



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

**Condensed Interim Financial Information
Half Year Ended July 01, 2015 to December 31, 2015
(Un - audited)**

INDUS DYEING & MANUFACTURING COMPANY LIMITED

COMPANY INFORMATION

Board of Directors	Mian Mohammad Ahmed Mr. Shahzad Ahmed Mian Riaz Ahmed Mr. Naveed Ahmed Mr. Kashif Riaz Mr. Irfan Ahmed Mr. Shafqat Masood Mr. Shahwaiz Ahmed Sheikh Nishat Ahmed Mr. Farooq Hassan Sheikh Nishat Ahmed Mr. Kashif Riaz Mr. Irfan Ahmed	Chairman Chief Executive Nominee N.I.T. Chairman Member Member
Audit committee		
Human resource and remuneration committee	Sheikh Nishat Ahmed Mr. Shahwaiz Ahmed Mr. Irfan Ahmed	Chairman Member Member
Company secretary	Mr. Ahmed Faheem Niazi	
Group Chief financial officer	Mr. Mohammad Adil Ashraf	
Chief financial officer	Mr. Arif Abdul Majeed	
Chief Internal auditor	Mr. Yaseen Hamidia	
Legal Advisor	Mr. M. Yousuf Naseem	(Advocates & Solicitors)
Registered office	Office # 508, 5th floor, Beaumont Plaza, Civil Lines Quarters, Karachi. Tel.111 - 404 - 404 Fax. 009221 - 35693594	
Symbol of the company	IDYM	
Website	www.indus-group.com/web/download.htm	
Auditors	M/s Deloitte Yousuf Adil Chartered Accountants	
Registrar & Share Transfer Office	JWAFFS Registrar (Pvt) Ltd. 407-408, Al - Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi. Tel. 35662023 - 24 Fax. 35221192	
Factory location	P 1 S.I.T.E. Hyderabad, Sindh. Tel. 0223 - 880219 & 252 Plot # 3 & 7, Sector - 25, Korangi Industrial Area, Karachi. Tel. 021- 35061577 - 9 Muzaffargarh, Bagga Sher, District Multan. Tel. 0662 - 490202 - 205 Indus Lyallpur Limited. 38th Kilometre, Shaikhupura Road, District Faisalabad. Tel. 041 - 4689235 - 6 Indus Home Limited. 2.5 Kilometre, Off Manga Raiwind Road, Manga Mandi, Lahore. Tel. 042 - 35385021 - 7 111 - 404 - 405	

INDUS DYEING & MANUFACTURING COMPANY LIMITED

DIRECTORS' REPORT

FOR THE HALF YEAR ENDED DECEMBER 31, 2015

The Board of Directors is pleased to present the un-audited financial statements of Company for the half year ended December 31, 2015.

OPERATING RESULTS

The summary of consolidated operating results is as follows:

	Half year ended December 31, 2015 Rupees (million)	Half year ended December 31, 2014 Rupees (million)
Sales	12,080	14,710
Gross profit	842	1,561
Operating expenses	723	995
Profit before tax	223	588
Earnings per share	3.70	25.39

Sales revenue of the Group for the Half year ended December 31, 2015 was Rs 12,080 million as against Rs. 14,710 million for the similar period last year while the cost of sales was Rs.11,238 million as compared to Rs. 13,149 million in the corresponding period. The gross profit was, thus, reduced by 46%, mainly due to the significant reduction in the prices of yarn in local as well as international market; the scenario which prevailed in the previous year continued during the period. However, the results of the company's wholly owned subsidiary manufacturing home textiles has improved and contributed positively to the overall results of the Group.

As stated in our last report, the reducing pattern of cotton yarn prices in the international market is continuing which almost eroded the profits of the spinning sector. While on the other hand the decreased size of cotton crop in the country burdened the heavy import of cotton at relatively high cost. Management foresees the business environment will remain tough for the rest of the year and urging Authorities to rationalize the power cost and issue outstanding tax refunds; which will enable the spinning sector to compete with the regional players in these tough times.

Karachi:
29th February 2016

On Behalf of the Board


SHAHZAD AHMED
Chief Executive Officer

INDUS DYEING & MANUFACTURING COMPANY LIMITED

REVIEW REPORT ON UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of **INDUS DYEING AND MANUFACTURING COMPANY LIMITED** (the Company) as at December 31, 2015 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement, unconsolidated condensed interim statement of changes in equity together with the selected explanatory notes forming part thereof for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial information"). Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review. The figures of the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income for the quarter ended December 31, 2015 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2015.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial information as of and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants

Engagement Partner:

Naresh Kumar

Dated: February 29, 2016

Karachi

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2015

December 31,
2015
(Unaudited)

June 30,
2015
(Audited)

