

Thal Limited

Condensed Interim Financial Statements
For the Period Ended September 30, 2018
(Un-audited)



Thal Limited

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Thal Limited

Directors' Review Report to the Shareholders

On behalf of the Board of Directors, I am pleased to share Directors' Review along with the unaudited interim condensed financial statements for the period ended September 30, 2018.

Financial Highlights

	Rupees in Millions	
	For the quarter ended Sep. 30, 2018	For the quarter ended Sep. 30, 2017
Sales	4,881	4,091
Profit Before Taxes	714	653
Profit After Taxes	511	500
Earnings Per Share (Rs.)	6.31	6.17

Performance Overview

During the first quarter ended on September 30, 2018, the Company posted sales revenue of Rs. 4.9 billion compared to Rs. 4.1 billion in the corresponding quarter last year, showing a growth of Rs. 790 million, or 19%. The basic & diluted Earnings Per Share (EPS) are Rs 6.31 compared to Rs. 6.17 in the corresponding period last year.

Business Brief – Engineering Segment

The strong growth witnessed in the domestic auto industry volumes over the last few years saw a reversal with a decline of 4% during the year, impacted by rising imports and lower domestic demand. Demand is expected to remain slow in the near term due to an adverse macroeconomic environment and impact of new legislation which requires car purchasers to be tax filers. During the quarter, import of used vehicles at 15,638 has also shown a decline of 34% as compared to 23,854 units in the same period last year.

The Company's Engineering segment comprises of the Thermal & Engine Components Business and Electric Systems Business. These businesses are primarily focused on OEM parts manufacturing for the local auto industry. The turnover of the Engineering Segment of your company for Q1 FY18-19 was recorded at Rs 3.5 billion, as compared to Rs 2.9 billion in the same period last year by increases in selling prices which partially offset cost increases from devaluation.

The aftermarket segment could not perform well during the quarter, exhibiting a decline of 14% over same period last year. This decline is mainly due to slow economic conditions and competition with grey channel auto part imports.

The government continues to negotiate the Free Trade Agreements (FTAs) with China, Thailand and Turkey. In this respect, the Company's management continues to represent its views to the government with a view to support the auto vendor industry by ensuring a cascading tariff and will continue its engagement on this issue.

The management continues to retain its focus on improving quality, health, safety and environment initiatives while enhancing cost efficiencies through continuous process improvement.

Thal Limited

Business Brief – Building Material & Allied Product Segment

Sales revenue of Building Material & Allied Product Segment during the quarter ended September 30, 2018 was Rs 1.4 billion against Rs 1.2 billion in the corresponding period last year resulting in an increase of 17%.

Jute Operations

In the quarter under review, Jute business maintained its positive momentum in terms of sales revenue and concentrated on sustaining its market share in the local industry, while continuously exploring new customers and new markets.

The business has been aggressively exploring export markets and has received positive leads, which may materialize into business in the latter part of the year. Additionally, new customers in the local market have also been tapped to further diversify our customer base and enhance our reach.

In line with the Q1 performance, sales during Q2 are expected to remain strong, although, the devaluation of the Pak Rupee is posing challenges in terms of product cost. The management continues to remain focused on improving quality, while enhancing cost efficiencies through continuous process improvement.

Papersack Business

In terms of overall volumes and profitability, the quarter under review remained better than the corresponding period of last year in consequence of proactive revision of selling prices. The projected growth in the cement industry has been lower due to the overall economic challenges and slowdown in the construction industry. Given the strong worldwide demand for paper the company continues to face significant challenges in ensuring the availability of paper at economical prices. The business is doing its best to ensure timely procurement of paper from multiple sources at a competitive price.

The volumes of Industrial sacks & SOS/food packaging have improved as compared to the same period last year while new segments of Carrier bags have also contributed in the top line growth. However, exchange rate volatility, along with anticipated price increase in raw material will continue to pose challenges for business profitability.

Laminates Operations

There was overall uncertainty in the market environment and rising cost pressures in this business particularly on account of fluctuating forex & energy costs. The business worked diligently to counter these negative developments & introduced new products & premium finishes to its line of products which have been received positively by the market. Additionally, the business invested in new machinery, which would enable it to save costs and offer its customers more variety in its products.

The company has also enhanced its market presence to enhance customer reach. These measures are expected to yield positive results in the near future.

Subsidiaries

Thal Boshoku Pakistan (Private) Limited (TBPK)

During the period under review, the Sales Revenue for the Company registered an increase of 15% vis-à-vis last year mainly due to an increase in selling prices at the back of PKR depreciation. The Company worked towards mitigating drop in profitability arising from higher material costs, through effective financial management, improved cost control, and efficient inventory management.

Construction of the Company's new manufacturing facility is progressing as per schedule and the management remains focused towards timely completion of the project. However, the future outlook of the Company is challenging due to continued pressure on demand, and economic uncertainty in the country.

Thal Limited

Habib- Metro Pakistan (Private) Limited (HMPL)

The main business of Habib METRO Pakistan (Private) Limited (HMPL) is to own and manage retail store properties. Thal Limited holds 60% shareholding in the subsidiary. The company is exploring various business opportunities to complement the cash & carry retail rental business and to enhance enterprise value from its store locations.

During the quarter, HMPL approved final dividend of Rs. 102 million for payment to Thal Limited.

Makro-Habib Pakistan Limited (MHPL)

The Honorable Supreme Court of Pakistan dismissed the MHPL's Review Petition for the Saddar Store and as a consequence, the Saddar Store of MHPL was closed down on September 11, 2015.

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

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

Investment in Power Sector

Sindh Engro Coal Mining Company Limited (SECMC)

SECMC is a joint venture between the Government of Sindh, Thal Limited, Engro Powergen Limited, Hub Power Company Limited, Habib Bank Limited, CMEC Thar Mining Investments Limited and SPI Mengdong. It is engaged in developing Pakistan's first open pit mining project at Thar Coal Block II. The project achieved its Financial close on April 4, 2016.

The project is under construction and presently the progress is ahead of schedule. To date c. 99 M BCM of overburden has been removed and the mine has reached a depth of 148 meters. Related infrastructure projects of Effluent Disposal Line and Left Bank Outfall Drainage Scheme are expected to come online as per schedule.

For the first phase of the project, the Board of Directors of Thal Limited approved a total exposure of Pak Rupee equivalent of US\$ 36.1 million, which includes equity investment of US\$ 24.3 million, US\$ 5 million for cost over-run and US\$ 6.8 million for debt servicing reserve. To date the Company has invested Rs. 1,649 million equivalent to US\$ 15.26 million.

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

SECMC has entered into Coal Supply Agreements with ThalNova Power Thar (Pvt) Ltd and Thar Energy Ltd to supply additional 1.9 million tons of lignite per annum to each 330 MW power plant respectively.

Thal Power (Private) Limited

The Company has entered into a Joint Venture Agreement with Novatex Limited, for collaboration to develop a 330 MW mine mouth coal-fired power generation plant located at Thar, Sindh. This power plant will be based on lignite coal extracted from the mine operated by Sind Engro Coal Mining Company (SECMC).

Thal Limited

The Company through its wholly owned subsidiary, Thal Power (Private) Limited has incorporated a JV project company, i.e., ThalNova Power Thar Private Limited ("ThalNova"), to develop the project.

ThalNova has obtained the Letter of Intent (LOI) and the Letter of Support (LOS) from the Private Power Infrastructure Board (PPIB). National Electric Power Regulatory Authority (NEPRA) has issued the Generation License and awarded the Upfront Tariff on Thar coal to the project company. ThalNova has also been issued a No Objection Certificate (NOC) by the Sindh Environmental Protection Agency (SEPA). China Machinery & Engineering Corporation has been appointed as the EPC Contractor. ThalNova has entered into Coal Supply Agreement (CSA) with SECMC to supply 1.9 million tons per annum lignite. It has also entered into a Power Purchase Agreement (PPA) with the Central Power Purchase Agency (Guarantee) Ltd. and the Implementation Agreement ("IA") with PPIB, China Development Bank ("CDB") and Habib Bank Limited ("HBL") have been engaged for arrangement of foreign and local currency project debt respectively.

Thal Power (Private) Limited is currently exploring an approach from The Hub Power Company Limited for acquisition of part of Thal Power (Private) Limited's equity in ThalNova Thar Power. Subject to successful agreement on terms and completion of this transaction (allowing due diligence & receipt of the requisite corporate and regulatory approvals) Thal (Power) Private Limited would reduce its shareholding in ThalNova down to 26%.

Whilst the project has sound fundamentals being based on indigenous resources and enjoys good support and encouragement from the respective governments, it also presents significant challenges in achieving timely financial close. ThalNova is actively engaged in concluding all project agreements and securing financial close for the project.

