



Interim Financial Information

Nine Months Ended 31 March 2016

(Unaudited)



| Nishat Chunian Ltd

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COMPANY INFORMATION

Board of Directors:

Mrs. Farhat Saleem (*Chairperson*)
Mr. Shahzad Saleem (*Chief Executive*)
Mr. Zain Shahzad
Mr. M. Imran Rafiq (*Nominee NIT*)
Mr. Aftab Ahmad Khan
Mr. Muhammad Ali Zeb
Mr. Kamran Rasool

Audit Committee:

Mr. M. Imran Rafiq (*Chairman*)
Mr. Zain Shahzad (*Member*)
Mr. Muhammad Ali Zeb (*Member*)

HR & Remuneration Committee:

Mr. Shahzad Saleem (*Chairman*)
Mr. Zain Shahzad (*Member*)
Mr. Kamran Rasool (*Member*)

CFO / Company Secretary:

Mr. Babar Ali Khan

Head of Internal Audit:

Mr. Faqir Syed Ameer Abbas

Mills:

Spinning 1, 4, 5, 7 & 8
49th Kilometre, Multan Road,
Bhai Pheru, Tehsil Chunian,
District Kasur.

Dyeing & Printing
4th Kilometre, Manga Road,
Raiwind.

Spinning 2, 3, 6 & Weaving
49th Kilometre, Multan Road,
Kamogal, Tehsil Pattoki,
District Kasur.

Bankers to the Company:

Allied Bank Limited
Askari Bank Limited
Al Barka Bank (Pakistan) Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Burj Bank Limited
Dubai Islamic Bank Pakistan Limited
Industrial and Commercial Bank of China
(ICBC)
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NIB Bank Limited
Pak Kuwait Investment Company (Private)
Limited
Standard Chartered Bank Pakistan Limited
SAMBA Bank Limited
Soneri Bank Limited
The Bank of Punjab
United Bank Limited

Auditors:

Riaz Ahmad & Company
Chartered Accountants

Registered & Head Office:

31-Q, Gulberg-II,
Lahore, Pakistan.
Phone : 35761730-39
Fax : 35878696-97
Web : www.nishat.net

Share Registrar:

Hameed Majeed Associates (Pvt) Limited
1st Floor, H.M. House
7-Bank Square, Lahore
Ph: 042 37235081-2 Fax: 042-37358817

DIRECTORS' REPORT

Dear Shareholders

The Board of Directors is pleased to announce the unaudited results of Nishat (Chunian) Limited ("the Company") for the nine months ended on March 31, 2016.

Operating Financial Results

Revenues earned during these nine months are Rs. 18.9 billion as compared to Rs. 17.4 billion during the corresponding previous nine months, registering an increase of 8.97%. In response to increase in global demand of made ups, Home Textile sector has made significant contribution towards the augmentation of profit after tax by 43.58 % for nine months ended 31 March 2016 as compared to its corresponding nine months of last year. Deflating fuel prices, use of optimal fuel mix coupled with employment of advanced technological and technical resources made way for this increased profit.

Spinning sector has not seen any revival as slump in Chinese market continues. Poor cotton crop caused escalation of cotton rates resulted in difficult period for spinning business. Company is exploiting diverse range of resources globally to cope with this downfall.

Finance cost of the company decreased by 29.35% as a result of reduction in bank borrowing and decrease in overall borrowing cost owing to vigilant financial Management of the company.

Financial Highlights	Nine months ended March 31		Increase %
	2016	2015	
Sales (Rs.)	18,974,078,529	17,412,496,011	8.97%
Gross Profit (Rs.)	1,696,169,911	1,496,460,754	13.35%
Profit After Taxation (Rs.)	764,615,731	532,533,613	43.58%
Gross Profit %	8.94 %	8.59 %	
Profit After Tax %	4.03 %	3.06 %	
Earnings Per Share (Rs.)	3.23	2.25	

Future Prospects

The management is unwavering for value creation through adoption of advance technology and further diversifying its operations. Launch of retail outlet of Home textile products is already in progression. To be market competitive with global businesses, Company is regularly investing on advancement of plant and machinery and introducing latest state of the art technologies. Ninety two (92) state-of-the art narrow width looms have successfully been installed in weaving and Digital printing machine for home textile business has also successfully started its commercial production. Extension of home textile production units is in progress. Further technological up gradation of various machineries in spinning business is also in progress which will help the Company in mitigating cost and will help produce better quality products. This advancement in technology and shift from conventional processes are expected to open new horizons of opportunities.

Subsidiary Companies and Consolidated Financial Statements

Nishat Chunian Power Limited, NC Electric Company Limited, Nishat Chunian USA Inc. and NC Entertainment (Pvt.) Limited are subsidiary companies of the Company. Therefore, the Company has annexed consolidated condensed interim financial information in addition to its separate condensed interim financial information, in accordance with the requirements of International Financial Reporting Standards and applicable provisions of the Companies Ordinance 1984.

Acknowledgement

The Directors wish to express their appreciation to the dedicated employees who continue to play a pivotal role in the operations of company.

On behalf of the Board

Shahzad Saleem
Chief Executive
28 April 2016

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2016

	Note	Unaudited March 31, 2016 Rupees	Audited June 30, 2015 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital	5	<u>3,000,000,000</u>	<u>3,000,000,000</u>
Issued, subscribed and paid up share capital	6	2,402,215,560	2,001,846,300
Share deposit money		-	951,794,725
Share premium		600,553,890	-
Reserves		<u>7,420,268,409</u>	<u>7,015,985,012</u>
Total equity		<u>10,423,037,859</u>	<u>9,969,626,037</u>
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	7	2,550,193,722	2,905,900,727
CURRENT LIABILITIES			
Trade and other payables		3,034,827,888	1,278,883,394
Accrued mark-up		159,239,456	171,942,000
Short term borrowings	8	13,530,128,877	10,817,110,967
Current portion of non-current liabilities		<u>1,684,036,278</u>	<u>1,816,380,679</u>
		<u>18,408,232,499</u>	<u>14,084,317,040</u>
TOTAL LIABILITIES		<u>20,958,426,221</u>	<u>16,990,217,767</u>
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		<u>31,381,464,080</u>	<u>26,959,843,804</u>

The annexed notes form an integral part of these financial statements.