Notes	.....Rupees in '000'	
EQUITY AND LIABILITIES		
Share capital and reserves		
Authorised 45,000,000 ordinary shares of Rs. 10 each	450,000	450,000
Issued, subscribed and paid up 18,073,732 ordinary shares of Rs. 10 each	180,737	180,737
Reserves	5,022,432	5,022,432
Unappropriated profit	4,062,821	4,127,696
	9,265,990	9,330,865
Non-current liabilities		
Long-term financing	944,146	1,234,038
Deferred liabilities	239,875	167,128
	1,184,021	1,401,166
Current liabilities		
Trade and other payables	1,182,101	979,963
Interest / mark-up payable	39,774	54,888
Short-term borrowings	3,199,526	3,234,465
Current portion of long-term financing	516,118	665,756
	4,937,519	4,935,072
	15,387,530	15,667,103
CONTINGENCIES AND COMMITMENTS		
4		
ASSETS		
Non-current assets		
Property, plant and equipment	6,312,432	6,335,837
Long-term investments	3,689,930	3,689,930
Long-term deposits	4,105	4,105
	10,006,467	10,029,872
Current assets		
Stores, spares and loose tools	222,341	227,362
Stock-in-trade	3,703,716	3,580,278
Trade debts	782,456	1,193,858
Loans and advances	55,607	276,015
Trade deposits and short-term prepayments	38,847	9,322
Other receivables	18,209	15,523
Other financial assets	168,108	167,943
Tax refundable	278,186	113,289
Cash and bank balances	113,593	53,641
	5,381,063	5,637,231
	15,387,530	15,667,103

The annexed notes 1 to 12 form an integral part of this unconsolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Notes	Half year ended		Quarter ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
		Rupees in '000'.....			
Sales - net		8,929,664	11,029,071	4,386,904	5,592,322
Cost of goods sold	7	(8,405,255)	(9,848,762)	(4,041,884)	(4,930,164)
Gross profit		524,409	1,180,309	345,020	662,158
Other income		3,033	4,087	-	27,589
		527,442	1,184,396	345,020	689,747
Distribution cost		(188,833)	(274,526)	(94,147)	(146,937)
Administrative expenses		(114,891)	(112,006)	(56,039)	(57,400)
Other operating expenses		(24,944)	(119,731)	(22,644)	(102,143)
Finance cost		(130,766)	(195,580)	(63,951)	(136,605)
Profit before taxation		68,008	482,553	108,239	246,662
Taxation	8	(132,883)	(100,749)	(92,427)	(45,243)
Profit after taxation		(64,875)	381,804	15,812	201,419
Earnings per share - Basic and diluted		(3.59)	21.12	0.87	11.14

The annexed notes 1 to 12 form an integral part of this unconsolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	.....Rupees in '000'.....			
Profit after taxation	(64,875)	381,804	15,812	201,419
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss account	-	-	-	-
Items that will not be reclassified subsequently to profit and loss account	-	-	-	-
Total comprehensive income for the period	(64,875)	381,804	15,812	201,419

The annexed notes 1 to 12 form an integral part of this unconsolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Reserves					
	Issued subscribed and paid up capital	Capital		Revenue		Total
		Share Premium	Merger Reserve	General Reserve	Unappropriated Profit	
	.....Rupees in 000.....					
Balance at June 30, 2014 (audited)	180,737	10,920	11,512	5,000,000	4,122,085	9,325,254
Comprehensive Income						
Profit for the half year ended December 31, 2014	-	-	-	-	381,804	381,804
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	381,804	381,804
Transaction with owners:						
interim cash dividend for the period ended September 31, 2014 @ Rs. 5 per share	-	-	-	-	(90,369)	(90,369)
Balance at December 31, 2014 (unaudited)	180,737	10,920	11,512	5,000,000	4,413,520	9,616,689
Balance at June 30, 2015 (audited)	180,737	10,920	11,512	5,000,000	4,127,696	9,330,865
Comprehensive Income						
Profit for the half year ended December 31, 2015	-	-	-	-	(64,875)	(64,875)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	(64,875)	(64,875)
Balance at December 31, 2015 (unaudited)	180,737	10,920	11,512	5,000,000	4,062,821	9,265,990

