



**Jubilee Spinning & Weaving Mills Ltd.**

**BOOK POST**

**Condensed Interim Financial Information  
Nine Month Accounts (Un-audited)  
31 March 2017**

If undelivered please return to:

**Jubilee Spinning & Weaving Mills Ltd.**

45-A, Off Zafar Ali Road, Gulberg-V,  
Lahore-Pakistan.



## Company Information

### Board of Directors

Mr. Tariq Shafi	Chairmen
Mr. Jahanzeb Shafi	(Chief Executive)
Mr. Aurangzeb Shafi	
Mr. Muhammad Akbar Khan	
Mr. Shaukat Shafi	
Mr. Umer Shafi	
Mr. Usman Shafi	

### Audit Committee

Mr. Usman Shafi	Chairman
Mr. Aurangzeb Shafi	
Mr. Muhammad Akbar Khan	

### Company Secretary

Sh. Naseer Ahmad

### Auditors

Riaz Ahmed & Company  
Chartered Accountant

### Legal Advisor

M/s. Amjad H. Bokhari & Associates

### Bankers

Habib Metro Bank Limited  
Habib Bank Limited  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Limited  
Soneri Bank Limited  
Allied Bank Limited  
Faysal Bank Limited

### Registered Office

45-A Off Zafar Ali Road, Gulberg-V  
Lahore, Pakistan

### Mills

B-28, Manghopir Road S.I.T.E Karachi,

**Director's Report To The Shareholders**

Dear Shareholders,

The Directors of the Company have the pleasure of presenting the un-audited accounts of the Company for the 3rd Quarter ended March 31, 2017.

**Net Profit/(Loss)**

During the period under review, the Company earned a net profit of Rs. 7,354,454 as compared to net profit of Rs. 2,781,570 during the Same Period Last Year.

**Financial Results**

The financial results of the company for Q3 FY17 are summarized as follows:

Year ended on	Rupees March 31, 2017	Rupees March 31, 2016
Sales	5,836,568	2,405,451
Cost of sales	(6,486,381)	(2,790,011)
Gross Profit/(Loss)	(649,813)	(384,560)
Selling, Admin and Other Operating Costs	(4,520,368)	(1,510,067)
Other income	12,524,635	5,708,292
Finance Charges	-	(403)
Provision for tax	-	(1,031,692)
Profit/(Loss) after tax	7,354,454	2,781,570
Basic Earnings/(Loss) per share	0.23	0.09

The management is confident that results will be further improved during the remaining period of this year.

In closing, I would like to thank our shareholders for their continued support.

**Jahanzeb Shafi**

Chief Executive Officer

April 28, 2017  
Karachi.

**شیئر ہولڈرز کیلئے ڈائریکٹری رپورٹ**

معزز شیئر ہولڈرز،

آپ کی کمپنی کے ڈائریکٹران نو ماہ کے اواخر مارچ 31، 2017 کے نتائج پیش کرتے ہوئے انتہائی خوشی محسوس کرتے ہیں۔

کل منافع / نقصان)

اس سال کے دوران، کمپنی نے بعد لاگت، اخراجات اور متفرقات کل Rs. 7,354,454 روپے کا منافع حاصل کیا ہے۔ نسبت گزشتہ سال کے مجموعی منافع Rs. 2,781,570 کے۔

مالی نتائج:-

کمپنی کے مالی نتائج اختصار سے بیان کئے گئے ہیں جو کہ درج ذیل ہیں:

روپے 31 مارچ 2016	روپے 31 مارچ 2017	سال کے اختتام پر
2,405,451	5,836,568	سیل
(2,790,011)	(6,486,381)	سیل کی لاگت
(384,560)	(649,813)	مجموعی منافع / نقصان)
(1,510,067)	(4,520,368)	فروخت، ایڈمن اور دیگر فعل اخراجات
5,708,292	12,524,635	دیگر آمدنی
(403)	-	مالی ادائیگی
(1,031,692)	-	ٹیکس کے مندرجات
2,781,570	7,354,454	منافع / نقصان بعد از ٹیکس
0.09	0.23	بنیادی منافع / نقصان فی شیئر

تاہم انتظامیہ پر امید ہے کہ ہم بقایا سال کی مدت کیلئے نتائج کو مزید بہتر بنائیں گے۔

آخر میں، میں اپنے شیئر ہولڈرز کے مسلسل تعاون کا شکریہ ادا کرتا ہوں۔

از طرف و نجانب بورڈ ڈائریکٹرز

جہانزیب شفیق

چیف ایگزیکٹو

اپریل 28، 2017

کراچی۔



Jubilee Spinning & Weaving Mills Ltd.