Chief Executive

UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2016

	Note	Unaudited March 31, 2016 Rupees	Audited June 30, 2015 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	10	9,721,402,767	9,041,707,018
Investment in subsidiary companies		3,279,599,489	3,097,125,226
Long term loans to employees		13,703,690	5,684,723
Long term security deposits		20,769,440	20,769,440
		13,035,475,386	12,165,286,407
CURRENT ASSETS			
Stores, spare parts and loose tools		850,266,419	648,363,911
Stock-in-trade		8,497,255,086	6,018,822,041
Trade debts		4,701,026,249	4,758,163,523
Loans and advances		2,441,790,622	845,091,689
Short term prepayments		17,679,755	2,084,516
Other receivables		1,782,581,694	1,530,672,435
Short term investments		21,856,558	21,891,484
Cash and bank balances		33,532,311	969,467,798
		18,345,988,694	14,794,557,397
TOTAL ASSETS		31,381,464,080	26,959,843,804

Director

UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

Note	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
SALES	18,974,078,529	17,412,496,011	6,633,449,239	6,111,641,431
COST OF SALES	(17,277,908,618)	(15,916,035,257)	(5,990,646,135)	(5,571,873,919)
GROSS PROFIT	1,696,169,911	1,496,460,754	642,803,104	539,767,512
DISTRIBUTION COST	(550,352,772)	(510,224,829)	(190,224,307)	(150,365,267)
ADMINISTRATIVE EXPENSES	(124,705,766)	(156,356,078)	(35,217,542)	(64,613,170)
OTHER OPERATING EXPENSES	(119,937,892)	(96,520,244)	6,663,820	(51,989,066)
	(794,996,430)	(763,101,151)	(218,778,029)	(266,967,503)
	901,173,481	733,359,603	424,025,075	272,800,009
OTHER OPERATING INCOME	795,089,918	1,085,511,803	13,986,710	399,030,091
PROFIT FROM OPERATIONS	1,696,263,399	1,818,871,406	438,011,785	671,830,100
FINANCE COST	(755,187,127)	(1,068,966,176)	(287,567,306)	(378,448,289)
PROFIT BEFORE TAXATION	941,076,272	749,905,230	150,444,479	293,381,811
TAXATION	(176,460,541)	(217,371,617)	(83,180,408)	(86,347,432)
PROFIT AFTER TAXATION	764,615,731	532,533,613	67,264,071	207,034,379
		(Restated)		(Restated)
EARNINGS PER SHARE - BASIC & DILUTED	3.23	2.25	0.28	0.86

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
PROFIT AFTER TAXATION	764,615,731	532,533,613	67,264,071	207,034,379
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	764,615,731	532,533,613	67,264,071	207,034,379

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT

(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

		Nine Months Ended	
		March 31, 2016	March 31, 2015
Note		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
	Cash used in operations	12	
		(963,226,818)	(261,796,852)
	Net increase in long term security deposits	-	388,227
	Net (increase) / decrease in long term loans to employees	(8,018,967)	1,387,583
	Finance cost paid	(767,889,671)	(1,073,430,568)
	Income tax paid	(428,785,938)	(450,330,147)
	Net cash used in operating activities	<u>(2,167,921,394)</u>	<u>(1,783,781,757)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
	Capital expenditure on property, plant and equipment	(1,260,878,413)	(459,098,216)
	Capital expenditure on intangible asset	(2,189,400)	-
	Proceeds from sale of property, plant and equipment	8,634,417	23,699,600
	Short term loans made to subsidiary company	-	(273,435,029)
	Short term investments made	34,926	419,745
	Investment in subsidiary company	(182,474,263)	(977,581,733)
	Dividend received from subsidiary company	750,343,280	1,031,260,198
	Profit on bank deposits received	1,076,031	1,346,376
	Net cash used in investing activities	<u>(685,453,422)</u>	<u>(653,389,059)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
	Proceeds from long term financing	499,854,998	(315,902,110)
	Repayment of long term financing and redeemable capital	(987,906,404)	(945,525,065)
	Proceeds from share deposit money	49,128,425	-
	Short term borrowings - net	2,713,017,911	3,963,081,687
	Dividends paid	(356,655,601)	(195,836,354)
	Net cash generated from financing activities	<u>1,917,439,329</u>	<u>2,505,818,158</u>
	NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	<u>(935,935,487)</u>	<u>68,647,342</u>
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	969,467,798	18,238,675
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>33,532,311</u>	<u>86,886,017</u>

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

Ordinary Share Capital	Share Deposit Money	CAPITAL RESERVES		REVENUE RESERVES		Total Reserves	TOTAL EQUITY
		Share Premium	General reserve	Un-appropriated profit	Total		
Rupees							
2,001,846,300	-	-	1,629,221,278	4,786,528,349	6,415,749,627	6,415,749,627	8,417,595,927
-	-	-	-	(200,184,630)	(200,184,630)	(200,184,630)	(200,184,630)
-	-	-	-	532,533,613	532,533,613	532,533,613	532,533,613
-	-	-	-	532,533,613	532,533,613	532,533,613	532,533,613
2,001,846,300	-	-	1,629,221,278	5,118,877,332	6,748,098,610	6,748,098,610	8,749,944,910
-	951,794,725	-	-	-	-	-	951,794,725
-	-	-	-	267,886,402	267,886,402	267,886,402	267,886,402
-	-	-	-	267,886,402	267,886,402	267,886,402	267,886,402
2,001,846,300	951,794,725	-	1,629,221,278	5,386,763,734	7,015,985,012	7,015,985,012	9,989,626,037
-	49,128,425	-	-	-	-	-	49,128,425
-	(600,553,890)	-	600,553,890	-	600,553,890	600,553,890	-
400,369,260	(400,369,260)	-	-	-	-	-	-
400,369,260	(951,794,725)	-	600,553,890	-	600,553,890	600,553,890	49,128,425
-	-	-	-	(360,332,334)	(360,332,334)	(360,332,334)	(360,332,334)
-	-	-	-	764,615,731	764,615,731	764,615,731	764,615,731
-	-	-	-	764,615,731	764,615,731	764,615,731	764,615,731
2,402,215,560	-	-	2,229,775,168	5,791,047,131	8,020,822,299	8,020,822,299	10,423,037,859

Balance as at 30 June 2014 - (audited)

Transactions with owners:
Final dividend for the year ended 30 June 2014 @ Rupees 1 per ordinary share

Profit for the nine months ended 31 March 2015
Other comprehensive income for the nine months ended 31 March 2015
Total comprehensive income for the nine months ended 31 March 2015

Balance as at 31 March 2015 - (un-audited)

Share deposit money received during the year
Profit for the quarter ended 30 June 2015
Other comprehensive income for the quarter ended 30 June 2015
Total comprehensive income for the quarter ended 30 June 2015

Balance as at 30 June 2015 - (audited)

Transactions with owners:
Share deposit money received after the year end
Share deposit money transferred to share premium account @ Rs. 15/share
Share deposit money converted into share capital @ Rs. 10/share

Final dividend for the year ended 30 June 2015 @ Rupees 1.5 per ordinary share

Profit for the nine months ended 31 March 2016
Other comprehensive income for the nine months ended 31 March 2016
Total comprehensive income for the nine months ended 31 March 2016

Balance as at 31 March 2016 - (un-audited)

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

FOR THE NINE MONTHS ENDED MARCH 31, 2016

1. THE COMPANY AND ITS OPERATIONS

Nishat (Chunian) Limited ("the Company") is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange Limited. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in business of spinning, weaving, dyeing, printing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabric and made-ups made from raw cotton, synthetic fiber and cloth and to generate, accumulate, distribute, supply and sell electricity.