Acknowledgement

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

On behalf of the Board



Mazhar Valjee
Chief Executive

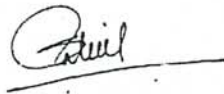
Karachi: October 26, 2018.

THAL LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,622,618	1,410,212
Intangible assets		13,330	15,094
Investment property		1,000	1,002
Long-term investments	5	5,169,534	4,938,387
Long-term loans	6	787,429	788,428
Long-term deposits		13,546	13,396
Deferred tax asset - net		202,386	191,151
		7,809,843	7,357,670
CURRENT ASSETS			
Stores, spares and loose tools	7	137,045	131,572
Stock-in-trade		4,967,957	3,953,914
Trade debts		1,699,168	1,519,728
Loans and advances		91,893	91,907
Trade deposits and short-term prepayments		346,240	141,318
Interest accrued		2,097	2,088
Other receivables		93,698	16,400
Short-term investments	8	3,598,223	4,847,238
Income Tax - net	9	43,519	82,828
Sales tax refundable		5,105	91,517
Cash and bank balances		710,346	701,283
		11,695,291	11,559,793
TOTAL ASSETS		19,505,134	18,917,463
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Reserves		16,523,964	16,032,520
		16,929,114	16,437,670
NON-CURRENT LIABILITIES			
Long-term deposits		2,379	2,379
CURRENT LIABILITIES			
Trade and other payables		2,442,878	2,318,998
Unclaimed dividend		49,012	49,712
Unpaid dividend		46,429	47,954
Short-term running finance		35,113	60,750
Accrued mark-up		209	-
		2,573,641	2,477,414
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITIES AND LIABILITIES		19,505,134	18,917,463

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS
FOR THE PERIOD ENDED SEPTEMBER 30, 2018
(UN-AUDITED)

	Note	Quarter Ended	
		Sep 30, 2018	Sep 30, 2017
(Rupees in thousands)			
Revenue - net		4,880,916	4,090,615
Cost of sales		(4,034,336)	(3,358,614)
Gross Profit		<u>846,580</u>	<u>732,001</u>
Distribution costs		(80,899)	(55,649)
Administrative expenses		(179,392)	(172,069)
Other charges		(50,874)	(46,393)
		<u>(311,165)</u>	<u>(274,111)</u>
Other income	11	181,647	198,608
Operating Profit		<u>717,062</u>	<u>656,498</u>
Finance costs		(3,138)	(3,957)
Profit before taxation		<u>713,924</u>	<u>652,541</u>
Taxation		(202,851)	(152,989)
Profit after taxation		<u>511,073</u>	<u>499,552</u>
		<u>Rupees</u>	
Basic and diluted earnings per share	12	<u>6.31</u>	<u>6.17</u>

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Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



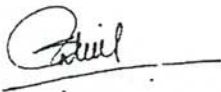
Salman Burney
Director

THAL LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Quarter Ended	
	Sep 30, 2018	Sep 30, 2017
	(Rupees in thousands)	
Profit after taxation	511,073	499,552
Other comprehensive income		
<i>Item to be reclassified to statement of profit or loss in subsequent periods:</i>		
Gain on revaluation of available for sale investments	(19,629)	(25,267)
Total comprehensive income for the period	<u>491,444</u>	<u>474,285</u>

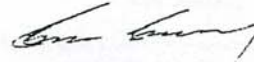
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Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED SEPTEMBER 30, 2018
(UN-AUDITED)

	Sep 30, 2018	Sep 30, 2017
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	713,924	652,541
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	60,180	43,582
Finance costs	3,138	3,957
Profit earned on call deposits and short-term investments	(13,120)	(70,518)
Liabilities no longer payable written back	(736)	(83)
Gain on revaluation / redemption of investments at fair value through profit and loss	(61,670)	(29,783)
Dividend income	(83,708)	(78,368)
Provision for impairment of trade debts	20,562	6,520
Reversal of provision for impairment on loan to Makro Habib Pakistan Limited	-	(6,766)
Provision for retirement benefits	2,128	1,767
Gain on disposal of property, plant and equipment and intangible assets	(1,110)	(451)
	(74,336)	(130,043)
	639,588	522,498
(Increase) / decrease in current assets		
Stores, spares and loose tools	(5,473)	(11,874)
Stock-in-trade	(1,014,043)	(183,851)
Trade debts	(200,002)	(290,828)
Loans and advances	14	(5,652)
Trade deposits and short-term prepayments	(204,922)	1,921
Other receivables	6,088	(1,999)
Sale tax refundable	86,412	-
Increase / (decrease) in current liabilities		
Trade and other payables	122,494	280,614
Sales tax payable	-	117,715
	(1,209,432)	(93,754)
Cash (used in) / generated from operations	(569,844)	428,744
Finance costs paid	(2,929)	(3,957)
Retirement benefits paid	(6)	(6,199)
Income tax paid	(194,777)	(22,521)
Long-term loans	999	999
Long-term deposits - net	(150)	(84)
Net cash (used in) / generated from operating activities	(766,707)	396,982
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(273,380)	(117,635)
Long-term loans to subsidiaries - net	-	(125,000)
Dividends received	429	73,601
Profit received on call deposits and short-term investments	13,145	82,788
Proceeds from disposal of property, plant and equipment and intangible assets	3,583	3,313
Long-term investments made during the period	(250,776)	(144,838)
Short-term investments encashed / (made) during the period	1,015,970	(508,761)
Net cash generated from / (used in) investing activities	508,951	(736,532)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(2,225)	(321)
Net cash used in financing activities	(2,225)	(321)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(259,981)	(339,871)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	1,281,994	4,970,397
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,022,013	4,630,526
Cash and bank balances	710,346	311,916
Short-term investments	346,780	4,333,000
Short-term running finance	(35,113)	(14,390)
	1,022,013	4,630,526

The annexed notes from 1 to 17 form an integral part of these unconsolidated condensed interim financial statements.



Sháhid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



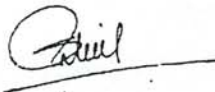
Salman Burney
Director

THAL LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Issued, subscribed & paid-up capital	Reserves			Gain/(Loss) on changes in fair value of available for sale investments	Total equity
		Capital reserve	General reserve	Unappropriated profit		
Rupees in '000						
Balance as at June 30, 2017 (Audited)	405,150	55,704	11,165,499	3,662,802	143,925	15,433,080
Transfer to general reserve	-	-	2,366,000	(2,366,000)	-	-
Profit for the period	-	-	-	499,552	-	499,552
Other comprehensive income	-	-	-	-	(25,267)	(25,267)
Total comprehensive income	-	-	-	499,552	(25,267)	474,285
Balance as at September 30, 2017 (Unaudited)	405,150	55,704	13,531,499	1,796,354	118,658	15,907,365
Balance as at June 30, 2018 (Audited)	405,150	55,704	13,531,499	2,281,141	164,176	16,437,670
Transfer to general reserve	-	-	1,592,000	(1,592,000)	-	-
Profit for the period	-	-	-	511,073	-	511,073
Other comprehensive income	-	-	-	-	(19,629)	(19,629)
Total comprehensive income	-	-	-	511,073	(19,629)	491,444
Balance as at September 30, 2018 (Unaudited)	405,150	55,704	15,123,499	1,200,214	144,547	16,929,114

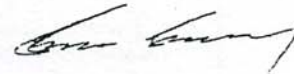
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Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

1.2 Geographical location and address of business units

Head Office

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

Plants

The Jute operations are located at Muzaffargarh, Punjab.

Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh.

Papersack operations are located at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa.

Laminate operations are located at Hub, Balochistan.

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

2 BASIS OF PREPARATION

- 2.1 These unconsolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's audited unconsolidated financial statements for the year ended June 30, 2018. The Company has adopted certain amended International Financial Reporting Standards which became effective during the period and reported in note 5.1 to the audited unconsolidated financial statements for the year ended June 30, 2018. The adoption of such amended standards did not have any effect on these unconsolidated condensed interim financial statements.

THAL LIMITED

4 PROPERTY, PLANT AND EQUIPMENT

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
Operating fixed assets	4.1	1,187,145	1,218,787
Capital work-in-progress	4.2	435,473	191,425
		1,622,618	1,410,212

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

	Additions at cost		Deletions on book value	
	Quarter Ended Sep 30,		Quarter Ended Sep 30,	
	2018	2017	2018	2017
	(Un-audited)		(Un-audited)	
----- (Rupees in '000) -----				
Operating Fixed Assets				
Plant and machinery	15,511	13,393	156	-
Furniture and fittings	-	36	-	-
Vehicles	3,564	-	1,866	2,691
Office and mills equipment	1,333	477	99	-
Computer equipment	4,893	2,267	207	171
Jigs and fixtures	3,649	3,963	-	-
	28,950	20,136	2,328	2,862

4.2 During the period, capital work in progress amounting to Rs. 15.280 million (September 30, 2017: Rs. 16.626 million) was transferred to operating fixed assets.