The annexed notes 1 to 12 form an integral part of this unconsolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Half year ended	
	December 31, 2015	December 31, 2014
	.....Rupees in '000'.....	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	68,008	482,553
Adjustments for non-cash items:		
Depreciation of property, plant and equipment	294,993	288,948
Provision for gratuity	28,267	30,290
Unrealised loss on revaluation of foreign currency loans	631	-
Gain on disposal of property, plant and equipment	(109)	(162)
Unrealised gain on revaluation of other financial assets	2,816	(382)
Finance cost	130,766	195,580
Dividend income	(843)	(905)
Operating profit before working capital changes	524,529	995,922
Working capital changes (Increase) / decrease in current assets		
Stores, spares and loose tools	5,021	(33,501)
Stock in trade	(123,438)	(2,426,510)
Trade debts	411,402	477,592
Loans and advances	(5,162)	(11,273)
Trade deposits and short-term prepayments	(29,525)	(22,948)
Other receivables	(2,686)	(369)
Tax refundable	77,450	134,983
	333,062	(1,882,026)
Increase / (decrease) in current liabilities Trade and other payables	201,507	412,404
Cash generated from / (used) in operations	1,059,098	(473,700)
Income taxes paid	(86,660)	(83,703)
Finance cost paid	(145,880)	(216,983)
Gratuity paid	(18,520)	(11,444)
Net cash generated from / (used) in operating activities	808,038	(785,830)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Payments made for acquisition of property, plant and equipment	(276,301)	(302,445)
Proceeds from disposal of property, plant and equipment	4,822	1,722
Proceeds from disposal of other financial assets	-	125,436
Payment made for investment in other financial asset	(2,981)	-
Long-term deposits	-	-
Long-term investments	-	(50,000)
Dividend received	843	905
Net cash used in investing activities	(273,617)	(224,382)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing obtained	51,750	205,418
Repayment of long-term financing	(491,280)	(432,071)
Dividend paid	-	(84,319)
Net cash used in financing activities	(439,530)	(310,972)
Net increase / (decrease) in cash and cash equivalent	94,891	(1,321,184)
Cash and cash equivalent at beginning of the period	(3,180,824)	(3,217,627)
Cash and cash equivalent at end of the period	(3,085,933)	(4,538,811)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	113,593	105,811
Short-term running finance	(3,199,526)	(4,644,622)
	(3,085,933)	(4,538,811)

The annexed notes 1 to 12 form an integral part of this unconsolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

SELECTED EXPLANATORY NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2015

1. STATUS AND NATURE OF BUSINESS

Indus Dyeing & Manufacturing Company Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act 1913 repealed by the Companies Ordinance, 1984. Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The Company is also operating two ginning units including one on leasing arrangements in District Multan. The Company has the following group entities:

- Indus Lyallpur Limited - Wholly owned subsidiary
- Indus Home Limited - Wholly owned subsidiary
- Indus Home USA Inc. - Wholly owned subsidiary of Indus Home Limited
- Indus Wind Energy Limited - Wholly owned subsidiary
- Sunrays Textile Mills Limited - Associated undertaking

2. STATEMENT OF COMPLIANCE

- 2.1** This unconsolidated condensed interim financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail. The disclosures in this condensed interim financial information, however, have been limited to the extent of requirements stated in International Accounting Standard (IAS) 34 'Interim Financial Reporting'
- 2.2** This unconsolidated condensed interim financial information is unaudited but subject to limited scope review by external auditors of the Company in accordance with the requirements of rule 5.19.13(b) of rule book of Karachi Stock Exchange Limited and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.
- 2.3** This unconsolidated condensed interim financial information has been prepared under the historical cost convention modified by: -
- recognition of certain employee retirement benefits at present value.
- certain financial instruments at fair value.
- 2.4** This unconsolidated condensed interim financial information does not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended June 30, 2015.
- 2.5** This unconsolidated condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.
- 2.6** The comparative balance sheet presented has been extracted from unconsolidated annual financial statements for the year ended June 30, 2015, whereas comparative condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity presented in this condensed interim financial information have been extracted from the unaudited unconsolidated condensed interim financial information for the half year ended December 31, 2014.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 3.1** The accounting policies, underlying estimates and methods of computations adopted in the preparation of this unconsolidated condensed interim financial information are the same as those applied in the preparation of the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2015.
- 3.2** The financial risk management policies and objectives adopted by the Company are consistent with those disclosed in the annual audited financial statements for the year ended June 30, 2015.
- 3.3** Certain new International Financial Reporting Standards (IFRSs) and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2015, which does not have any impact on this condensed interim financial information except for IFRS 13 "Fair Value Measurement", which results in certain additional disclosures

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note 10.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

	December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
	.....Rupees in '000'.....	
4 CONTINGENCIES AND COMMITMENTS		
4.1 Contingencies		
4.1.1 Claim of arrears of social security contribution not acknowledged. Appeal is pending in the Honorable High Court of Sindh. The management is hopeful for favorable outcome.	<u>453</u>	<u>453</u>
4.1.2 Guarantees issued by banks on behalf of the Company	<u>44,010</u>	<u>44,010</u>
4.1.3 Guarantees issued by banks in favour of gas distribution companies	<u>19,306</u>	<u>19,306</u>
4.1.4 Bank guarantees against payment of infrastructure cess	<u>160,042</u>	<u>144,042</u>
4.2 Commitments		
Letters of credit for raw material and stores and spares	<u>1,923,512</u>	<u>921,943</u>
Letters of credit for property, plant and equipment	<u>259,547</u>	<u>83,378</u>
Civil work contracts	<u>15,000</u>	<u>21,980</u>

5 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period, the following additions and disposals were made: -

	.....(Un-audited).....			
	December 31, 2015		December 31, 2014	
	Additions / Transfers	Disposal at Carrying value	Additions / Transfers	Disposal at Carrying value
	.....Rupees in '000'.....			
Assets				
Factory building	<u>38,218</u>	-	28,876	-
Non-factory building	-	-	23,241	-
Plant and machinery	<u>93,285</u>	<u>(532)</u>	227,168	(556)
Power generator	<u>7,000</u>	-	-	-
Office equipment	<u>212</u>	-	102	-
Furniture and fixtures	<u>905</u>	-	73	-
Vehicles	<u>12,429</u>	<u>(4,181)</u>	12,240	(1,005)
Capital work in progress	<u>189,874</u>	-	49,264	(38,519)
	<u>341,923</u>	<u>(4,713)</u>	<u>340,964</u>	<u>(40,080)</u>