2. BASIS OF PREPARATION

This unconsolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This unconsolidated condensed interim financial information of the Company for the quarter ended 31 March 2016 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This unconsolidated condensed interim financial information should be read in conjunction with the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this unconsolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2015.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this unconsolidated 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 unconsolidated 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 2015.

5. AUTHORIZED SHARE CAPITAL

Un-audited March 31, 2016	Audited June 30, 2015		Un-audited March 31, 2016	Audited June 30, 2015
(Number of shares)			Rupees	Rupees
280,000,000	280,000,000	Ordinary shares of Rupees 10 each	2,800,000,000	2,800,000,000
20,000,000	20,000,000	15 % non-voting cumulative convertible preference shares of Rupees 10 each	200,000,000	200,000,000
<u>300,000,000</u>	<u>300,000,000</u>		<u>3,000,000,000</u>	<u>3,000,000,000</u>

FOR THE NINE MONTHS ENDED MARCH 31, 2016

6. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Un-audited March 31, 2016	Audited June 30, 2015		Un-audited March 31, 2016	Audited June 30, 2015
(Number of shares)			Rupees	Rupees
134,757,848	94,720,922	Ordinary shares of Rupees 10 each fully paid in cash	1,347,578,480	947,209,220
104,239,443	104,239,443	Ordinary shares of Rupees 10 each issued as fully paid bonus shares	1,042,394,430	1,042,394,430
1,224,265	1,224,265	Ordinary shares of Rupees 10 each issued as fully paid for consideration other than cash to members of Umer Fabrics Limited as per the Scheme of arrangement as approved by the Honourable Lahore High Court, Lahore	12,242,650	12,242,650
<u>240,221,556</u>	<u>200,184,630</u>		<u>2,402,215,560</u>	<u>2,001,846,300</u>

7. LONG TERM FINANCING

From Banking Companies / financial institutions -Secured

Long Term Loans	4,065,480,000	4,416,031,406
Long Term Musharaka	168,750,000	275,000,000
	<u>4,234,230,000</u>	<u>4,691,031,406</u>
Less: Current portion shown under current liabilities	1,684,036,278	1,785,130,679
Non-current portion	<u>2,550,193,722</u>	<u>2,905,900,727</u>

8. SHORT TERM BORROWINGS

	Un-audited March 31, 2016	Audited June 30, 2015
	Rupees	Rupees
Short term running finances	4,778,069,659	1,009,619,118
Export finances-preshipment/SBP refinance	5,431,152,600	7,317,491,849
Other short term finances	3,320,906,618	2,490,000,000
	<u>13,530,128,877</u>	<u>10,817,110,967</u>

FOR THE NINE MONTHS ENDED MARCH 31, 2016

9. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding audited annual financial statements of the Company for the year ended 30 June 2015 except for the following:

- i) Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 1344.136 million (30 June 2015: Rupees 584.887 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable.
- ii) Guarantees of Rupees 146 million (30 June 2015: Rupees 116 million) have been issued by the banks of the company to Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess.
- iii) The Deputy Commissioner Inland Revenue passed an order under sections 161/205 of the Income Tax Ordinance, 2001 creating a demand of Rupees 19.073 million for the tax year 2014. The Company preferred an appeal against this order before Commissioner Inland Revenue (Appeals) [CIR (A)]. The CIR (A) adjudicated that impugned order is unsustainable and remanded back the matter to taxation officer for consideration of legal grounds and merits of the case. The Company has also filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR (A). The proceedings before both forums are pending for adjudication. No provision against this demand has been made in this unconsolidated condensed interim financial information as the Company is confident of favorable outcome of its appeals.

Commitments

- i) Commitments in respect of capital expenditure are Rupees 1,178.356 million (30 June 2015: Rupees 754.881 million).
- ii) Letters of credit other than for capital expenditure are Rupees 169.028 million (30 June 2015: Rupees 447.168 million).
- iii) Outstanding foreign currency forward contracts of Rupees 3,707.869 million (30 June 2015: Rupees 3,689.586 million).

10. OPERATING FIXED ASSETS

Property, plant and equipment

Operating assets (10.1)

Capital work in progress

Intangible asset:

Computer software

10.1 Operating Assets

Opening book value

Additions during the period / year (10.1.1)

Book value of deletions during the period / year (10.1.2)

Less: Depreciation charged during the period / year

Closing book value

10.1.1 Cost of additions during the period / year

Land

Building on freehold land

Plant and machinery

Electric installations

Factory equipment

Furniture and fixtures

Office equipment

Motor vehicles

	Un-audited March 31, 2016 Rupees	Audited June 30, 2015 Rupees
Property, plant and equipment		
Operating assets (10.1)	9,594,252,944	8,939,798,687
Capital work in progress	121,365,216	95,677,887
	<u>9,715,618,160</u>	<u>9,035,476,574</u>
Intangible asset:		
Computer software	5,784,607	6,230,444
	<u>9,721,402,767</u>	<u>9,041,707,018</u>
10.1 Operating Assets		
Opening book value	8,939,798,687	8,512,710,263
Additions during the period / year (10.1.1)	1,266,427,500	1,208,107,348
	<u>10,206,226,187</u>	<u>9,720,817,611</u>
Book value of deletions during the period / year (10.1.2)	31,236,416	21,882,968
Less: Depreciation charged during the period / year	580,736,827	759,135,956
	<u>9,594,252,944</u>	<u>8,939,798,687</u>
10.1.1 Cost of additions during the period / year		
Land	-	38,377,128
Building on freehold land	81,470,385	506,429,602
Plant and machinery	1,153,153,035	462,175,468
Electric installations	13,630,882	128,964,682
Factory equipment	1,853,923	31,162,332
Furniture and fixtures	1,484,637	14,186,549
Office equipment	4,012,314	9,099,683
Motor vehicles	10,822,324	17,711,904
	<u>1,266,427,500</u>	<u>1,208,107,348</u>