THAL LIMITED

	Sep 30, 2018 <u>(Un-audited)</u>	June 30, 2018 <u>(Audited)</u>
<u>(Rupees in thousands)</u>		
5 LONG-TERM INVESTMENTS		
<i>Investment in related parties</i>		
<i>Subsidiaries, un-quoted - at cost</i>		
Noble Computer Services (Private) Limited	1,086	1,086
Pakistan Industrial Aids (Private) Limited	10,000	10,000
Habib METRO Pakistan (Private) Limited	2,789,223	2,789,223
A-One Enterprises (Private) Limited	61,395	61,395
Thal Boshoku Pakistan (Private) Limited	104,500	104,500
Thal Power (Private) Limited	100	100
Advance against issuance of shares of Thal Boshoku Pakistan (Private) Limited	275,000	275,000
Makro Habib Pakistan Limited (MHPL)	223,885	223,885
Less: Provision for impairment of investment in MHPL	(223,885)	(223,885)
	-	-
	3,241,304	3,241,304
<i>Associates - at cost</i>		
<i>Quoted</i>		
Indus Motor Company Limited	48,900	48,900
Habib Insurance Company Limited	561	561
Agriauto Industries Limited	9,473	9,473
Shabbir Tiles and Ceramics Limited	21,314	21,314
	80,248	80,248
<i>Other investments - available for sale</i>		
<i>Quoted - at fair value</i>		
Habib Sugar Mills Limited	74,210	75,610
GlaxoSmithKline (Pakistan) Limited	248	278
GlaxoSmithKline Healthcare (Pakistan) Limited	175	203
Dynea Pakistan Limited	87,924	103,839
Allied Bank Limited	18,531	18,755
Habib Bank Limited	9,857	10,839
TPL Properties Limited	8,250	9,300
	199,195	218,824
<i>Un-Quoted - at cost</i>		
Sindh Engro Coal Mining Company Limited	1,648,787	1,398,011
	5,169,534	4,938,387

5.1 All investments have been made in accordance with the provisions of the Section 199 of the Companies Act, 2017 and the rules promulgated for this purpose.

THAL LIMITED

6 LONG-TERM LOANS

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

	Sep 30, 2018	June 30, 2018
Note	(Un-audited)	(Audited)
	(Rupees in thousands)	
7 STOCK-IN-TRADE		
Raw material		
In hand	3,306,945	2,586,886
In transit	582,867	639,192
Work-in-process	268,941	226,833
Finished goods	809,204	501,003
7.1	<u>4,967,957</u>	<u>3,953,914</u>

7.1 This includes items amounting to Rs. 38,449 million (June 30, 2018: Rs. 38,284 million) carried at net realizable value. [Cost Rs. 87,655 million (June 30, 2018: Rs. 93,422 million)]

8 SHORT-TERM INVESTMENTS

8.1 These represent investment in Term Deposit Receipts amounting to Rs. 351.646 million (June 30, 2018: Rs. 347.954 million), Government Treasury Bills amounting to nil (June 30, 2018: Rs. 299.445 million) and Mutual Funds amounting to Rs. 3,246.577 million (June 30, 2018: 4,199.839 million).

8.2 Term deposit receipts include Rs. 1.093 million (June 30, 2018: Rs. 1.081 million) maintained with Habib Metropolitan Bank, a related party.

8.3 These include short-term investments amounting to Rs. 346.780 million (June 30, 2018: Rs. 641.461 million) having maturity up to three months.

	Sep 30, 2018	June 30, 2018
Note	(Un-audited)	(Audited)
	(Rupees in thousands)	
9 INCOME TAX - NET		
Group Tax Relief adjustments	9.1 593,466	593,466
Group Taxation adjustments	9.2 (229)	512
Income tax provisions less tax payments - net	<u>(549,718)</u>	<u>(531,150)</u>
	<u>43,519</u>	<u>62,828</u>

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

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

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

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

THAL LIMITED

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

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

10.2 Commitments

- 10.2.1 Letter of guarantees issued by banks on behalf of the company amount to Rs. 1,426.580 million (June 30, 2018: Rs. 1,424.711 million).
- 10.2.2 Post dated cheques issued to Collector of Customs amounts to Rs. 28.359 million (June 30, 2018: Rs. 24.545 million).
- 10.2.3 Letter of credits outstanding for raw material and spares amounts to Rs. 1,349.6 million (June 30, 2018: Rs. 1,708.273 million).
- 10.2.4 Commitments in respect of capital expenditure are Rs. 6.421 million (June 30, 2018: Rs. 7.515 million).
- 10.2.5 Commitments for rentals under Ijarah agreements to a related party in respect of vehicles and computers amount to Rs. 26.330 million (June 30, 2018: Rs. 29.187 million).

	Note	Quarter Ended	
		Sep 30, 2018 (Un-audited)	Sep 30, 2017 (Un-audited)
(Rupees in thousands)			
11 OTHER INCOME			
Income from financial assets			
Dividend income	11.1	83,708	78,368
Profit earned on call deposits and short-term investments		13,120	70,518
Gain on revaluation / redemption of investments at fair value through profit or loss		61,670	29,783
Others		2,036	7,114
		<u>160,534</u>	<u>185,783</u>
Income from non-financial assets			
Gain on disposal of property, plant and equipment		1,110	451
Others		20,003	12,374
		<u>21,113</u>	<u>12,825</u>
		<u>181,647</u>	<u>198,608</u>

- 11.1 Includes dividend income from a subsidiary company amounting to Rs. 83.279 million (September 30, 2017: 61.955 million) and associate companies amounting to nil (September 30, 2017: Rs. 15.867 million).

	Quarter Ended	
	Sep 30, 2018 (Un-audited)	Sep 30, 2017 (Un-audited)
(Rupees in thousands)		
12 BASIC AND DILUTED EARNINGS PER SHARE		
There is no dilutive effect on the basic earnings per share of the Company, which is based on:		
Profit after taxation	<u>511,073</u>	<u>499,552</u>
	Number of shares in thousands	
Weighted average number of ordinary shares of Rs. 5/- each in issue	<u>81,030</u>	<u>81,030</u>
	(Rupees)	
Basic and diluted earnings per share	<u>6.31</u>	<u>6.17</u>

THAL LIMITED

13 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Relationship	Nature of transactions	Quarter Ended	
		Sep 30, 2018 (Un-audited)	Sep 30, 2017 (Un-audited)
(Rupees in thousands)			
Subsidiaries	Professional Services acquired	46,166	40,620
	Purchase of goods	118	548
	Rent received	1,385	1,319
	Loan to Subsidiary	-	125,000
	Service Fee	6,930	6,930
	Tax loss acquired under group taxation	3,003	157
	Sale of assets	137	1,568
Associates	Sales of goods	3,017,914	2,362,990
	Insurance premium	8,739	7,680
	Purchase of assets	196	2,653
	Purchase of goods	-	31,381
	Supplies purchased	10,898	2,183
	Insurance claim received	3,542	1,338
	Mark-up and bank charges paid	960	2,357
	Profit received on call deposits and short-term investments	3,717	28,624
	Rent paid	-	216
ljarah rentals	5,406	-	
Employee benefit plans	Contribution to provident fund	10,420	10,186
	Contribution to retirement benefit fund	2,128	2,972
Key management personnel	Key management personnel compensation	11,933	18,077
		Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
Balances			
	Receivable from associates in respect of trade debts	459,359	531,627
	Prepayments made to associates	9,442	11,604
	Other receivables from subsidiaries	88,485	12,326
	Other receivables from associates	125	4
	Bank balances with associates	500,212	374,041
	Payable to subsidiaries in respect of trade and other payables	21,414	1,527
	Payable to associates in respect of trade and other payables	7,848	11,464
	Payable to associate in respect of short-term running finance	34,347	58,579

13.1 The investments in related parties are disclosed in note 5 and 8 to these unconsolidated condensed interim financial statements.

THAL LIMITED

14 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

There were no transfers amongst levels during the period.

15 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors has recommended final cash dividend of Rs. 8.5 per share for the year ended June 30, 2018. These unconsolidated condensed interim financial statements do not reflect the payment of cash dividend which has been approved by the shareholders in the annual general meeting held on October 22, 2018.