	December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
	.....Rupees in '000'.....	
6 LONG TERM INVESTMENTS		
Investment in an associate - at cost	<u>13,476</u>	13,476
Investment in subsidiaries - at cost	<u>3,676,454</u>	<u>3,676,454</u>
	<u>3,689,930</u>	<u>3,689,930</u>
6.1 Subsidiaries - at cost		
Indus Home Limited (IHL)	<u>2,491,204</u>	2,491,204
Indus Lyallpur Limited (ILP)	<u>1,185,000</u>	1,185,000
Indus Wind Energy Limited (IWE)	<u>250</u>	250
	<u>3,676,454</u>	<u>3,676,454</u>

Notes

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		.....(Un-audited).....			
		Half year ended		Quarter ended	
		December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
		Notes .....Rupees in '000'.....			
7	COST OF GOODS SOLD				
	Raw material consumed	6,294,335	7,226,031	3,063,447	3,500,159
	Manufacturing expenses	1,891,988	1,957,818	956,289	975,827
	Outside purchases	114,742	534,029	6,233	490,955
		8,301,065	9,717,878	4,025,969	4,966,941
	Work in process				
	Opening stock	243,052	309,978	247,134	301,569
	Closing stock	(237,726)	(291,343)	(237,726)	(291,343)
		5,326	18,635	9,408	10,226
	Cost of goods manufactured	8,306,391	9,736,513	4,035,377	4,977,167
	Finished Goods				
	Opening stock	442,438	469,806	350,081	310,554
	Closing stock	(343,574)	(357,557)	(343,574)	(357,557)
		98,864	112,249	6,507	(47,003)
		8,405,255	9,848,762	4,041,884	4,930,164
7.1	Manufacturing expenses				
	Salaries, wages and benefits	508,686	495,191	241,380	248,860
	Fuel, water and power	758,310	785,501	410,239	405,168
	Stores and spares consumed	151,031	179,340	77,759	70,614
	Packing material consumed	156,554	177,479	73,126	85,555
	Insurance	10,863	19,565	(1,842)	12,621
	Repairs and maintenance	14,900	17,142	8,155	10,304
	Rent, rate and taxes	1,485	1,492	750	73
	Depreciation	280,476	273,594	141,433	138,229
	Others	9,683	8,514	5,289	4,403
		1,891,988	1,957,818	956,289	975,827

8 TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credits, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In this unconsolidated condensed interim financial information tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary difference exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is booked to the extent of local operations

The Finance Act, 2015 introduced income tax at the rate of 10% on undistributed reserves where such reserves of the company are in excess of its paid up capital and the company derives profits for a tax year but does not distribute requisite cash dividend within six months of the end of the said tax year. Liability in respect of such income tax, if any, is recognised when the prescribed time period for distribution of dividend expires.

9 AGGREGATE TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of subsidiaries [(Indus Wind Energy Limited), (Indus Lyallpur Limited), (Indus Home Limited) and (Indus Home US Inc.)], associate (Sunrays Textiles Mills Limited) and entities where directors held interest (Riaz Cotton Factory, Silver Seeds (Private) Limited, MB Industries (Private) Limited, Gailawala Cotton Company, Indus Heartland Limited, Lyallpur Properties) and key management personnel. The Company carries out transactions with related parties on agreed terms. Transactions with related parties during the period and balances with them at period end are as follows: -

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
		.....Rupees in '000'.....	
9.1 Transactions during the period			
Relationship with Company	Nature of transaction		
Subsidiaries	Sale of fiber and yarn	223,735	351,157
	Purchase of yarn	-	397,580
	Purchase of machinery	7,000	1,307
	Purchase of cotton	-	1,561
	Contract manufacturing cost	71,754	-
	Advance payment for subscription of right shares	-	50,000
Key management personnel	Remuneration paid	16,032	12,600
9.2 Balances with related parties			
Subsidiaries	Trade debts	22,619	16,433
Subsidiaries	Trade and other payables	6,173	187,713
Associate	Trade and other payables	2,399	229
Associate	Trade debts	-	831
Other related parties	Trade and other payables	3,170	3,170
Other related parties	Trade debts	190	-

10 FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

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

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

The following table presents the Fund's financial assets which are carried at fair value:

		As at December 31, 2015			
		Level 1	Level 2	Level 3	Total
		.....Rupees in '000'.....			
Assets					
Investments in securities					
- at fair value	through profit or loss	168,108	-	-	168,108
		As at June 30, 2015			
		Level 1	Level 2	Level 3	Total
		.....Rupees in '000'.....			
Assets					
Investments in securities					
- at fair value	through profit or loss	167,943	-	-	167,943

11 DATE OF AUTHORISATION FOR ISSUE

This unconsolidated condensed interim financial information was authorised for issue on 29th February 2016 by the Board of Directors of the Company.