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

10.1.2 Book Value of deletions during the period / year

Furniture and fixtures	-	201,036
Plant and machinery	88,912,995	4,392,824
Electric installations	-	-
Office equipment	128,356	6,071,099
Motor vehicles	8,175,494	36,008,896
Total Cost of Deletions	97,216,845	46,673,855
Less: Accumulated Depreciation	(65,980,429)	(24,790,887)
	<u>31,236,416</u>	<u>21,882,968</u>

Un-audited			
Nine Months Ended		Quarter ended	
March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015

11. COST OF GOODS SOLD

	Rupees			
Raw material consumed	11,966,186,414	10,642,294,730	4,182,889,567	3,779,517,925
Packing materials consumed	602,044,848	515,251,853	200,623,459	183,024,168
Stores, spare parts and loose tools	674,479,269	668,030,959	237,403,686	175,408,617
Commercial Processing Stitching etc.	100,639,054	19,821,849	31,488,551	19,821,849
Salaries, wages and other benefits	1,508,458,490	1,442,919,209	481,140,411	517,712,724
Fuel and power	1,737,578,998	2,198,084,566	452,866,105	634,218,415
Insurance	30,872,545	32,408,385	10,586,453	11,459,801
Postage and telephone	580,812	4,009,124	202,733	303,382
Travelling and conveyance	13,098,101	15,132,414	3,633,830	4,144,903
Vehicles running and maintenance	16,823,961	17,442,036	5,332,808	4,591,131
Entertainment	4,232,850	4,816,366	1,096,612	1,421,320
Ijarah Rentals	3,634,357	-	-	-
Depreciation	576,465,385	558,223,898	203,619,869	192,290,378
Repair and maintenance	234,066,874	222,209,900	91,794,985	94,014,396
Other factory overheads	45,855,588	49,484,446	15,894,101	11,553,661
	<u>17,515,017,546</u>	<u>16,390,129,735</u>	<u>5,918,573,170</u>	<u>5,629,482,670</u>
Work-in-process				
Opening stock	440,237,780	507,370,103	668,336,466	555,432,408
Closing stock	(629,251,046)	(639,295,666)	(629,251,046)	(639,295,666)
	<u>(189,013,266)</u>	<u>(131,925,563)</u>	<u>39,085,420</u>	<u>(83,863,258)</u>
Cost of goods manufactured	<u>17,326,004,280</u>	<u>16,258,204,172</u>	<u>5,957,658,590</u>	<u>5,545,619,412</u>
Finished goods and waste-opening stocks				
Finished goods	796,579,213	695,735,248	864,907,799	1,053,775,036
Waste	33,960,724	39,999,009	46,715,345	50,382,644
	<u>830,539,937</u>	<u>735,734,257</u>	<u>911,623,144</u>	<u>1,104,157,680</u>
	<u>18,156,544,217</u>	<u>16,993,938,429</u>	<u>6,869,281,734</u>	<u>6,649,777,092</u>
Finished goods and waste-closing stocks				
Finished goods	(844,190,241)	(1,029,674,146)	(844,190,241)	(1,029,674,146)
Waste	(34,445,358)	(48,229,026)	(34,445,358)	(48,229,026)
	<u>(878,635,599)</u>	<u>(1,077,903,172)</u>	<u>(878,635,599)</u>	<u>(1,077,903,172)</u>
Cost of goods sold	<u>17,277,908,618</u>	<u>15,916,035,257</u>	<u>5,990,646,135</u>	<u>5,571,873,920</u>

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Un-audited Nine Months Ended	
	March 31, 2016	March 31, 2015
	Rupees	Rupees
12. CASH USED IN OPERATIONS		
Profit/Loss before taxation	941,076,272	749,905,230
Adjustment for non cash charges and other items:		
Depreciation on operating assets	580,736,827	563,043,105
Amortization on intangible assets	2,635,236	2,156,692
Gain on sale of operating fixed assets	(8,634,417)	(6,814,607)
Interest on bank deposits	(1,076,031)	(1,346,377)
Finance costs	755,187,127	1,068,966,176
Dividend income	(750,343,280)	(1,031,260,198)
Working capital changes (Note 12.1)	(2,482,808,552)	(1,606,446,873)
Cash (used in) / generated from operations	<u>(963,226,818)</u>	<u>(261,796,852)</u>
12.1 Working capital changes		
(Increase) / decrease in current assets		
- Stores, spare parts and loose tools	(201,902,508)	(11,888,579)
- Stock in trade	(2,478,433,045)	(1,904,902,364)
- Trade debts	57,137,274	(351,484,044)
- Loans and advances	(1,596,698,933)	8,886,868
- Short term deposits and prepayments	(15,595,239)	(11,753,970)
- Other receivables	416,138	30,877,190
Increase in current liabilities		
- Trade and other payables	1,752,267,761	633,818,026
	<u>(2,482,808,552)</u>	<u>(1,606,446,873)</u>

FOR THE NINE MONTHS ENDED MARCH 31, 2016

13. SEGMENT INFORMATION

	Spinning		Weaving		Processing and home textile		Power Generation		Elimination of intersegment transactions		Total - Company	
	(Un-audited) Nine Months Ended 31-Mar-16	31-Mar-15	(Un-audited) Nine Months Ended 31-Mar-15	31-Mar-15	(Un-audited) Nine Months Ended 31-Mar-15	31-Mar-15	(Un-audited) Nine Months Ended 31-Mar-15	31-Mar-15	(Un-audited) Nine Months Ended 31-Mar-15	(Un-audited) Nine Months Ended 31-Mar-15	(Un-audited) Nine Months Ended 31-Mar-15	
Sales	10,590,953,552	10,708,419,277	3,074,680,417	2,070,638,859	5,392,444,561	4,633,349,712	-	68,103	-	-	18,974,078,529	17,412,496,011
Inter-segment	1,238,147,749	1,397,026,760	2,238,840,129	2,444,819,815	3,468,394,597	3,217,309,809	1,718,947,986	2,281,203,559	(8,664,330,461)	(9,340,359,954)	0	-
	11,748,101,301	12,105,446,037	5,310,520,546	4,515,478,675	8,860,839,158	7,850,659,521	1,718,947,986	2,281,271,732	(8,664,330,461)	(9,340,359,954)	18,974,078,530	17,412,496,011
Cost of Sales	(11,530,548,154)	(13,455,467,559)	(4,952,246,740)	(4,380,985,234)	(6,082,650,171)	(7,023,567,595)	(1,574,694,008)	(1,966,515,002)	8,664,330,461	9,340,359,954	(17,777,808,638)	(15,916,052,595)
Gross profit / (loss)	47,553,147	665,976,478	358,173,806	134,033,461	778,188,381	377,092,106	144,253,978	314,756,660	-	-	1,696,169,511	1,496,460,755
Distribution expenses	(181,664,259)	(200,765,283)	(93,576,055)	(65,268,326)	(274,893,438)	(244,176,220)	(218,950)	-	-	-	(550,352,773)	(510,224,839)
Administrative expenses	(47,603,277)	(43,721,050)	(22,749,735)	(27,533,318)	(51,516,438)	(75,793,863)	(2,438,316)	(9,317,848)	-	-	(124,705,766)	(156,306,079)
Profit / (loss) before taxation and un-allocated income and expenses	(229,867,656)	(244,486,333)	(116,325,790)	(92,806,544)	(326,809,676)	(319,070,083)	(2,652,266)	(9,317,848)	-	-	(675,658,538)	(666,540,908)
Un-allocated income and expenses	188,285,541	425,492,145	239,848,016	41,826,817	451,379,105	57,132,043	141,588,712	305,438,842	-	-	1,021,111,372	829,879,847
Other operating expenses											(119,937,892)	(96,520,244)
Other operating income											795,089,918	1,085,511,803
Finance cost											(755,487,127)	(1,068,966,176)
Provision for taxation											(176,460,541)	(217,397,637)
Profit after taxation											794,615,731	532,533,633

