June 2016	Level 1	Level 2	Level 3	Total
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Rupees in thousand

Financial assets

Available for sale financial assets	64,323	-	-	64,323
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Total financial assets	64,323	-	-	64,323
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The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the year. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii. Valuation techniques used to determine fair values

Specific valuation technique used to value financial instruments was use of quoted market prices.

11. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise associated undertakings, other related parties, key management personnel and provident fund trust. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (Un-Audited)
For The Period Ended 31 March 2017

i. Transactions	Un-Audited			
	Nine Months Ended 31 March 2017	31 March 2016	Quarter Ended 31 March 2017	31 March 2016
	(Rupees in thousand)			
Associated companies				
Sale of goods and services	19,638	111,240	-	2,432
Purchase of goods and services	-	6,236	-	64
Insurance premium	2,771	7,622	799	720
Rent expense	180	180	60	60
Purchase of operating fixed assets	-	500	-	-
Insurance claim	15,093	4,135	-	-
Other related parties				
Company's contribution to employees' provident fund trust	3,781	3,857	1,292	1,286
Remuneration of Chief Executive, Director and Executives	21,160	20,880	6,519	6,960
ii. Period end balances				
	As at 31 March 2017 (Un-audited)			
	Associated Companies	Other related Parties	Total	
	(Rupees in thousand)			
Trade and other payables	-	59,625	59,625	
Short term investments	12,995	-	12,995	
	As at 30 June 2016 (Audited)			
	Associated Companies	Other related Parties	Total	
	(Rupees in thousand)			
Trade and other payables	12,270	48,690	60,960	
Short term investments	22,505	-	22,505	

12. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

13. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors of the Company and authorized for issue on April 25, 2017.

14. CORRESPONDING FIGURES

'In order to comply with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting", the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison, however, no significant re-arrangements have been made.

15. GENERAL

Figures have been rounded off to the nearest thousand of Rupees unless otherwise stated.

Chief Executive

Director

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