Nine Month Accounts 31 March 2017

**Balance Sheet - Un Audited**

Note	Un-audited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
<b>Authorized share capital</b>		
	34,000,000 (30 June 2016: 34,000,000) ordinary shares of Rupees 10 each	<u>340,000,000</u>
	<b>Issued, subscribed and paid up share capital</b> 32,491,205 (30 June 2016: 32,491,205) ordinary shares of Rupees 10 each	<u>324,912,050</u>
	<b>Reserves</b>	<u>(415,342,277)</u>
	<b>Total equity</b>	<u>(90,430,227)</u>
	Surplus on revaluation of property, plant and equipment - Net of tax	213,818,213
	Surplus on revaluation of investment property - Net of tax	496,361,150
	<b>LIABILITIES</b>	
	<b>NON-CURRENT LIABILITIES</b>	
5	Long term financing	-
	Deferred income tax	9,473,330
	Employees retirement benefits	35,259,509
		44,732,839
	<b>CURRENT LIABILITIES</b>	
	Trade and other payables	116,861,975
	Current portion of long term financing	8,386,191
	Accrued markup	24,517,429
	Provisions	9,928,940
	Provision for taxation	9,230,559
		6,029,220
		<u>165,723,755</u>
	<b>TOTAL LIABILITIES</b>	<u>210,456,594</u>
	<b>CONTINGENCIES AND COMMITMENTS</b>	
6		
	<b>TOTAL EQUITY AND LIABILITIES</b>	<u>801,378,691</u>

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

Jahanzeb Shafi  
Chief Executive



Jubilee Spinning & Weaving Mills Ltd.

Nine Month Accounts 31 March 2017

**As at March 31, 2017**

Note	Un-audited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
7	Property, plant and equipment	211,778,436
	Investment property	445,911,887
8	Long term investments	839,358
	Long term loans	1,682,278
	Long term deposits	3,949,009
		<u>664,160,968</u>
	<b>CURRENT ASSETS</b>	
	Trade debts	24,982,606
	Loans and advances	27,437,554
	Short term deposits and prepayments	500,000
	Other receivables	24,868,500
	Advance income tax and refund	10,080,767
	Short term investments	47,748,374
	Cash and bank balances	1,599,922
		<u>137,217,723</u>
	<b>TOTAL ASSETS</b>	<u>801,378,691</u>

Tariq Shafi  
Director



Jubilee Spinning & Weaving Mills Ltd.

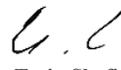
Nine Month Accounts 31 March 2017

**Condensed Interim Profit & Loss Account (Un-audited)  
For the Period Ended 31 March 2017**

Note	NINE MONTH ENDED		QUARTER ENDED	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Rupees			
REVENUE	16,804,521	14,510,742	5,836,568	2,405,451
COST OF SALES	(10,662,623)	(6,854,827)	(6,486,381)	(2,790,011)
GROSS PROFIT	6,141,898	7,655,915	(649,813)	(384,560)
DISTRIBUTION AND SELLING COST	-	-	-	-
ADMINISTRATIVE EXPENSES	(10,773,032)	(7,028,808)	(4,520,368)	(1,510,067)
	(4,631,134)	627,107	(5,170,181)	(1,894,627)
UNREALIZED LOSS ON INVESTMENT - AT FAIR VALUE THROUGH PROFIT AND LOSS	-	(797,537)	-	-
LOSS ON DISPOSAL OF OPERATING FIXED ASSETS	(1,341,270)	-	-	-
OTHER INCOME	36,217,428	21,295,499	12,524,635	5,708,292
PROFIT FROM OPERATIONS	30,245,024	21,125,069	7,354,454	3,813,665
FINANCE COST	(3,207)	(87,388)	-	(403)
PROFIT BEFORE TAXATION	30,241,817	21,037,681	7,354,454	3,813,262
PROVISION FOR TAXATION				
- Current	(3,201,339)	(1,689,123)	-	(1,031,692)
- Prior	-	(2,604,346)	-	-
- Deferred	-	379,717	-	-
	(3,201,339)	(3,913,752)	-	(1,031,692)
PROFIT AFTER TAXATION	27,040,478	17,123,929	7,354,454	2,781,570
EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	0.83	0.53	0.23	0.09

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

  
Jahanzeb Shafi  
Chief Executive

  
Tariq Shafi  
Director



Jubilee Spinning & Weaving Mills Ltd.