16 General

16.1 Figures have been rounded off to the nearest thousands.

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

17 DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial statements were authorised for issue on October 26, 2018 by the Board of Directors of the Company.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive




Salman Burney
Director


THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,426,397	1,947,728
Intangible assets		16,015	17,521
Investment property		6,672,486	6,702,921
Long-term investments	5	5,124,541	4,624,862
Long-term loans		7,415	9,048
Long-term deposits		21,705	21,433
Long-term prepayments		22,501	22,501
Deferred tax asset - net		202,635	191,145
		14,493,695	13,537,159
CURRENT ASSETS			
Stores, spares and loose tools		144,131	137,465
Stock-in-trade	6	5,080,011	4,047,147
Trade debts		1,815,888	1,593,086
Loans and advances		107,694	105,905
Trade deposits and short-term prepayments		423,186	151,110
Interest accrued		2,390	2,451
Other receivables		6,479	30,400
Short-term investments	7	8,178,944	9,069,237
Sales tax refundable		27,835	105,163
Cash and bank balances		832,590	1,325,900
		16,619,148	16,567,864
TOTAL ASSETS		31,112,843	30,105,023
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		20,810,246	19,957,969
Equity attributable to equity holders of the parent		21,215,408	20,363,131
Non-controlling interest		6,533,060	6,484,082
		27,748,468	26,847,213
NON-CURRENT LIABILITIES			
Long-term deposits		318,509	319,720
CURRENT LIABILITIES			
Trade and other payables		2,748,992	2,672,579
Unclaimed dividend		49,012	49,712
Unpaid dividend		96,397	47,954
Short-term borrowings		35,113	60,750
Deferred income		24,585	10,172
Accrued markup		209	-
Income Tax - net	8	91,558	96,923
		3,045,866	2,938,090
CONTINGENCIES AND COMMITMENTS			
	9		
TOTAL EQUITIES AND LIABILITIES		31,112,843	30,105,023

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.


Shahid Saleem
Chief Financial Officer


Mazhar Valjee
Chief Executive


Salman Borney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Note	Quarter ended	
		Sep 30, 2018	Sep 30, 2017
(Rupees in thousands)			
Revenue - net		5,148,188	4,341,680
Cost of sales		<u>(4,220,606)</u>	<u>(3,516,994)</u>
Gross Profit		927,582	824,686
Distribution costs		(82,445)	(57,835)
Administrative expenses		(372,699)	(370,434)
Other charges		(52,133)	(47,876)
		<u>(507,277)</u>	<u>(476,145)</u>
Other income	10	600,683	574,643
Operating Profit		<u>1,020,988</u>	<u>923,184</u>
Finance costs		(3,457)	(4,215)
		<u>1,017,531</u>	<u>918,969</u>
Share of net profit of associates - after tax		271,922	166,580
Profit before taxation		<u>1,289,453</u>	<u>1,085,549</u>
Taxation		(309,660)	(256,333)
Profit after taxation		<u><u>979,793</u></u>	<u><u>829,216</u></u>
Attributable to:			
- Equity holders of the Holding Company		875,296	735,223
- Non-controlling interest		104,497	93,993
		<u><u>979,793</u></u>	<u><u>829,216</u></u>
		<u>Rupees</u>	
Basic and diluted earnings per share attributable to the equity holders of the Holding Company	11	<u>10.80</u>	<u>9.07</u>

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

**CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2018
(UN-AUDITED)**

	Quarter ended	
	Sep 30, 2018	Sep 30, 2017
	(Rupees in thousands)	
Profit after taxation	979,793	829,216
Other comprehensive income		
<i>Items to be reclassified to statement of profit or loss in subsequent periods:</i>		
Loss on revaluation of available for sale investments	(19,629)	(25,267)
<i>Items not to be reclassified to statement of profit or loss in subsequent periods:</i>		
Share of actuarial loss on remeasurement of defined benefit plans of associates	(3,390)	(119)
Total comprehensive income for the period, net of tax	<u>956,774</u>	<u>803,830</u>
Attributable to:		
- Equity holders of the Holding Company	852,277	709,837
- Non-controlling interest	104,497	93,993
	<u>956,774</u>	<u>803,830</u>

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Sep 30, 2018	Sep 30, 2017
(Rupees in thousands)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,289,453	1,085,549
Adjustments for non-cash charges and other items:		
Depreciation and amortization	127,313	115,526
Share in profit of associates - after taxation	(271,922)	(166,580)
Finance costs	3,457	4,215
Profit earned on call deposits and short-term investments	(60,705)	(108,337)
Liabilities no longer payable written back	(736)	(83)
Gain on revaluation / redemption of investments at fair value through profit and loss	(93,714)	(48,922)
Dividend income	(429)	(546)
Provision for impairment of trade debts	20,561	7,085
Provision for retirement benefits	2,128	1,767
Gain on disposal of property, plant and equipment and intangible assets	(1,262)	(2,842)
	<u>(274,709)</u>	<u>(198,717)</u>
	1,014,744	886,832
(Increase) / decrease in current assets		
Stores, spares and loose tools	(6,666)	(11,774)
Stock-in-trade	(1,032,864)	(185,344)
Trade debts	(243,363)	(319,416)
Loans and advances	(1,789)	(10,005)
Trade deposits and short-term prepayments	(272,076)	(73,467)
Other receivables	24,181	(16,553)
Sales tax refundable	77,328	-
Increase / (decrease) in current liabilities		
Deferred income	14,413	15,553
Trade and other payables	75,027	271,698
Sales tax payable	-	125,349
	<u>(1,365,809)</u>	<u>(203,959)</u>
Cash (used in) / generated from operations	(351,065)	682,873
Finance costs paid	(3,248)	(4,215)
Retirement benefits paid	(6)	(6,199)
Income tax paid	(326,515)	(106,693)
Long-term loans	1,633	999
Long-term deposits - net	(1,483)	(159)
Net cash (used in) / generated from operating activities	(680,684)	567,606
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(577,065)	(150,923)
Dividends received	429	11,646
Profit received on call deposits and short term investments	53,355	115,964
Long-term investments made during the period	(290,776)	(269,838)
Proceeds from disposal of property, plant and equipment and intangible assets	3,426	7,631
Short-term investments encashed / (made) during the period	1,052,790	(422,548)
Net cash generated from / (used in) investing activities	282,159	(708,068)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(7,776)	(52,724)
Net cash used in financing activities	(7,776)	(52,724)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(406,301)	(193,186)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4,054,544	7,541,508
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>3,648,243</u>	<u>7,348,322</u>
Cash and bank balances	832,590	672,419
Short-term investments	2,850,766	6,690,293
Short-term running finance	(35,113)	(14,390)
	<u>3,648,243</u>	<u>7,348,322</u>

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Issued, subscribed & paid-up capital	Share deposit money	RESERVES				Non-controlling interest	Total equity
			Capital reserve	General reserve	Unappropriated profit	Gain/(Loss) on changes in fair value of available for sale investments		
Rupees in '000								
Balance as at June 30, 2017 (Audited)	405,150	12	67,929	11,207,374	7,027,888	143,928	6,116,511	24,968,892
Transfer to general reserve	-	-	-	2,368,000	(2,368,000)	-	-	-
Subsidiary Companies								
Final dividend @ Rs. 0.304/- per share for the year ended June 30, 2017							(41,303)	(41,303)
Profit for the period	-	-	-	-	735,223	-	93,993	829,216
Other comprehensive income	-	-	-	-	(119)	(25,267)	-	(25,386)
Total comprehensive income	-	-	-	-	735,104	(25,267)	93,993	803,830
Balance as at September 30, 2017 (Unaudited)	405,150	12	67,929	13,573,374	5,396,992	118,561	6,169,301	25,731,419
Balance as at June 30, 2018 (Audited)	405,150	12	67,929	13,573,374	6,152,487	164,179	6,484,082	26,847,213
Transfer to general reserve	-	-	-	1,592,000	(1,592,000)	-	-	-
Subsidiary Companies								
Final dividend @ Rs. 0.408/- per share for the year ended June 30, 2018	-	-	-	-	-	-	(55,519)	(55,519)
Profit for the period	-	-	-	-	875,298	-	104,497	979,793
Other comprehensive income	-	-	-	-	(3,390)	(19,629)	-	(23,019)
Total comprehensive income	-	-	-	-	871,906	(19,629)	104,497	956,774
Balance as at September 30, 2018 (Unaudited)	405,150	12	67,929	15,165,374	5,432,393	144,550	6,533,060	27,748,468

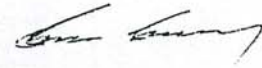
The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Buremy
Director

THAL LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

1 THE GROUP AND ITS OPERATIONS

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

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

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

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

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

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

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

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

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

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

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

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

1.2 Geographical location and address of busines units

Holding Company:

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

Plants

The Jute operations are located at Muzaffargarh, Punjab.

Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh.

Papersack operations are located at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa.

Laminate operations are located at Hub, Balochistan.

Subsidiaries:

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

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

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

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

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

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

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

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

THAL LIMITED

2 BASIS OF PREPERATION

2.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

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

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

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended June 30, 2018. The Group has adopted certain amended International Financial Reporting Standards which became effective during the period and reported in note 6.1 to the audited consolidated financial statements for the year ended June 30, 2018. The adoption of such amended standards and interpretation did not have any effect on these consolidated condensed interim financial statements.

4 PROPERTY, PLANT AND EQUIPMENT

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
Operating fixed assets	4.1	1,499,031	1,534,660
Capital work-in-progress	4.2	927,366	413,068
		<u>2,426,397</u>	<u>1,947,728</u>

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

	Additions at cost		Deletions at book value	
	Quarter ended		Quarter ended	
	Sep 30,		Sep 30,	
	2018	2017	2018	2017
	(Un-audited)		(Un-audited)	
----- (Rupees in thousands) -----				
Operating fixed assets				
Plant and machinery	15,511	13,518	157	356
Furniture and fittings	-	144	-	-
Vehicles	6,368	1,445	1,866	4,262
Office and mills equipment	1,430	677	99	
Computer equipment	6,551	2,804	70	171
Jigs and Fixtures	3,649	3,963	-	-
	<u>33,509</u>	<u>22,551</u>	<u>2,192</u>	<u>4,789</u>

4.2 During the period, capital work in progress amounting to Rs. 15.280 million (Sep 30, 2017: 16.526 million) was transferred to operating fixed assets.

THAL LIMITED

	Sep 30, 2018 <u>(Un-audited)</u>	June 30, 2018 <u>(Audited)</u>
(Rupees in thousands)		
5 LONG-TERM INVESTMENTS		
Associates - stated as per equity method		
<i>Quoted</i>		
Indus Motor Company Limited	2,286,003	2,029,092
Habib Insurance Company Limited	63,835	64,704
Agriauto Industries Limited	345,964	331,545
Shabbir Tiles and Ceramics Limited	24,938	23,884
	2,720,740	2,449,225
Joint venture - stated as per equity method		
ThalNova Power Thar (Private) Limited	555,819	558,802
Other investments - available for-sale		
<i>Quoted - at fair value</i>		
Habib Sugar Mills Limited	74,210	75,610
Dynea Pakistan Limited	87,924	103,839
GlaxoSmithKline (Pakistan) Limited	248	278
GlaxoSmithKline Healthcare (Pakistan) Limited	175	203
Habib Bank Limited	9,857	10,839
Allied Bank Limited	18,531	18,755
TPL Properties Limited	8,250	9,300
	199,195	218,824
<i>Un-Quoted - at cost</i>		
Sindh Engro Coal Mining Company Limited	1,648,787	1,398,011
	5,124,541	4,624,862
5.1	All investments have been made in accordance with the provisions of the Section 199 of the Companies Act, 2017 and the rules promulgated for this purpose.	
6 STOCK-IN-TRADE		
Raw material		
In hand	3,375,627	2,645,618
In transit	600,877	648,361
	3,976,504	3,293,979
Work-in-process		
	268,941	226,833
Finished goods		
	834,566	526,335
	5,080,011	4,047,147
6.1	This includes items amounting to Rs. 38.449 million (June 30, 2018 : Rs. 38.284 million) carried at net realizable value. [Cost Rs. 87.655 million (June 30, 2018 : Rs. 93.422 million)]	

THAL LIMITED

7 SHORT TERM INVESTMENTS

- 7.1 This represents investment in Term Deposit Receipts amounting to Rs. 977.541 (June 30, 2018: Rs. 1,128.239 million), Government Treasury bills amounting to Rs. 1,908.893 million (June 30, 2018: 1,881.850 million) and mutual funds amounting to Rs. 5,292.510 million (June 30, 2018: 6,059.148 million).
- 7.2 Term deposit receipts include Rs. 423.347 million (June 30, 2018: Rs. 579.843 million) maintained with Habib Metropolitan Bank Limited, a related party.
- 7.3 These include short-term investments amounting to Rs. 2,850.766 million (June 30, 2018: Rs. 2,789.394 million) having maturity up to three months.

		Sep 30, 2018	June 30, 2018
	Note	(Un-audited)	(Audited)
(Rupees in thousands)			
8 INCOME TAX - Net			
Group Tax Relief adjustments	8.1	(593,466)	(593,466)
Group Taxation adjustments	8.2	229	(512)
Income Tax provision less tax payments - net		684,795	690,901
		91,558	96,923

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

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

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

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

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

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

9.2 Commitments

- 9.2.1 Letter of guarantees issued by banks on behalf of the Group amounts to Rs. 1,439.570 million (June 30, 2018: Rs. 1,437.701 million).
- 9.2.2 Post dated cheques issued to collector of Customs amounts to Rs. 28.359 million (June 30, 2018: Rs. 24.545 million)
- 9.2.3 Letter of credits outstanding for raw material and spares amounts to Rs. 1,378.156 million (June 30, 2018: Rs. 1,723.577 million).
- 9.2.4 Commitments in respect of capital expenditure amounts to Rs. 6.421 million (June 30, 2018: Rs. 7.515 million).
- 9.2.5 Commitments for rentals under ljarah agreements in respect of vehicles and computers to a related party amount to Rs. 27.958 million (June 30, 2018: 29.187 million).
- 9.2.6 Commitments for rentals under operating lease agreements in respect of Land amount to Rs. 2,386.139 million (June 30, 2018: Rs. 2,466.099 million)

THAL LIMITED

		Quarter ended																																													
		Sep 30, 2018	Sep 30, 2017																																												
		(Un-audited)																																													
		(Rupees in thousands)																																													
10	OTHER INCOME																																														
	Income from financial assets																																														
	Dividend income	429	546																																												
	Profit earned on call deposits and short-term investments	60,705	108,337																																												
	Gain on revaluation / redemption of investments at fair value through profit or loss	93,714	48,922																																												
	Others	2,158	348																																												
		157,006	158,153																																												
	Income from non-financial assets																																														
	Gain on disposal of property, plant and equipment	1,262	2,842																																												
	Rental income	378,094	362,996																																												
	Others	64,321	50,652																																												
		443,677	416,490																																												
		600,683	574,643																																												
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th colspan="2"></th> <th colspan="2" style="text-align: center;">Quarter ended</th> </tr> <tr> <th colspan="2"></th> <th style="text-align: center;">Sep 30, 2018</th> <th style="text-align: center;">Sep 30, 2017</th> </tr> <tr> <th colspan="2"></th> <th colspan="2" style="text-align: center;">(Un-audited)</th> </tr> <tr> <th colspan="2"></th> <th colspan="2" style="text-align: center;">(Rupees in thousands)</th> </tr> </thead> <tbody> <tr> <td style="width: 5%; vertical-align: top;">11</td> <td style="width: 65%;">BASIC AND DILUTED EARNINGS PER SHARE</td> <td></td> <td></td> </tr> <tr> <td></td> <td>There is no dilutive effect on the basic earnings per share of the Holding Company, which is based on:</td> <td></td> <td></td> </tr> <tr> <td></td> <td>Profit after taxation attributable to the equity holders of the holding company</td> <td style="text-align: right; border-top: 1px solid black;">875,296</td> <td style="text-align: right; border-top: 1px solid black;">735,223</td> </tr> <tr> <td></td> <td></td> <td colspan="2" style="text-align: center; border-top: 1px solid black;">Number of shares in thousands</td> </tr> <tr> <td></td> <td>Weighted average number of ordinary shares of Rs. 5/- each in issue</td> <td style="text-align: right; border-top: 1px solid black;">81,030</td> <td style="text-align: right; border-top: 1px solid black;">81,030</td> </tr> <tr> <td></td> <td></td> <td colspan="2" style="text-align: center; border-top: 1px solid black;">Rupees</td> </tr> <tr> <td></td> <td>Basic and diluted earnings per share</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">10.80</td> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">9.07</td> </tr> </tbody> </table>						Quarter ended				Sep 30, 2018	Sep 30, 2017			(Un-audited)				(Rupees in thousands)		11	BASIC AND DILUTED EARNINGS PER SHARE				There is no dilutive effect on the basic earnings per share of the Holding Company, which is based on:				Profit after taxation attributable to the equity holders of the holding company	875,296	735,223			Number of shares in thousands			Weighted average number of ordinary shares of Rs. 5/- each in issue	81,030	81,030			Rupees			Basic and diluted earnings per share	10.80	9.07
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THAL LIMITED

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

Relationship	Nature of transactions	Quarter ended	
		Sep 30, 2018 (Un-audited)	Sep 30, 2017 (Un-audited)
(Rupees in thousands)			
Associates	Sales	3,070,980	2,435,329
	Professional Services rendered and acquired	53,742	58,010
	Rental Income on properties	381,491	371,618
	Insurance premium	9,179	8,700
	Purchase of assets	2,863	2,653
	Purchase of goods	138,642	111,138
	Insurance claim received	3,581	1,443
	Mark-up and bank charges paid	1,269	2,597
	Profit received	14,817	58,993
	Supplies purchased	10,898	2,291
	Rent Paid	-	216
	Ijarah Rentals	5,853	-
Employee benefit plans	Contribution to provident fund	11,970	11,192
	Contribution to retirement benefit fund	2,128	2,972
Key management personnel	Key management personnel compensation	38,972	38,175
		Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
Balances			
	Receivable from associates in respect of trade debts	501,470	551,736
	Prepayments made to associates	11,128	11,735
	Other receivables from associates	1,106	25,784
	Bank balances with associates	618,688	817,406
	Long-term deposit with associates	289,832	293,326
	Payable to associates in respect of trade and other payables	9,364	11,467
	Payable to associate in respect of short term running finance	34,347	58,579

12.1 The investments in related parties are disclosed in note 5 and 7 to these consolidated condensed interim financial statements.