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

13.1 Reconciliation of reportable segment assets and liabilities

	Spinning		Weaving		Processing and Home Textile		Power Generation		Total - Company	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	Half year ended	Year ended	Half year ended	Year ended	Half year ended	Year ended	Half year ended	Year ended	Half year ended	Year ended
31-Mar-16	30-Jun-15	31-Mar-16	30-Jun-15	31-Mar-16	30-Jun-15	31-Mar-16	30-Jun-15	31-Mar-16	30-Jun-15	
	14,977,917,979	12,933,437,972	3,128,490,056	1,988,892,913	4,961,883,018	4,166,901,029	2,159,067,523	1,541,079,600	25,227,458,576	20,629,612,314
Total assets for reportable segments	Rupees									
Unallocated assets:										
Long term investments									3,279,599,469	3,097,125,226
Other receivables									1,782,560,694	1,530,672,435
Short term investment									21,896,558	21,891,484
Cash and bank balances									35,532,111	969,467,798
Other corporate assets									1,036,435,452	711,074,547
Total assets as per balance sheet									31,381,454,080	26,959,843,804
Total liabilities for reportable segments	187,616,448	59,154,235	164,659,129	61,912,662	388,841,198	284,450,125	139,300,744	140,585,871	859,417,519	546,102,893
Unallocated liabilities:										
Long term financing									4,234,230,000	4,691,031,406
Accrued mark-up									159,239,456	171,942,000
Short term borrowings									13,530,128,877	10,817,110,967
Other corporate liabilities									2,184,410,869	794,030,501
Total liabilities as per balance sheet									20,958,426,221	16,990,217,767

FOR THE NINE MONTHS ENDED MARCH 31, 2016

14. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary company, associated undertakings, other related companies, key management personnel and post employment benefit plan. The Company in the normal course of business carried out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these financial statements are as follows:

	Un-audited Nine Months Ended March 31, 2016 Rupees	Un-audited Nine Months Ended March 31, 2015 Rupees
Subsidiary company		
Sale of Goods to Subsidiary Company	1,346,594,716	1,019,194,521
Dividend Received	750,343,280	1,031,260,198
Common facilities cost charged to subsidiary company	14,400,000	13,500,000
Long term investment made	181,274,264	1,251,012,122
Associated company		
Insurance premium paid	69,494,579	68,683,263
Insurance claims received	10,952,288	20,244,955
Donation paid	16,454	2,719,000
Other related parties		
Purchase of goods	30,931,650	7,478,130
Sale of goods	569,760,131	652,272,684
Contribution to employees' provident fund	30,911,924	29,517,934
Remuneration of key management personnel	102,358,934	94,604,358

Period end balances

	As at March 31, 2016 (Un-audited)			
	Subsidiary Companies Rupees	Associated Companies Rupees	Other related parties Rupees	Total Rupees
Trade and other payables	-	1,622,716	-	1,622,716
Long term investment	3,279,590,849	-	-	3,279,590,849
Trade debts	664,917,951	-	29,178,535	694,096,486
Loans and advances	-	-	-	-
Other receivables	16,832,506	-	-	16,832,506
Bank balances	-	6,820,044	-	6,820,044

	As at June 30, 2015 (Audited)			
	Subsidiary Companies Rupees	Associated Companies Rupees	Other related parties Rupees	Total Rupees
Trade and other payables	-	2,405,521	-	2,405,521
Long term investment	3,097,125,226	-	-	3,097,125,226
Trade debts	483,072,445	-	31,438,565	514,511,010
Loans and advances	-	-	1,543,616	1,543,616
Other receivables	1,200,000	-	-	1,200,000
Bank balances	-	1,931,335	-	1,931,335

FOR THE NINE MONTHS ENDED MARCH 31, 2016

15. 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 2015.

16. CORRESPONDING FIGURES

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

Corresponding figures have been rearranged / regrouped wherever necessary for the purpose of comparison. However, no significant rearrangements / regroupings have been made.

17. DATE OF AUTHORIZATION FOR ISSUE

This unconsolidated condensed interim financial information was approved by the Board of Directors and authorized for issue on April 28, 2016.

Chief Executive

Director

NISHAT (CHUNIAN) LIMITED AND
ITS SUBSIDIARY COMPANIES

CONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION

NINE MONTHS ENDED 31 MARCH
2016 (UN-AUDITED)

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2016

	Un-audited March 31, 2016	Audited June 30, 2015
Note	Rupees	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	3,000,000,000	3,000,000,000
Issued, subscribed and paid-up share capital	2,402,215,560	2,001,846,300
Share deposit money	-	951,794,725
Reserves	10,281,711,646	8,819,241,226
Equity attributable to equity holders of the Holding Company	12,683,927,206	11,772,882,251
Non-controlling interest	3,682,143,641	3,607,323,562
Total equity	16,366,070,847	15,380,205,813
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term financing	13,625,809,304	12,976,710,981
CURRENT LIABILITIES		
Trade and other payables	3,573,616,994	1,879,738,635
Accrued mark-up	513,482,471	525,773,933
Short term borrowings	17,685,258,748	16,301,412,103
Current portion of long term financing	3,542,356,507	3,248,813,130
	<u>25,314,714,720</u>	<u>21,955,737,801</u>
TOTAL LIABILITIES	38,940,524,024	34,932,448,782
CONTINGENCIES AND COMMITMENTS	5	
TOTAL EQUITY AND LIABILITIES	55,306,594,871	50,312,654,595