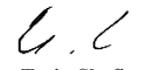
Nine Month Accounts 31 March 2017

**Condensed Interim Statement of Comprehensive Income (Un-audited)  
For the Period Ended 31 March 2017**

	NINE MONTH ENDED		QUARTER ENDED	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Rupees			
PROFIT AFTER TAXATION	27,040,478	17,123,929	7,354,454	2,781,570
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:	-	-	-	-
Items that may be reclassified subsequently to profit or loss :				
Fair value adjustment on available for sale investments	1,786,561	805,327	1,786,561	-
Other comprehensive income for the period	1,786,561	805,327	1,786,561	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	28,827,039	17,929,256	9,141,015	2,781,570

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

  
Jahanzeb Shafi  
Chief Executive

  
Tariq Shafi  
Director





## Selected Notes To The Condensed Interim Financial Information (Un-audited) For the Period ended March 31, 2017

### 1. THE COMPANY AND ITS OPERATIONS

1.1 Jubilee Spinning & Weaving Mills Limited (the Company) was incorporated in Pakistan as a public limited company on 12 December 1973 under the Companies Act, 1913 (Now The Companies Ordinance, 1984). The Company obtained certificate of commencement of business in January 1974. Shares of the Company are listed on all Stock Exchanges in Pakistan. Its registered office is situated at 45-A, Off: Zafar Ali Khan Road, Gulberg V, Lahore whereas the production facilities are located at B-28, Manghopir Road, S.I.T.E, Karachi. The Company is engaged in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The Company also operates electric power generation facilities which generate electricity primarily for the Company's own requirements.

The Company incurred net income of Rupees 27.040 million during the ninth month resulting in accumulated loss of Rupees 415.342 million as at 31 March 2017 (30 June 2016 : Rupees 444.169 million). Due to intermittent availability of raw materials owing to shortage of working capital and continuous losses, the Company has closed its core operations since 2014. The Company has rented out its premises to earn rental income and service revenue from use of in-house power plant by tenants.

The Board of Directors of the Company in their meeting held on 02 September 2008 approved the scheme of compromises, arrangements and reconstruction for merger of Jubilee Energy Limited (associated company) into Jubilee Spinning & Weaving Mills Limited. The scheme was approved by the members of both companies on 30 October 2008. Pursuant to the approval of Honorable Lahore High Court, with effect from 01 July 2008, Jubilee Energy Limited (associated company), has been amalgamated into Jubilee Spinning & Weaving Mills Limited. The accounting policy followed to account for the amalgamation is given in Note 4 to these financial statements.

### 2. BASIS OF PREPARATION

#### 2.1 Statement of Compliance

This condensed interim financial information of the Company for the ninth month ended 31 March 2017 has been prepared in accordance with the requirements of the International Accounting Standard 34 – 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2 This condensed interim financial information is un-audited but subject to the limited scope review by the statutory auditors and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2016.

#### 2.3 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain fixed assets and financial assets and liabilities which have been stated at revalued amounts, fair values, cost, amortized cost and present value as mentioned in respective policy notes disclosed in the published financial statements of the preceding year ended 30 June 2016. Accrual basis of accounting has been used in this condensed interim financial information except for the cash flow information.

2.4 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

### 3. ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in preparation of this condensed interim



financial report are the same as those applied in the preparation of the annual financial statements for the year ended 30 June 2016.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

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

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

	<b>Un-audited</b>	<b>Audited</b>
	<b>March 31,</b>	<b>June 30,</b>
	<b>2017</b>	<b>2016</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>5. LONG TERM FINANCING - UNSECURED</b>		
<b>From directors:</b>		
Opening balance	<b>8,386,191</b>	81,687,366
Loan obtained during the year	-	-
Add: Fair value adjustments under IAS-39	-	13,141,327
	<b>8,386,191</b>	94,828,693
Less: Paid during the year	-	(86,442,502)
	<b>8,386,191</b>	8,386,191
Less: Current portion	<b>(8,386,191)</b>	(8,386,191)
	<b>-</b>	-
<b>6. CONTINGENCIES AND COMMITMENTS</b>		
<b>6.1 Contingencies</b>		
Bank Guarantee from:		
Faysal Bank Limited (Note 6.1.1)	<b>8,600,000</b>	8,600,000
Standard Chartered Bank (Pakistan) Limited (Note 6.1.2)	<b>793,800</b>	793,800
Habib Bank Limited (Note 6.1.3)	<b>2,000,000</b>	2,000,000
	<b>11,393,800</b>	11,393,800

6.1.1 This represents a guarantee issued by Faysal Bank Limited to the collector of customs on behalf of the company against the custom duty on imports.