12 GENERAL

Figures have been rounded off to the nearest thousand of Rupee.


SHAHZAD AHMED
 Chief Executive


NAVEED AHMED
 Director



**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

**Consolidated Condensed Interim Financial Information
Half Year Ended December 31, 2015**

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2015

December 31,
2015
(Unaudited) June 30,
2015
(Audited)

EQUITY AND LIABILITIES
SHARE CAPITAL AND RESERVES

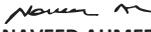
Notes

.....Rupees in '000'

Authorised 45,000,000 Ordinary shares of Rs. 10 each		450,000	45,0000
Issued, subscribed and paid up		180,737	180,737
Exchange translation reserve			
Reserves		5,023,260	5,022,675
Unappropriated profit		5,537,616	5,470,799
		10,741,613	10,674,211
NON CURRENT LIABILITIES			
Long-term financing		1,187,466	1,577,187
Deferred liabilities		344,557	266,665
		1,532,023	1,843,852
CURRENT LIABILITIES			
Trade and other payables		1,646,460	1,482,076
Interest / mark-up payable		56,721	70,066
Short-term borrowings		4,421,005	4,618,149
Current portion of: long-term financing		568,884	703,466
		6,693,070	6,873,757
CONTINGENCIES AND COMMITMENTS	6	18,966,706	19,391,820
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	10,968,855	11,084,138
Intangible assets		5,626	6,619
Long-term investments	8	21,697	21,278
Long-term deposits		14,756	15,338
		11,010,934	11,127,373
CURRENT ASSETS			
Stores, spares and loose tools		491,317	615,525
Stock-in-trade		5,460,537	5,313,432
Trade debts		1,040,349	1,352,881
Loans and advances		80,977	302,821
Trade deposits and short-term prepayments		46,242	10,327
Other receivables		86,060	95,600
Other financial assets		171,004	169,593
Tax refundable		443,662	308,717
Cash and bank balances		135,624	95,551
		7,955,772	8,264,447
		18,966,706	19,391,820

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Notes	Half year ended		Quarter ended	
		2015 (July - Dec)	2014 Dec 31, 2014	2015 (Oct - Dec)	2014 Dec 31, 2014
		.....Rupees in '000'.....		.....Rupees in '000'.....	
Sales		12,079,920	14,710,301	5,842,623	7,480,939
Cost of goods sold	9	(11,238,359)	(13,149,222)	(5,317,918)	(6,543,972)
Gross profit		841,561	1,561,079	524,705	936,967
Other operating income		103,568	21,090	98,052	49,387
		945,129	1,582,169	622,757	986,354
Distribution cost		(330,085)	(417,026)	(162,675)	(218,035)
Administrative expenses		(185,346)	(174,019)	(93,421)	(88,985)
Other operating expenses		(34,951)	(131,263)	(27,276)	(112,581)
Financial cost		(172,252)	(272,746)	(84,203)	(177,370)
		(722,634)	(995,054)	(367,575)	(596,971)
Share of profit from associate	8.1	419	822	316	531
Profit before taxation		222,914	587,937	255,498	389,914
Taxation	10	(156,097)	(129,110)	(103,473)	(59,564)
Profit after taxation		66,817	458,827	152,025	330,350
Earnings per share - Basic and diluted		3.70	25.39	8.41	18.28

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

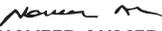
INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2015

	Half year ended		Quarter ended	
	December 31, 2015	December 31, 2014	December 31, 2015	December 31, 2014
	.....Rupees in '000'.....			
Profit after taxation	66,817	458,827	152,025	330,350
Other comprehensive income				
Items that may be reclassified				
subsequently to profit and loss account				
Exchange gain / (loss) on translation of foreign subsidiary	585	195	342	(52)
Items that will not be reclassified				
subsequently to profit and loss account	-	-	-	-
Total comprehensive income for the half year	67,402	459,022	152,367	330,298