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

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

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

There were no transfers amongst levels during the period.

THAL LIMITED

14 SEGMENT ANALYSIS

	Quarter Ended					Elimination	Total
	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018		
	Engineering	Building material and allied products	Real estate management & others	Rupees in thousand			
SALES REVENUE	3,721,512	3,081,808	1,363,548	1,185,982	108,795	112,054	4,341,660
SEGMENT RESULT	690,728	636,086	114,289	78,954	293,703	273,723	988,763
Unallocated corporate (expenses) / income:							
Administrative & distribution costs						(38,164)	(38,164)
Other income						(45,667)	(45,667)
Operating profit							1,098,720
Finance cost							(204,040)
Other charges							178,441
Share in profit of associates							1,073,121
Taxation							(3,457)
							(52,133)
							271,922
							(309,660)
							979,793
							(4,215)
							(47,876)
							166,580
							(256,333)
							829,216

15 The Engineering segment is engaged in the manufacturing of automotive parts.

The Building material and allied products segment includes jute, papersack and laminate operations.

The Real estate management & others segment includes real estate management, trading and management services.

16 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Holding Company has recommended final cash dividend of Rs. 8.5 per share for the year ended June 30, 2018. These consolidated condensed interim financial statements do not reflect the payment of cash dividend which has been approved by the shareholders in the annual general meeting held on October 22, 2018.

16 GENERAL

16.1 Figures have been rounded off to the nearest thousands.


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

17 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 26, 2018 by the Board of Directors of the Holding Company.


Shahid Saleem
Chief Financial Officer


Mazhar Valjee
Chief Executive


Salman Burney
Director

تھل پاور پرائیویٹ موجودہ طور پر تھل نووا تھر پاور میں تھل پاورز کی ایکویٹی کے حصے کے حصول کیلئے جب پاور کمپنی لمیٹڈ سے بھی روابط کیلئے سرگرم عمل ہے۔ اس ٹرانزیکشن کی تکمیل اور شرائط پر کامیاب معاہدے کے تحت (مطلوبہ کارپوریٹ اور ریگولیٹری اجازت ناموں کے حصول اور باقاعدہ نگرانی کی اجازت سے) تھل پاور پرائیویٹ لمیٹڈ تھل نووا میں اپنی شیئر ہولڈنگ 26 فیصد تک کم کر دے گی۔

چونکہ یہ پروجیکٹ ملکی وسائل پر مبنی ہونے کی وجہ سے مستحکم بنیادوں کا حامل ہے اور متعلقہ حکومتوں کی جانب سے بھی اس کو بھرپور حمایت اور حوصلہ افزائی مل رہی ہے پھر بھی اسے بروقت فنانشل کلوز کیلئے کئی اہم چیلنجوں کا سامنا کرنا پڑا۔ تھل نووا نے تمام پروجیکٹ کے معاہدے اور پروجیکٹ کے لئے فنانشل کلوز حاصل کرنے میں بھرپور فعال کردار ادا کیا۔

اظہار تشکر

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

منجانب بورڈ



منظہر واجی

چیف ایگزیکٹو

کراچی:

مورخہ: 26 اکتوبر 2018

پروجیکٹ کے پہلے مرحلے کیلئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 36.1 ملین امریکی ڈالر کے مساوی پاک روپے میں مجموعی ایکسپوزر کی منظوری دی تھی جس میں 24.3 ملین امریکی ڈالر کی ایکویٹی سرمایہ کاری، 5 ملین امریکی ڈالر برائے کاسٹ اور ررن اور 6.8 ملین امریکی ڈالر برائے ڈپتھ سر و سگ ریزرو بھی شامل ہے۔ آج کی تاریخ تک کمپنی 15.26 ملین امریکی ڈالر کے مساوی 1,649 ملین روپے کی سرمایہ کاری کر چکی ہے۔

پروجیکٹ کے دوسرے مرحلے کیلئے تھل لمیٹڈ کے بورڈ آف ڈائریکٹرز نے 7.1 ملین امریکی ڈالر کے مساوی پاک روپے میں مجموعی ایکسپوزر کی منظوری دی تھی جس میں 4.6 ملین امریکی ڈالر کی ایکویٹی انویسٹمنٹ، 1.3 ملین امریکی ڈالر برائے کاسٹ اور ررن اور 1.2 ملین امریکی ڈالر برائے ڈیٹ سر و سگ ریزرو (ایل آئی بی او آر) کے آئی بی او آر موومنٹ کے باعث اوپری سطح پرائیڈ جسٹ ایل) شامل ہیں۔

ایس ای سی ایم سی نے تھل نووا پاور تھر (پرائیویٹ) لمیٹڈ اور تھرانز جی لمیٹڈ کے ساتھ بالترتیب ہر ایک 330 میگا واٹ پاور پلانٹ کو 1.9 ملین ٹن لگنائیٹ سالانہ اضافی طور پر فراہم کرنے کیلئے کول سپلائی کے معاہدے کئے ہیں۔

تھل پاور (پرائیویٹ) لمیٹڈ

کمپنی نے تھر سندھ میں واقع 330 میگا واٹ مائن ماؤتھ کول - فائر ڈ پاور جنریشن پلانٹ کو تیار کرنے کے لئے اشتراک کے سلسلے میں نووا ٹیکس لمیٹڈ کے ساتھ ایک جوائنٹ وینچر ایگریمنٹ تشکیل دیا ہے۔ یہ پاور پلانٹ سندھ اینگریڈ کول مائننگ کمپنی (ایس ای سی ایم سی) کے ذریعے چلائی جانے والی مائن سے حاصل کردہ لیگنائٹ کول پر انحصار کرے گا۔

کمپنی نے اپنے مکمل ملکیتی ذیلی ادارے تھل پاور (پرائیویٹ) لمیٹڈ کے ذریعے ایک جوائنٹ وینچر کمپنی یعنی تھل نووا پاور تھر پرائیویٹ لمیٹڈ ("تھل نووا") پروجیکٹ کی تعمیر کے ضمن میں تشکیل دی ہے۔

تھل نووا نے پرائیویٹ پاور انفراسٹرکچر بورڈ (پی پی آئی بی) سے لیٹر آف انٹینٹ (ایل او آئی) اور لیٹر آف سپورٹ (ایل او ایس) حاصل کر لیا ہے نیشنل الیکٹرک پاور ریگولیٹری اتھارٹی (نپرا) نے پروجیکٹ کمپنی کو تھل کول جنریشن لائسنس جاری کر دیا ہے اور اپ فرنٹ ٹیرف بھی تفویض کر دیا گیا ہے۔ تھل نووا کو سندھ اینڈ اینڈرمنٹل پروجیکشن ایجنسی (ایس ای پی اے) کی جانب سے بھی نوآبخشیشن سرٹیفکیٹ (این او سی) جاری کیا جا چکا ہے۔ چائنا مشینری اینڈ انجینئرنگ کارپوریشن کو بحیثیت ای پی سی کنٹریکٹر مقرر کیا گیا ہے۔ تھل نووا نے 1.9 ملین ٹن سالانہ لگنائیٹ کی فراہمی کیلئے ایس ای سی ایم سی کے ساتھ کول سپلائی ایگریمنٹ (سی ایس اے) کیا ہے۔ اس نے سینٹرل پاور پراجیز ایجنسی (گلارٹی) لمیٹڈ کے ساتھ ایک پاور پراجیز ایگریمنٹ (پی پی اے) اور پی پی آئی بی چائنا ڈیولپمنٹ بینک ("سی ڈی بی") اور حبیب بینک لمیٹڈ ("ایچ بی ایل") کے ساتھ اسٹیبلشمنٹ ایگریمنٹ ("آئی اے") بالترتیب غیر ملکی اور مقامی کرنسی پروجیکٹ قرضوں کے انتظام کے لئے معاہدوں پر دستخط کئے ہیں۔