6.1.2 This represents a guarantee issued by Standard Chartered Bank (Pakistan) Limited to the Honorable High Court, Sindh on account of cotton soft waste (carded and combed) fully paid.

6.1.3 This represents a guarantee issued by Habib Bank Limited in favor of Sui Southern Gas Company Limited on behalf of the company for payment of gas bills. The guarantee is secured against hypothecation charge over current assets of Rupees 12 million. (30 June 2016: Rupees 12 million)

#### 6.2 Commitments

There were no capital or other commitments as at 31 December 2016 (30 June 2016: Nil).



**Jubilee Spinning & Weaving Mills Ltd.**

**Nine Month Accounts 31 March 2017**

	Un-audited March 31, 2017 Rupees	Audited June 30, 2016 Rupees
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>		
Operating fixed assets (Note 7.1)	<u>137,963,638</u>	<u>211,778,436</u>
<b>7.1 Operating fixed assets</b>		
Opening book value	211,778,436	582,288,844
Add: Additions / Transfer in	-	-
Add: Surplus on revaluation during the period / year	-	-
Less: Impairment loss	-	-
	<u>211,778,436</u>	<u>582,288,844</u>
Transferred to disposal / investment property		
Cost / re-assessed value	73,901,955	611,391,244
Accumulated depreciation	-	(244,807,255)
Transfer / disposal - net	73,901,955	366,583,989
Less: Depreciation charged during the period / year	87,157	(3,926,419)
	<u>137,963,638</u>	<u>211,778,436</u>
<b>8. LONG TERM INVESTMENTS</b>		
<b>Available for sale - Associated company (without significant influence)</b>		
Taxmac (Private) Limited	520,000	520,000
52,000 (30 June 2016: 52,000) ordinary shares of Rupees 10 each		
Premier Insurance Company Limited (Note: 8.1)	285,597	319,358
11,335 (30 June 2016: 22,670) ordinary shares of Rupees 10 each		
	<u>805,597</u>	<u>839,358</u>
<b>Associated companies (with significant influence)</b>		
<b>- Under equity method</b>		
Cresox (Private) Limited (Note: 8.2)	-	-
8,982,160 (30 June 2016: 8,982,160) ordinary shares of Rupees 10 each		
Crescent Industrial Chemical Limited (Note: 8.3)	-	-
	<u>805,597</u>	<u>839,358</u>
<b>8.1 Premier Insurance Company Limited</b>		
Fair value on ceasing to be an associate	291,989	291,989
Fair value adjustment		
Opening	27,369	72,079
For the period / year	(33,760)	(44,710)
	<u>(6,391)</u>	<u>27,369</u>
	<u>285,597</u>	<u>319,358</u>
<b>8.2 Cresox (Private) Limited</b>		
Opening balance	-	-
Share of loss for the period / year	-	(70,472,706)
Share of loss of previous years - unrecognized	(367,008,873)	(296,536,167)
	<u>(367,008,873)</u>	<u>(367,008,873)</u>
Unrecognized loss	<u>367,008,873</u>	<u>367,008,873</u>
	<u>-</u>	<u>-</u>



**Jubilee Spinning & Weaving Mills Ltd.**

**Nine Month Accounts 31 March 2017**

8.3 This represents investment of 184,000 ordinary shares in Crescent Industrial Chemical Limited which was fully impaired in previous years.