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

CHIEF EXECUTIVE

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2016

Note	Un-audited March 31, 2016 Rupees	Audited June 30, 2015 Rupees
ASSETS		
NON-CURRENT ASSETS		
Fixed assets	26,798,993,425	24,373,712,823
Long term loans to employees	23,964,628	16,459,773
Long term security deposits	20,874,440	20,874,440
	<u>26,843,832,493</u>	<u>24,411,047,036</u>
CURRENT ASSETS		
Stores, spare parts and loose tools	1,721,005,765	1,560,071,795
Stock-in-trade	9,212,302,421	7,400,959,342
Trade debts	11,923,963,209	12,502,422,838
Loans and advances	2,639,147,862	1,026,674,441
Short term deposit and prepayments	82,670,995	20,516,746
Accrued interest	-	477,712
Other receivables	2,669,673,151	2,354,067,741
Derivative financial instrument	849,684	-
Short term investments	21,856,558	21,891,484
Cash and bank balances	191,292,733	1,014,525,460
	<u>28,462,762,378</u>	<u>25,901,607,559</u>
TOTAL ASSETS	<u><u>55,306,594,871</u></u>	<u><u>50,312,654,595</u></u>

DIRECTOR

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
SALES	30,138,760,344	35,634,740,468	9,515,761,752	10,163,228,556
COST OF SALES	<u>(24,887,310,611)</u>	<u>(29,997,854,520)</u>	<u>(7,873,456,111)</u>	<u>(8,312,754,581)</u>
GROSS PROFIT	5,251,449,733	5,636,885,948	1,642,305,641	1,850,473,975
DISTRIBUTION COST	(666,182,307)	(607,984,690)	(227,437,033)	(208,194,739)
ADMINISTRATIVE EXPENSES	(250,298,045)	(273,083,009)	(69,437,534)	(87,635,500)
OTHER OPERATING EXPENSES	(150,466,847)	(145,567,727)	(11,735,961)	(63,091,597)
	<u>(1,066,947,199)</u>	<u>(1,026,635,426)</u>	<u>(308,610,528)</u>	<u>(358,921,836)</u>
	4,184,502,534	4,610,250,522	1,333,695,113	1,491,552,139
OTHER OPERATING INCOME	66,185,434	77,520,650	22,947,675	28,244,951
PROFIT FROM OPERATIONS	<u>4,250,687,968</u>	<u>4,687,771,172</u>	<u>1,356,642,788</u>	<u>1,519,797,090</u>
FINANCE COST	(1,696,820,760)	(2,575,759,221)	(582,171,190)	(812,771,007)
PROFIT BEFORE TAXATION	<u>2,553,867,208</u>	<u>2,112,011,951</u>	<u>774,471,598</u>	<u>707,026,083</u>
TAXATION	(178,722,870)	(217,677,133)	(85,442,737)	(86,652,948)
PROFIT AFTER TAXATION	<u>2,375,144,338</u>	<u>1,894,334,818</u>	<u>689,028,861</u>	<u>620,373,135</u>
PROFIT ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE HOLDING COMPANY	1,221,867,115	703,251,998	375,348,604	225,718,708
NON-CONTROLLING INTEREST	1,153,277,223	1,191,082,820	313,680,257	394,654,427
	<u>2,375,144,338</u>	<u>1,894,334,818</u>	<u>689,028,861</u>	<u>620,373,135</u>
		(Restated)		(Restated)
EARNINGS PER SHARE - BASIC & DILUTED	<u>5.17</u>	<u>2.97</u>	<u>1.56</u>	<u>0.94</u>

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

CHIEF EXECUTIVE

DIRECTOR

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
	Rupees	Rupees	Rupees	Rupees
PROFIT AFTER TAXATION	2,375,144,338	1,894,334,818	689,028,861	620,373,135
OTHER COMPREHENSIVE INCOME	381,749	182,804	(167,697)	(19,653)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	<u>2,375,526,087</u>	<u>1,894,517,622</u>	<u>688,861,165</u>	<u>620,353,482</u>
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:				
EQUITY HOLDERS OF THE HOLDING COMPANY	1,222,248,864	703,434,802	375,180,908	225,699,055
NON-CONTROLLING INTEREST	<u>1,153,277,223</u>	<u>1,191,082,820</u>	<u>313,680,257</u>	<u>394,654,427</u>
	<u>2,375,526,087</u>	<u>1,894,517,622</u>	<u>688,861,165</u>	<u>620,353,482</u>

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

CHIEF EXECUTIVE

DIRECTOR

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT

(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Note	Nine Months Ended	
		March 31, 2016	March 31, 2015
		Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	6	3,833,650,935	4,412,445,035
Net increase in long term security deposits		-	388,227
Finance cost paid		(1,709,112,222)	(2,700,877,258)
Income tax paid		(428,785,938)	(450,330,147)
Long term loans to employees		(7,504,855)	(10,036,976)
Net cash generated from operating activities		<u>1,688,247,920</u>	<u>1,251,588,881</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure on property, plant and equipment		(3,821,927,968)	(831,047,804)
Capital expenditure on intangible assets		(2,189,400)	-
Proceeds from sale of property, plant and equipment		11,866,916	25,622,500
Short term investments made		34,926	419,745
Profit on bank deposits received		2,356,746	3,178,670
Net cash used in investing activities		<u>(3,809,858,780)</u>	<u>(801,826,889)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		2,984,477,418	(315,902,110)
Repayment of long term financing		(2,041,835,718)	(1,852,605,040)
Short term borrowings - net		1,383,846,645	1,850,535,104
Loss on derivative financial instruments paid		-	(2,237,512)
Proceeds from share deposit money		49,128,425	-
Dividend paid to non-controlling interest		(720,964,785)	(898,333,092)
Dividend paid		(356,655,601)	(195,836,354)
Net cash generated from / (used in) financing activities		<u>1,297,996,384</u>	<u>(1,414,379,004)</u>
Net decrease in cash and cash equivalents		(823,614,476)	(964,617,012)
Impact of exchange translation		381,749	182,804
Cash and cash equivalents at the beginning of the year		<u>1,014,525,460</u>	<u>1,067,350,401</u>
Cash and cash equivalents at the end of the year		<u>191,292,733</u>	<u>102,916,193</u>