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

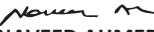
INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Note	Half year ended	
		December 31, 2015	December 31, 2014
		.....Rupees in '000'.....	
A. CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		222,914	587,937
Adjustments for:			
Depreciation and Amortization		485,678	505,548
Provision for gratuity		45,970	57,211
Share of profit from associate		(419)	(822)
Unrealised gain on revaluation of foreign currency loans		(617)	-
Exchange gain on revaluation of foreign subsidiary		585	195
Gain on disposal of property, plant and equipment		(109)	(806)
Gain on revaluation/ disposal of other financial assets		2,815	(386)
Finance cost		172,252	272,746
Dividend income		(843)	(905)
Operating profit before working capital changes		928,226	1,420,718
Working capital changes (Increase) / decrease in current assets			
Stores, spares and loose tools		124,208	38,624
Stock in trade		(147,105)	(2,734,184)
Trade debts		312,532	599,501
Loans and advances		(3,726)	(56,357)
Trade deposits and short-term prepayments		(35,915)	(26,505)
Other receivables		9,540	(34,471)
Tax refundable		84,188	146,471
Increase in current liabilities Trade and other payables		164,384	512,818
		508,106	(1,554,103)
Cash used in operations		1,436,332	(133,385)
Income taxes paid		(86,660)	(80,743)
Finance cost paid		(185,597)	(302,530)
Gratuity paid		(31,078)	(24,056)
Net cash generated from / (used in) operating activities		1,132,997	(540,714)
B. CASH FLOWS FROM INVESTING ACTIVITIES			
Payments made for purchase of items property, plant and equipment		(374,115)	(566,767)
Proceeds on disposal of property, plant and equipment		4,822	13,784
Proceeds on disposal of other financial assets		-	123,665
Payments made for purchase of other financial assets		(4,226)	-
Long-term deposits		582	613
Dividend received		843	905
Net cash used in investing activities		(372,094)	(427,800)
Long-term financing obtained		136,522	400,200
Repayment of long-term financing		(660,208)	(808,790)
Dividend paid		-	(84,319)
Net cash used in financing activities		(523,686)	(492,909)
Net increase / (decrease) in cash and cash equivalents		237,217	(1,461,423)
Cash and cash equivalents at beginning of the period		(4,522,598)	(4,926,406)
Cash and cash equivalents at end of the period		(4,285,381)	(6,387,829)
CASH AND CASH EQUIVALENTS			
Cash and bank balances		135,624	145,766
Short-term running finance		(4,421,005)	(6,533,595)
		(4,285,381)	(6,387,829)

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2015

	Reserves							Total
	Issued, subscribed and paid up capital	Capital			Revenue		Total	
		Share premium	Merger reserve	Exchange translation reserve	General reserve	Unappropriated profit		
Rupees in '000'								
Balance at June 30, 2014 (audited)	180,737	10,920	11,512	(32)	5,000,000	5,443,438	10,646,575	
Comprehensive income for the year;								
Profit for the half year ended December 31, 2014	-	-	-	-	-	458,827	458,827	
Exchange gain on translation of foreign subsidiary	-	-	-	195	-	-	195	
Other comprehensive income for the year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	195	-	458,827	459,022	
Associate's share of surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax	-	-	-	-	-	160	160	
Transactions with owners recorded directly in equity:								
Interim cash dividend for the period ended September 31, 2014 @ Rs. 5 per share	-	-	-	-	-	(90,369)	(90,369)	
Balance at December 31, 2014 (unaudited)	<u><u>180,737</u></u>	<u><u>10,920</u></u>	<u><u>11,512</u></u>	<u><u>163</u></u>	<u><u>5,000,000</u></u>	<u><u>5,812,056</u></u>	<u><u>11,015,388</u></u>	
Balance at June 30, 2015 (audited)	180,737	10,920	11,512	243	5,000,000	5,470,799	10,674,211	
Comprehensive income for the half-year;								
Profit for the half year ended December 31, 2015	-	-	-	-	-	66,817	66,817	
Exchange gain on translation of foreign subsidiary	-	-	-	585	-	-	585	
Other comprehensive income for the half-year	-	-	-	-	-	-	-	
Total comprehensive income for the year	-	-	-	585	-	66,817	67,402	
Transactions with owners recorded directly in equity								
Balance at December 31, 2015	<u><u>180,737</u></u>	<u><u>10,920</u></u>	<u><u>11,512</u></u>	<u><u>828</u></u>	<u><u>5,000,000</u></u>	<u><u>5,537,616</u></u>	<u><u>10,741,613</u></u>	

The annexed notes 1 to 14 form an integral part of these consolidated condensed interim financial information.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

INDUS DYEING & MANUFACTURING COMPANY LIMITED

SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR HALF YEAR ENDED 31 DECEMBER 2015

1. LEGAL STATUS AND NATURE OF BUSINESS

The " Group " consists of

1.1 Holding Company - Indus Dyeing & Manufacturing Company Limited

Indus Dyeing & Manufacturing Co. Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act 1913 repealed by the Companies Ordinance, 1984. Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Karachi Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The Company is also operating two ginning units including one on leasing arrangements in District Multan. The Company has the following group entities :

- Indus Lyallpur Limited - Wholly owned subsidiary
- Indus Home Limited - Wholly owned subsidiary
- Indus Wind Energy Limited - Wholly owned subsidiary
- Indus Home USA Inc. - Wholly owned subsidiary of Indus Home Limited
- Sunrays Textile Mills Limited - Associated undertaking

1.2 Subsidiary Companies

1.2.1 Indus Lyallpur Limited - 100% owned

Indus Lyallpur Limited (the Subsidiary Company) is an unlisted public company limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984. Principal business of the Subsidiary Company is manufacturing and sale of yarn. Mill is located at 38th kilometer, Shaikhupura road, District Faisalabad in the province of Punjab. Registered office of the Subsidiary Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company acquired 71,540,000 ordinary shares representing hundred percent of paid up capital of the Subsidiary Company @ 6.85 per share for aggregate consideration of Rs. 490 million on January 31, 2012.