حبیب۔ میٹروپاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل)

حبیب۔ میٹروپاکستان (پرائیویٹ) لمیٹڈ (ایچ ایم پی ایل) کا مرکزی کاروبار ریٹیل اسٹور املاک کی ملکیت اور اس کا انتظام ہے۔ تھل لمیٹڈ کمپنی میں 60 فیصد کی شیئر ہولڈنگ کا حامل ہے۔ کمپنی مختلف کاروباری مواقعوں کی تلاش میں مصروف عمل ہے تاکہ کیش اینڈ کیری ریٹیل ریٹیل بزنس کو فروغ دیا جاسکے اور اپنے اسٹور لوکشنز سے ادارے میں مزید توسیع دی جائے۔

سہ ماہی کے دوران ایچ ایم پی ایل نے تھل لمیٹڈ کو ادائیگی کیلئے 102 ملین روپے کے حتمی منافع منقسمہ کی منظوری دی۔

میکرو۔ حبیب پاکستان لمیٹڈ (ایچ ایم پی ایل)

فاضل سپریم کورٹ آف پاکستان نے صدر اسٹور کیلئے ایم ایچ پی ایل کی نظر ثانی پیشین مسترد کر دی تھی جس کے نتیجے میں ایم ایچ پی ایل کا صدر اسٹور 11 ستمبر 2015 کو بند کر دیا گیا۔

بعد ازاں 9 دسمبر 2015 کو ہونے والی ایک پیش رفت کے طور پر فاضل سپریم کورٹ آف پاکستان نے نظر ثانی پیشین کی بحالی کے لئے آر می ویلیفیر ٹرسٹ (اے ڈبلیو ٹی) کی درخواست کو منظور کر لیا۔ اپنی 2 فروری 2016 کی سماعت میں معزز چیف جسٹس نے اے ڈبلیو ٹی کی نظر ثانی درخواست کا جائزہ لیتے ہوئے تبصرہ کیا کہ ایم ایچ پی ایل اور وزارت دفاع دونوں کو میرٹ پر اپنے نکات پر بحث میں حصہ لینے کا موقع دیا جائے گا جیسا کہ یہ دونوں اے ڈبلیو ٹی کی پیشین میں جو ابداران ہیں۔

اے ڈبلیو ٹی کی نظر ثانی پیشین کی سماعت پہلے ایک نئے بیج کے روبرو 17 اکتوبر 2017 کو مقرر کی گئی تھی تاہم شہری اور کے ڈبلیو ایس بی کی نمائندگی کرنے والی کونسل کی جانب سے داخل کردہ التواء کی درخواست کے باعث سماعت کے دوران مزید کوئی کارروائی نہ ہو سکی۔ یہ کمپنی تھل لمیٹڈ کا مکمل ملکیتی ذیلی ادارہ ہے۔

پاور سیکٹر میں سرمایہ کاری

سندھ اینگری و کول مینٹنگ کمپنی لمیٹڈ

ایس ای سی ایم سی حکومت سندھ، تھل لمیٹڈ، اینگری و پاور جن لمیٹڈ، حب پاور کمپنی لمیٹڈ، حبیب بینک لمیٹڈ، سی ایم ای سی تھر مینٹنگ انٹرسٹس لمیٹڈ اور ایس پی آئی مینڈ ونگ کے مابین ایک جوائنٹ وینچر ہے۔ یہ تھر کول بلاک-II میں پاکستان کے پہلے اوپن پٹ مینٹنگ پروجیکٹ کو تیار کرنے میں سرگرم عمل ہے۔ پروجیکٹ نے 4 اپریل 2016 کو اپنا فنانشل کلوز حاصل کیا۔

پروجیکٹ زیر تعمیر ہے اور موجودہ طور پر کام شیڈول سے آگے ہے۔ آج کی تاریخ تک ملب جات کا c. 99 M BCM صاف کیا جا چکا ہے اور کان 148 میٹر کی گہرائی تک پہنچ چکی ہے۔ اینفلوئنٹ ڈسپوزل لائن اور لیفٹ پینک آؤٹ فال ڈریج اسکیم کے منسلک انفراسٹرکچر پروجیکٹس مکمل طور پر شیڈول کے مطابق مکمل کر لئے جائیں گے۔

پیپر سیک بزنس

مجموعی حجم اور منافع جات کے ضمن میں زیر جائزہ سہ ماہی گزشتہ سال کی اس مدت کے مقابلے میں بہت بہتر رہی جس کی وجہ فروخت کے نرخوں میں موثر نظر ثانی کرنا تھا۔ سینٹ کی صنعت میں ظاہر کردہ شرح نمو مجموعی اقتصادی چیلنجوں اور تعمیراتی صنعت میں سست رفتاری کے باعث کمتر رہی۔ کاغذ کے لئے مستحکم عالمی طلب سے کمپنی کو مناسب نرخوں پر کاغذ کی دستیابی کو یقینی بنانے کے ضمن میں کٹھن چیلنجوں کا سامنا درپیش رہا۔ کاروبار نے مسابقتی نرخوں پر مختلف ذرائع سے کاغذ کی بروقت فراہمی کو یقینی بنانے کیلئے اپنی ہر ممکن کوشش کی۔

صنعتی یورپوں اور ایس او ایس/نوڈ چیلنجنگ کا حجم گزشتہ سال کی اسی مدت کے مقابلے میں بہتر رہا جبکہ کیریئر بیگز کے نئے سیگمنٹ نے بھی شرح نمو میں مرکزی کردار ادا کیا۔ تاہم ذرمبادلہ کے نرخوں میں اتار چڑھاؤ کے ساتھ خام مال کی قیمتوں میں متوقع اضافے کے باعث کاروبار کے منافع جات کے لئے چیلنجنگ صورتحال برقرار رہے گی۔

لیمیٹڈ آپریشنز

مارکیٹ کی صورتحال میں مجموعی طور پر بے یقینی برقرار رہی اور اس کاروبار میں بڑھتے ہوئے اخراجات کے دباؤ بلخصوص فاریکس کے اتار چڑھاؤ اور توانائی کے اخراجات کے باعث دباؤ کا سامنا رہا۔ اس بزنس میں ان منفی صورتحال سے نمٹنے کیلئے کافی تنگ و دو کی اور نئی پروڈکٹس متعارف کرانے کے ساتھ پروڈکٹس کے منفرد نمونے پیش کئے جن کو مارکیٹ میں بہتر پذیرائی ملی۔ مزید براں کاروبار کے نئی مشینری میں سرمایہ کاری کی جس سے لاگتوں میں بچت کی جاسکے گی اور صارفین کو پروڈکٹس کی مزید اقسام بھی فراہم کی جاسکیں گی۔

کمپنی نے صارفین تک رسائی کا سلسلہ بڑھانے کیلئے مارکیٹ میں اپنی موجودگی کو بھی موثر بنایا۔ ان اقدامات سے مستقبل قریب میں مزید مثبت اور بہتر نتائج حاصل ہونے کا امکان ہے۔

ذیلی ادارے

تھل بوشو کو پاکستان (پرائیویٹ) لیمیٹڈ (ٹی بی پی کے)

زیر جائزہ مدت کے دوران کمپنی کے سیلز ریونیو نے گزشتہ سال کے مقابلے میں 15 فیصد کا اضافہ رجسٹر کیا جس کی وجہ پاک روپے کی قدر میں کمی کے باعث فروخت کے نرخوں میں اضافہ تھا۔ کمپنی بڑھتے ہوئے میٹر میل اخراجات کے باعث منافع جات میں ہونے والی کمی کو کم کرنے کیلئے موثر فنانشل مینجمنٹ، بہتر لاگت کنٹرول اور برق رفتار انوینٹری مینجمنٹ کے ذریعے کام کر رہی ہے۔

کمپنی کی نئی مینوفیکچرنگ سہولت کی تعمیر شیڈول کے مطابق جاری ہے اور انتظامیہ پروجیکٹ کی بروقت تکمیل پر بھرپور توجہ دے رہی ہے تاہم طلب پر مستقل دباؤ اور ملک میں معاشی بے یقینی کی صورتحال کے باعث کمپنی کو مستقبل میں چیلنجوں کا سامنا درپیش رہے گا۔