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

CHIEF EXECUTIVE

DIRECTOR

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

(UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	ATTRIBUTABLE TO EQUITY HOLDERS OF THE HOLDING COMPANY							NON-CONTROLLING INTEREST	TOTAL EQUITY	
	Share Capital	Share Deposit Money		REVENUE RESERVES		SHAREHOLDERS' EQUITY	Total			
		Exchange Translation Reserve	Capital Reserve	Share Premium	General Reserve					Unappropriated profit
Balance as at June 30, 2014 - (audited)	2,001,846,300	-	(56,857)	-	1,629,221,278	6,478,727,628	8,107,949,106	10,110,738,549	3,443,288,118	13,553,026,667
Total comprehensive income for the period ended March 31, 2015	-	-	182,804	-	-	703,251,998	703,251,998	703,434,802	1,191,082,820	1,894,517,622
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(988,585,715)	(988,585,715)
Final dividend for the year ended June 30, 2014 @ Rupees 1 per ordinary share	-	-	-	-	-	(200,184,630)	(200,184,630)	(200,184,630)	-	(200,184,630)
Balance as at March 31, 2015 - (un-audited)	2,001,846,300	-	125,947	-	1,629,221,278	6,861,795,196	8,611,016,474	10,612,988,721	3,645,785,223	14,258,773,944
Total comprehensive income for the quarter ended June 30, 2015	-	-	(946,887)	-	-	209,045,692	209,045,692	208,098,805	321,161,018	529,259,823
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(359,622,679)	(359,622,679)
Share deposit money received during the year	-	951,794,725	-	-	-	-	-	951,794,725	-	951,794,725
Balance as at June 30, 2015 - (audited)	2,001,846,300	951,794,725	(820,940)	-	1,629,221,278	7,190,840,888	8,820,062,166	11,772,882,251	3,607,323,562	15,380,205,813
Total comprehensive income for the period ended March 31, 2016	-	-	381,749	-	-	1,221,867,115	1,221,867,115	1,222,248,864	1,153,277,223	2,375,526,087
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	(1,078,457,144)	(1,078,457,144)
Share deposit money received during the year	-	49,128,425	-	-	-	-	-	49,128,425	-	49,128,425
Right shares issued against share deposit money received @ Rs.30 / share	400,369,260	(400,369,260)	-	-	-	-	-	-	-	-
Share premium against share deposit money @ Rs.15/share	-	(600,553,890)	-	-	-	600,553,890	-	-	-	-
Final dividend for the year ended June 30, 2015 @ Rupees 1.5 per ordinary share	-	-	-	-	-	(360,332,334)	(360,332,334)	(360,332,334)	-	(360,332,334)
Balance as at March 31, 2016 - (un-audited)	2,402,215,560	-	(439,191)	-	1,629,221,278	8,052,375,669	9,681,556,947	12,689,927,286	3,682,143,641	16,366,070,847

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

CHIEF EXECUTIVE

DIRECTOR

FOR THE NINE MONTHS ENDED MARCH 31, 2016

1. GROUP INFORMATION

The Group consists of:

Holding Company	-	Nishat (Chunian) Limited
Subsidiary Companies	-	Nishat Chunian Power Limited
	-	Nishat Chunian USA Inc.
	-	NC Electric Company Limited
	-	NC Entertainment (Private) Limited

Nishat (Chunian) Limited

Nishat (Chunian) Limited (“the Holding Company”) is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange Limited. It's registered office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in business of spinning, weaving, dyeing, printing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabrics and made-ups made from raw cotton, synthetic fibre, cloth and to generate, accumulate, distribute, supply and sell electricity.

Nishat Chunian Power Limited

Nishat Chunian Power Limited (“the Subsidiary Company”) is a public limited Company incorporated in Pakistan under the Companies Ordinance, 1984 and listed on the Pakistan Stock Exchange (Guarantee) Limited. The principal activity of the Subsidiary Company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW and net capacity of 195.722 MW at Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Subsidiary Company has commenced commercial operations from 21 July 2010 and the twenty five years term of the Power Purchase Agreement (PPA) with National Transmission and Despatch Company Limited starts from this date.

Nishat Chunian USA Incorporation

Nishat Chunian USA Inc. is a foreign subsidiary incorporated under the Business Corporation Laws of the State of New York. The registered office of Nishat Chunian USA Inc. is situated at Suite No. 639, 7 West, 34th Street New York, NY 10001, USA. The principal business of the Subsidiary Company is to import home textile products and distribute to local retailers.

NC Electric Company Limited

NC Electric Company Limited is a public limited company incorporated in Pakistan on 18 April 2014 under the Companies Ordinance, 1984. The Company is a wholly owned subsidiary of Nishat (Chunian) Limited. It's registered office is situated at 31-Q, Gulberg II, Lahore. The principal objects of the Company are to develop, design, construct, own and acquire coal powered power generation complexes and thermal, hydel, solar and wind energy projects in Pakistan and to carry on the business of electricity generation, transmission and distribution in Pakistan.

NC Entertainment (Private) Limited

NC Entertainment (Private) Limited is registered under the Companies Ordinance, 1984 as a company limited by shares on 31 January 2014. The registered office of NC Entertainment (Private) Limited is situated at 31-Q, Gulberg II, Lahore. The main objective of NC Entertainment (Private) Limited is to construct and/or operate cinemas, theatres and studios.

FOR THE NINE MONTHS ENDED MARCH 31, 2016

2. BASIS OF PREPARATION

This consolidated condensed interim financial information is un-audited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This consolidated condensed interim financial information of the Group for the nine months ended 31 March 2016 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This consolidated condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Group for the year ended 30 June 2015.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of this consolidated condensed interim financial information are the same as applied in the preparation of the preceding audited annual published financial statements of the Group for the year ended 30 June 2015.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this consolidated 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 Group'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 consolidated condensed interim financial information, the significant judgments made by the management in applying the Group'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 Group for the year ended 30 June 2015.

5. CONTINGENCIES AND COMMITMENTS

Holding Company

Contingencies

There is no significant change in the status of contingencies as disclosed in the preceding audited annual financial statements of the Company for the year ended 30 June 2015 except for the following:

- i) Guarantees of Rupees 146 million (30 June 2015: Rupees 116 million) have been issued by the banks of the company to Director, Excise and Taxation, Karachi against disputed amount of infrastructure cess.
- ii) Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 1,344.136 million (30 June 2015: Rupees 584.887 million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable.
- iii) The Deputy Commissioner Inland Revenue passed an order under sections 161/205 of the Income Tax Ordinance, 2001 creating a demand of Rupees 19.073 million for the tax year 2014. The Company preferred an appeal against this order before Commissioner Inland Revenue (Appeals) [CIR (A)]. The CIR (A) adjudicated that impugned order is unsustainable and remanded back the matter to taxation officer for consideration of legal grounds and merits of the case. The Company has also filed an appeal before Appellate Tribunal Inland Revenue (ATIR) against the order of CIR (A). The proceedings before both forums are pending for adjudication. No provision against this demand has been made in this unconsolidated condensed interim financial information as the Company is confident of favorable outcome of its appeals.