1.2.2 Indus Home Limited - 100% owned

Indus Home Limited (the Subsidiary Company) was incorporated in Pakistan as a public limited Company on May 18, 2006 under the Companies Ordinance 1984. The registered office of the Company is located at 174 Abu Bakar Block, New Garden Town, Lahore. Principal business activities of the Subsidiary Company are to manufacture and export the greige and finished terry cloth and other textile products. The manufacturing facility of the Company is located at Manga Mandi, Lahore. On November 21, 2013, the Holding Company acquired 75 million shares of Indus Home Limited from West Point Pakistan LLC for an aggregate purchase consideration of USD 12 million. As a result of the acquisition, the Holding Company acquired controlling interest in Indus Home Limited by way of 100% ownership.

1.2.3 Indus Wind Energy Limited - 100% owned

Indus Wind Energy has been established during the year 2015. The principal business activities of the Company is to generate and sale electricity to the national grid.

1.2.4 Indus Home USA Inc. (100% owned by Indus Home Limited)

Indus Home USA Inc. was established in the prior year. The principal business activities of the Company is to act as commission agent to generate sales order in textile sector.

1.3 Associated Undertaking

Sunrays Textile Mills Limited was incorporated in Pakistan on August 27, 1987 as a public limited company under the Companies Ordinance, 1984 and its shares are quoted on the Karachi Stock Exchange. The Company is principally engaged in trade, manufacture and sale of yarn. The Company is also operating a ginning unit and an ice factory on leasing arrangements. The registered office of the Company is situated at Karachi. The mill is located at District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab. The Holding Company has 0.99% voting rights in the Company and it is regarded associate due to common directorship.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

2. BASIS OF CONSOLIDATION

- This consolidated condensed interim financial information include the financial information of the Company and its Subsidiary Companies(refer note 1 above) (here-in-after collectively referred to as 'the Group').
- Subsidiary Companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and excluded from consolidation from the date of disposal or when the control is lost.
- The condensed interim financial information of the Subsidiary Companies are prepared for the same reporting period as of the Company for the purpose of consolidation, using consistent accounting policies.
- The assets, liabilities, income and expenses of the Subsidiary Companies have been consolidated on a line by line basis.
- Material intra-group balances and transactions have been eliminated.

3. STATEMENT OF COMPLIANCE

This consolidated condensed interim financial information are unaudited and have been prepared in accordance with the approved Accounting Standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail. The disclosures in this condensed interim financial information, however, have been limited to the extent of requirements stated in International Accounting Standard (IAS) 34 'Interim Financial Reporting' .

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES

- 4.1** The accounting policies applied in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the annual audited consolidated financial statements of the Company for the year ended June 30, 2015
- 4.2** The financial risk management policies and objectives adopted by the Company are consistent with those disclosed in the annual audited consolidated financial statements for the year ended June 30, 2015
- 4.3** Certain new International Financial Reporting Standards (IFRSs) and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2015, which does not have any impact on this condensed interim financial information except for IFRS 13 "Fair Value Measurement", which required certain additional disclosures presented in note 12 to this condensed interim financial information.
- 4.4** IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note 12.

5. BASIS OF PREPARATION :

- 5.1** This consolidated condensed interim financial information has been prepared under the historical cost convention modified by: -
 - recognition of certain employee retirement benefits at present value.
 - certain financial instruments at fair value.
- 5.2** This consolidated condensed interim financial information does not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Company for the year ended June 30, 2015.
- 5.3** This consolidated condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.
- 5.4** The comparative consolidated balance sheet presented has been extracted from annual consolidated financial statements for the year ended June 30, 2015, whereas comparative consolidated condensed interim profit and loss account, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are stated from the unaudited consolidated condensed interim financial information for the half year ended December 31, 2015.

INDUS DYEING & MANUFACTURING COMPANY LIMITED

	December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
.....Rupees in '000'.....		
6 CONTINGENCIES AND COMMITMENTS		
6.1 Contingencies		
Claim of arrears of social security contribution not acknowledged. Appeal is pending in Honourable High Court of Sindh. The management is hopeful for favourable outcome.	453	453
Guarantees issued by banks on behalf of the Group	62,290	44,010
Guarantees issued by banks in favour of gas / electricity distribution companies	112,639	37,586
Bank guarantees in favor of Collector of Customs	7,950	7,950
Bank guarantees against payment of infrastructure cess	178,541	155,042
6.2 Commitments		
Letters of credit against plant and equipment, stores and spares and raw cotton purchases	2,247,580	1,084,734
Civil work contracts	259,547	21,980
Foreign currency forward contracts	557,356	510,680

7 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period, the following additions and disposals were made: -