کمپنی کا انجینئرنگ کا شعبہ تھرمل اینڈ انجن کیمپنٹس برنس اور الیکٹرک سسٹمز پر مشتمل ہے۔ یہ کاروبار بنیادی طور پر مقامی آٹو انڈسٹری کے لئے ادوی ایم۔ پارٹس کی تیاری پر توجہ مرکوز کیے ہوئے ہے۔ آپ کی کمپنی کے انجینئرنگ شعبے کا ٹرن اور مالی سال 18-19 کی پہلی سہ ماہی کے لئے فروخت کے نرخوں میں اضافے کے باعث، جو روپے کی قدر میں کمی کے باعث جزوی طور پر نرخ بڑھانے پر منتقل کیے گئے تھے، 3.5 بلین روپے رہا جو اس کے مقابلے میں گزشتہ سال کی اسی مدت کے دوران 2.9 بلین روپے رہا تھا۔

سہ ماہی کے دوران بعد از مارکیٹ کے شعبے نے اچھی کارکردگی کا مظاہرہ نہیں کیا اور گزشتہ سال کی اسی مدت کے مقابلے میں 14 فیصد کی کمی ظاہر کی۔ اس کی بنیادی وجہ سست معاشی صورتحال اور گریے چینل آٹو پارٹس اسپورٹ تھی۔

حکومت چین، تھائی لینڈ اور ترکی کے ساتھ فری ٹریڈ ایگریمنٹس (ایف ٹی این) پر مذاکرات میں مصروف عمل ہے۔ اس سلسلے میں کمپنی کی انتظامیہ نے حکومت کو اپنا موقف آٹو اینڈ پارتس انڈسٹری کے ساتھ تعاون کو مد نظر رکھتے ہوئے ایک مناسب ٹیرف کو یقینی بنانے کے ذریعے پیش کر دیا ہے اور اس معاملے پر رابطوں کا سلسلہ جاری رکھا جائے گا۔

انتظامیہ معیار، صحت، سیفٹی اور انوائزمنٹ کو بہتر بنانے کے اقدامات پر توجہ دے رہی ہے جبکہ پیداواری عمل میں مستقل بہتری کے ذریعے اخراجات کو کم کرنے کے لئے بھی اقدامات کیے جا رہے ہیں۔

کاروباری کی مختصر روداد۔ تعمیراتی سامان اور اس سے متعلق مصنوعات کا شعبہ

30 ستمبر 2018 کو ختم ہونے والی سہ ماہی کے دوران بلڈنگ میٹریل اور متعلقہ مصنوعات کے شعبہ میں سیلز ریونیو 1.4 بلین روپے رہا جو گزشتہ سال کی اسی مدت میں 1.2 بلین روپے تھے اور نتیجتاً 17 فیصد کا اضافہ دیکھنے میں آیا۔

جوٹ آپریشنز

زیر جائزہ سہ ماہی کے دوران جوٹ کے کاروبار نے سیلز ریونیو کے ضمن میں اپنی مثبت رفتار کو برقرار رکھا اور مقامی صنعت میں اپنے مارکیٹ شیئر کو برقرار رکھنے پر توجہ دی جبکہ نئے صارفین اور نئی مارکیٹوں کی تلاش بھی مستقل طور پر جاری رہی۔

کاروبار نے جارحانہ طور پر برآمدی مارکیٹیں تلاش کیں اور مثبت نتائج حاصل ہوئے جن کے فوائد سال کے آئندہ باقی ماندہ حصہ میں بھی حاصل ہوں گے۔ مزید برآں مقامی مارکیٹ میں نئے صارفین کی شمولیت سے بھی ہمارے صارف کے دائرہ کار اور ہماری رسائی میں اضافہ ہوا۔

پہلی سہ ماہی کی کارکردگی کو دیکھتے ہوئے دوسری سہ ماہی کے دوران بھی سیلز مستحکم رہنے کا امکان ہے، اگرچہ پاک روپے کی قدر میں کمی سے پروڈکٹ کی مالیت کے ضمن میں چیلنجوں کا سامنا ہے۔ انتظامیہ یہ معیار کو بہتر بنانے پر توجہ دیتی رہی جبکہ بہتری کے مستقل عمل کے ذریعے اخراجات کو باکفایت بنانے کیلئے مزید اقدامات بروئے کار لائے گئے۔

تھل لمیٹڈ

ڈائریکٹرز کا جائزہ

بورڈ آف ڈائریکٹرز کی جانب سے میں ڈائریکٹرز کا جائزہ بشمول 30 ستمبر 2018 کو ختم ہونے والی مدت کے لئے غیر آڈٹ شدہ عبوری مجموعی مالیاتی حسابات پیش کرتے ہوئے خوش محسوس کر رہا ہوں۔

فتاویٰ کی خاص خاص باتیں

روپے ملین میں		
برائے سہ ماہی ختمہ 30 ستمبر 2017	برائے سہ ماہی ختمہ 30 ستمبر 2018	
4,091	4,881	سیلز
653	714	قبل از ٹیکس منافع / (خسارہ)
500	511	بعد از ٹیکس منافع / (خسارہ)
6.17	6.31	نی شیئر آمدنی (روپے میں)

کارکردگی کا عمومی جائزہ

30 ستمبر 2018 کو ختم ہونے والی پہلی سہ ماہی کے دوران کمپنی نے گزشتہ سال کی اسی سہ ماہی کے 4.1 بلین روپے کے مقابلے میں 4.9 بلین روپے کا سیلز ریویونوٹا ہر کیا جس سے 790 بلین روپے یا 19 فیصد بہتر شرح نمو ظاہر ہوئی۔ بنیادی اور خالص آمدنی نی شیئر (ای پی ایس) گزشتہ سال کی اس مدت میں 6.17 روپے کے مقابلے میں 6.31 روپے رہی۔

کاروبار کی مختصر صورت حال۔ انجینئرنگ کا شعبہ

مقامی آٹو انڈسٹری میں گزشتہ چند سالوں کے دوران مستحکم شرح نمو دیکھی گئی تھی جو سال کے دوران 4 فیصد کمی کے ساتھ پیچھے چلی گئی، جس کے اثرات بڑھتی ہوئی درآمدات اور کمتر مقامی طلب کے ذریعے مرتب ہوئے۔ آئندہ مدت کے دوران بھی طلب میں سست روی برقرار رہنے کی توقع ہے کیونکہ بدترین میکرو اکنامک صورت حال اور نئی قانون سازی کے اثرات اس انڈسٹری پر بھی پڑیں گے جس کے تحت کار کے خریداروں کیلئے ٹیکس فاکٹرز کا ہونا لازم ہے۔ سہ ماہی کے دوران استعمال شدہ گاڑیوں کی درآمد کا حجم 15,638 تھا جس سے گزشتہ سال کے مقابلے میں 34 فیصد کمی ظاہر ہوتی ہے کیونکہ گزشتہ سال یہ تعداد 23,854 یونٹس تھی۔

CORPORATE INFORMATION

Chairman - Non-executive

Rafiq M. Habib

Independent Director

Asif Qadir

Aliya Saeeda Khan

Non-executive Director

Sohail P. Ahmed

Ali S. Habib

Mohamedali R. Habib

Salman Burney

Chief Executive Officer

Mazhar Valjee

Chief Financial Officer

Shahid Saleem

Company Secretary

Umair Riaz Siddiqi

Audit Committee

Asif Qadir

Chairman - Independent

Sohail P. Ahmed

Member

Mohamedali R. Habib

Member

Salman Burney

Member

Human Resource & Remuneration Committee

Asif Qadir

Chairman - Independent

Salman Burney

Member

Ali S. Habib

Member

Mazhar Valjee

Member

External Auditors

EY Ford Rhodes Chartered Accountants

Legal Advisors

A. K. Brohi & Co., Karachi

K. A. Wahab & Co., Karachi

Fazal-e-Ghani Advocates, Karachi

Tax Advisors

EY Ford Rhodes Chartered Accountants

Bankers

Habib Bank Limited

Standard Chartered Bank (Pakistan) Limited

United Bank Limited

National Bank of Pakistan

Habib Metropolitan Bank Limited

Meezan Bank Limited

Albaraka Islamic Bank

Bank Al-Habib Limited

Faysal Bank Limited

Industrial & Commercial Bank of China Limited

Registered Office

4th Floor, House of Habib

3-Jinnah Cooperative Housing Society, Block 7/8

Sharae Faisal, Karachi - 75350

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Fax: 92(21) 3431-2318, 3439-0868

E-mail: tl@hoh.net

Web: www.thallimited.com

Share Registrar:

FAMCO Associates (Private) Limited

8-F, Next to Hotel Faran

Nursery, Block-6, P.E.C.H.S.

Shahra-e-Faisal, Karachi

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