	<u>NINE MONTH ENDED</u>		<u>QUARTER ENDED</u>	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
			Rupees	
<b>9. COST OF SALES</b>				
Repair and maintenance	9,048,197	2,020,349	5,840,670	1,131,974
Fuel and power	877,000	457,540	283,000	390,040
Other factory overheads	650,269	763,408	362,711	98,000
Depreciation	87,157	3,613,530	-	1,169,997
Cost of goods manufactured	<u>10,662,623</u>	<u>6,854,827</u>	<u>6,486,381</u>	<u>2,790,011</u>
<b>10. SEGMENT INFORMATION</b>				
10.1 Spinning:				Production of different quality of yarn using natural and artificial fibers.
Power Generation:				Generation and distribution of power.
				Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases have been eliminated from the total.



10.2 Segment Results	Spinning (Un-audited)		Power Generation (Un-audited)		Elimination of Inter- segment transactions (Un-audited)		Total Company (Un-audited)	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Sales	-	-	16,804,521	14,510,742	-	-	16,804,521
Cost of sales	-	(6,397,287)	(10,662,623)	(457,540)	-	-	(10,662,623)	(6,854,827)
Gross (loss) / profit	-	(6,397,287)	6,141,898	14,053,202	-	-	6,141,898	7,655,915
Distribution cost	-	-	-	-	-	-	-	-
Administrative expenses	-	(7,028,808)	(10,773,032)	-	-	-	(10,773,032)	(7,028,808)
Profit / (loss) before taxation and unallocated expenses and income	-	(13,426,095)	(4,631,134)	14,053,202	-	-	(4,631,134)	627,107
Unallocated income and expenses:								
Finance cost							(3,207)	(87,388)
Unrealized loss on investment- held for trading							(1,341,270)	(797,537)
Other income							36,217,428	21,295,499
Taxation								
- Current							(3,201,339)	(1,689,123)
- Prior							-	(2,604,346)
- Deferred							-	379,717
Profit after taxation							(3,201,339)	(3,913,752)
							27,040,478	17,123,929

10.2.1 All the reported segments operate in same geographical location.

10.3 Segment Assets	Spinning (Un-audited)		Power Generation (Un-audited)		Total Company (Un-audited)	
	March 31, 2017	June 30, 2016	March 31, 2017	June 30, 2016	March 31, 2017	June 30, 2016
	Segment assets	-	868,173,575	2,303,509	13,220,917	2,303,509
Unallocated assets					810,602,064	778,375,173
					812,905,573	1,659,769,665
Segment liabilities	156,227,987	270,986,121	13,635,867	1,635,731	169,863,854	272,621,852
Unallocated liabilities					24,779,586	-
					194,643,440	272,621,852

## II. CASH FLOW FROM OPERATING ACTIVITIES

### Profit before taxation

#### Adjustments for non-cash charges and other items:

	30,241,817	21,037,681
Depreciation	87,157	3,841,011
Provision for Gratuity	-	277,125
Dividend income	(54,339)	(163,656)
Commission Income	100,845	-
License Fee Income	-	(7,566,166)
Liabilities written back	-	797,537
Unrealized loss on remeasurement of investments	-	451,646
Provision for doubtful debts	-	(1,051,862)
Gain on disposal of vehicle	-	-
Loss on disposal of fixed assets	-	-
Gain on sale of investment	3,207	87,388
Finance cost	30,378,687	17,710,754

### Working capital changes

#### (Increase) / decrease in current assets:

- Trade debts	74,030	13,370,830
- Loans and advances	12,232,594	17,717,089
- Other receivables	2,985,610	12,608,475
- Short term deposits and prepayments	(1,692,283)	(700,900)
	13,599,951	42,995,494

#### Decrease in trade and other payables

### 11.1 Cash and cash equivalents include the following

Cash and bank balances	(33,301,850)	(54,488,647)
Short term borrowings	10,676,788	6,217,601
	1,423,395	6,037,922
	1,423,395	6,037,922



## 12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related companies and key management personnel. The company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, not disclosed elsewhere, is given below:

Associated companies	NINE MONTH ENDED		QUARTER ENDED	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	<u>Rupees</u>			
Balance receivable from / (payable to)				
Premier Insurance Limited	(12,735,179)	(12,735,179)	-	-
Cresox (Private) Limited	77,160,685	130,707,164	(1,050,000)	-

## 13. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors and authorized for issue on 28 April 2017.

## 14. FINANCIAL RISK MANAGEMENT

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

## 15. GENERAL

- No significant reclassification/ rearrangement of corresponding figures has been made in this condensed interim financial information.
- Figures have been rounded off to the nearest Rupee.

  
Jahanzeb Shafi  
Chief Executive

  
Tariq Shafi  
Director