	.....(Un-audited).....			
	December 31, 2015		December 31, 2014	
	Additions / Transfers	Disposal at Carrying value	Additions / Transfers	Disposal at Carrying value
.....Rupees in '000'.....				
Assets				
Factory building	48,455	-	28,876	-
Non factory building	-	-	23,241	-
Plant and machinery	192,257	(532)	252,524	(8,409)
Electric installations	2,945	-	1,008	-
Power generator	38,689	(13,015)	-	-
Office equipment	347	-	1,001	(124)
Furniture and fixtures	2,614	-	636	-
Vehicles	13,230	(4,181)	26,362	(1,384)
Computers	941	-	-	-
Capital work in - progress	205,139	-	272,101	(42,043)
	504,618	(17,728)	605,749	(51,960)

INDUS DYEING & MANUFACTURING COMPANY LIMITED

		December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
		.....Rupees in '000'.....	
8. LONG TERM INVESTMENTS	Notes		
Investment in an associate	8.1	21,697	21,278
8.1 Investment in an associate			
Cost		1,716	1,716
Opening		19,562	22,482
Dividend received		-	(1,366)
Associate's share of transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax.		-	-
Share of profit from associate		419	1,056
Accounting policy adjustment		-	(2,610)
		19,981	19,562
		21,697	21,278
Number of shares held		68,654	68,654
Cost of investment (in Rs. "000")		1,716	1,716
Ownership interest		0.9950%	0.9950%
Market value (in Rs. "000")		28,533	15,518
.....(Un-audited).....			
		Half year ended	Quarter ended
		December 31, 2015	December 31, 2014
		December 31, 2015	December 31, 2014
.....Rupees in '000'.....			
9. COST OF GOODS SOLD	Notes		
Raw material consumed		7,264,238	8,076,650
Manufacturing expenses	9.1	3,314,269	3,272,242
Outside purchases		497,621	1,534,029
		11,076,128	12,882,921
Work in process			
Opening stock		696,608	789,693
Closing stock		(669,265)	(691,179)
		27,343	98,514
Cost of goods manufactured		11,103,471	12,981,435
Finished Goods			
Opening stock		993,543	1,108,755
Closing stock		(858,655)	(940,968)
		134,888	167,787
		11,238,359	13,149,222
9.1 Manufacturing expenses			
Salaries, wages and benefits		808,804	799,277
Fuel, water and power		1,288,738	1,308,677
Stores and spares consumed		372,853	303,335
Packing material consumed		273,995	308,486
Insurance		19,687	31,391
Repairs and maintenance		24,015	30,126
Rent, rate and taxes		1,485	1,492
Depreciation		499,304	493,959
Others		25,388	32,797
Rebate		(31,404)	(37,298)
		3,314,269	3,272,242
		5,317,918	6,543,972
		5,317,918	6,543,972

INDUS DYEING & MANUFACTURING COMPANY LIMITED

10 TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In this consolidated condensed interim financial information tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.

The charge for deferred tax is based on net taxable temporary difference exist at period end for local operations. It is likely that the income of the Company will be taxable based on turnover tax and under final tax regime in future. Hence, deferred tax is booked to the extent of local operations

The Finance Act, 2015 introduced income tax at the rate of 10% on undistributed reserves where such reserves of the company are in excess of its paid up capital and the company derives profits for a tax year but does not distribute requisite cash dividend within six months of the end of the said tax year. Liability in respect of such income tax, if any, is recognised when the prescribed time period for distribution of dividend expires.

11 AGGREGATE TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associate (Sunrays Textiles Mills Limited) and entities where directors held interest (Riaz Cotton Factory, Silver Seeds (Private) Limited, MB Industries (Private) Limited, Gailawala Cotton Company, Indus Heartland Limited, Lyallpur Properties) and key management personnel and post employment benefit schemes. The group carries out transactions with related parties on agreed terms. Transactions with related parties during the period and balances with them at period end are as follows: -

		.....Un-audited..... Half year ended	
		December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
		.....Rupees in '000'.....	
11.1	Transactions during the period		
	Relationship with Company	Nature of transaction	
	Associate		
		Purchase of yarn / cotton & machinery Conversion cost	
		54,409	44,048
		17,068	3,925
	Key management personnel		
		Remuneration paid	
		38,276	25,786
		December 31, 2015 (Unaudited)	June 30, 2015 (Audited)
		.....Rupees in '000'.....	
11.2	Balances with related parties		
	Associate		
	- Payable	(3,729)	7,834
	- Receivable	-	845
	Directors and spouses		
	- Payable	-	14,127
	Other related parties		
	- Payable	(5,569)	-
	- Receivable	4,625	-

INDUS DYEING & MANUFACTURING COMPANY LIMITED

12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

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

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

The following table presents the Fund's financial assets which are carried at fair value:

	Level 1	As at December 31, 2015		Total
		Level 2	Level 3	
Assets	.....Rupees in '000'.....			
Investments in securities - at fair value through profit or loss	171,004	-	-	171,004
	Level 1	As at June 30, 2015		Total
Assets	.....Rupees in '000'.....			
Investments in securities - at fair value through profit or loss	169,593	-	-	169,593

13. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorised for issue on 29th February 2016 by the Board of Directors of the Company.

14. GENERAL

Figures have been rounded off to the nearest thousand of Rupee.


SHAHZAD AHMED
Chief Executive


NAVEED AHMED
Director

Title Back