FOR THE NINE MONTHS ENDED MARCH 31, 2016

Commitments

- i) Commitments in respect of capital expenditure are Rupees 1,178.356 million (30 June 2015: Rupees 754.881 million).
- ii) Letters of credit other than for capital expenditure are Rupees 169.028 million (30 June 2015: Rupees 447.168 million).
- iii) Outstanding foreign currency forward contracts of Rupees 3,707.869 million (30 June 2015: Rupees 3,689.586 million).

Subsidiary Company

Contingencies

- i) In the financial year 2014, a sales tax demand of Rupees 1,161.548 million was raised against the company through order dated November 28, 2013 by the Assistant Commissioner Inland Revenue ('ACIR') by disallowing input sales tax for the tax periods from July 2010 to June 2012. Such amount was disallowed on the grounds that the revenue derived by the company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the company. Against the aforesaid order, the company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vacated the ACIR's order on the issue regarding apportionment of input sales tax. However, the CIR(A) did not adjudicate upon the company's other grounds of appeal. Consequently, the company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR') on the issues not adjudicated upon by the CIR(A) and the Department also preferred a second appeal before the ATIR against the CIR(A)'s order, which are both pending adjudication. Furthermore, during the financial year 2015, the Deputy Commissioner Inland Revenue ('DCIR') issued a show cause notice dated November 11, 2014, whereby intentions have been shown to raise a sales tax demand of Rupees 1,093.262 million by disallowing input sales tax claimed by the company for the tax periods from July 2010 to June 2012 on the abovementioned grounds of the ACIR. Aggrieved by this show cause notice, the company filed a writ petition before the Lahore High Court ('LHC'), whereby the LHC through its latest order dated December 14, 2015 has provided interim relief to the company to the extent that no final order shall be passed by the DCIR until the next hearing. Based on the advice of the company's legal counsel, management believes that there are meritorious grounds to defend the company's stance in respect of the abovementioned input sales tax claimed by the company. Consequently, no provision has been made in this condensed interim financial information.

The banks have issued the following on behalf of the subsidiary company:

- i) Irrevocable standby letter of credit in favour of Wartsila Pakistan (Private) Limited ('Wartsila') for Nil (June 30, 2015: Rs 45,000,000).
- ii) Letter of guarantee of Rupees 9,031,988 (30 June 2015: Rupees 7,031,988) in favour of Director, Excise and Taxation, Karachi under direction of Sindh High Court in respect of suit filed for levy of infrastructure cess.
- iii) Letter of guarantee of Rupees 65,076,000 (30 June 2015: Rupees 65,076,000) in favour of Punjab Power Development Board, Energy Department, Government of the Punjab, Lahore, in respect of issuance of Letter of Interest to the company to set up a 660 MW Imported Coal Fired Power Plant in Rahim Yar Khan, Punjab.

FOR THE NINE MONTHS ENDED MARCH 31, 2016

Commitments	Un-audited March 31, 2016	Audited June 30, 2015
	Rupees	Rupees
i) Letter of credit other than for capital expenditure	14,878,901	21,886,113

6. CASH GENERATED FROM OPERATIONS	Un-audited March 31, 2016	Un-audited March 31, 2015
	Rupees	Rupees
Profit before taxation	2,553,867,208	2,112,011,951
Adjustment for non cash charges and other items:		
Provision for employee retirement	5,439,333	2,741,118
Depreciation on operating assets	1,384,097,281	1,431,791,855
Amortization on intangible assets	3,160,236	2,514,442
Gain on sale of operating fixed assets	(10,102,689)	(3,167,606)
Interest on bank deposits	(2,356,746)	(2,776,659)
Unrealised gain on derivative financial instrument	3,491,080	5,413,716
Finance costs	1,696,820,760	2,575,759,221
Cash flows from operating activities before working capital changes	5,634,416,462	6,124,288,038
(Increase) / decrease in current assets		
- Stores, spare parts and loose tools	(160,933,970)	(116,204,994)
- Stock in trade	(1,811,343,079)	(2,574,682,899)
- Trade debts	578,459,629	1,914,993,863
- Loans and advances	(1,612,473,421)	(1,120,748,554)
- Short term deposits and prepayments	(62,119,323)	(48,934,902)
- Other receivables	(65,064,630)	(373,385,919)
Increase in current liabilities		
- Trade and other payables	1,332,709,267	607,120,402
	(1,800,765,527)	(1,711,843,003)
Cash generated from operations	3,833,650,935	4,412,445,035

FOR THE NINE MONTHS ENDED MARCH 31, 2016

7. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated undertakings, other related companies, key management personnel and post employment benefit plan. The Group in the normal course of business carried out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in these consolidated financial statements are as follows:

	Un-audited March 31, 2016 Rupees	Un-audited March 31, 2015 Rupees
Associated company		
Insurance premium paid	69,494,579	138,867,931
Insurance claims received	10,952,288	6,279,445
Other related parties		
Purchase of goods	30,931,650	5,408,635
Sale of goods	569,760,131	429,184,184
Contribution to employees' provident fund	36,351,257	20,374,110
Dividend paid to other related parties	59,945,910	33,303,285
Remuneration paid to key management personnel	114,447,563	96,829,927
Donation paid to related parties	25,906,454	28,696,000

	Un-audited Nine months ended March 31, 2016 Rupees	Audited Year ended June 30, 2015 Rupees
Period end balances		
Bank balances with related party	6,820,044	3,766,000
Due from related parties	29,178,535	12,707,000
Due to related parties	1,622,716	2,406,000

8. EVENTS AFTER BALANCE SHEET DATE

The Board of Directors' of Nishat Chunian Power Limited (the Subsidiary Co) at their meeting held on April 28, 2016 had declared interim cash dividend of Rupees 1.75 per ordinary share (30 June 2015: Rupees 2) for the nine months ended March 31, 2016.

9. CORRESPONDING FIGURES

Corresponding figures have been rearranged / regrouped wherever necessary for the purpose of comparison. However, no significant rearrangements / groupings have been made.

10. DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was approved and authorized for issue on April 28, 2016 by the Board of Directors.

Chief Executive

Director

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