



Feroze1888 Mills Limited
Manufacturers & Exporters of Specialized Yarn & Textile Terry Products

Financial Statements
For The Three Months Ended
September 30, 2017

Contents

Company's Information	1
Directors' Report (English & Urdu)	2-5
Balance Sheet	6
Profit and Loss Account	7
Statement of Comprehensive Income	8
Cash Flow Statement	9
Statement of Changes in Equity	10
Notes to the Accounts	11
Consolidated Balance Sheet	12
Consolidated Profit and Loss Account	13
Consolidated Statement of Comprehensive Income.....	14
Consolidated Cash Flow Statement	15
Consolidated Statement of Changes in Equity.....	16
Consolidated Notes to the Accounts	17

Company Information

Board of Directors

Mr. Jonathan R. Simon	Director/Chairman
Mr. Anas Rahman	Director/Vice Chairman
Mr. Khaleequr Rahman	Director
Mr. Shabbir Ahmed	Director
Mr. Abdul Rehman Yaqub	Director
Mr. Perwez Ahmed	Director
Mr. Nasim Hyder	Director
Mr. Rehan Rahman	Chief Executive

Registered Office
H-23/4A, Scheme # 3
Landhi Industrial Area
Karachi.

Head Office
B-4/A, SITE, Karachi

Factory

Audit Committee

Mr. Nasim Hyder	Chairman
Mr. Khaleequr Rehman	Member
Mr. Perwez Ahmed	Member

Sindh
H-23/4A, Scheme # 3
Landhi Industrial Area
Karachi.

HR & Remuneration Committee

Mr. Khaleequr Rahman
Mr. Nasim Hyder
Mr. Anas Rahman

Plot # C-3, SITE, Karachi.
Plot # C-31 SITE, Karachi
Plot # A-5, SITE, Karachi.
Plot # F-89, SITE, Karachi
Plot # F-125, SITE, Karachi
Plot # F-342, SITE, Karachi
Plot # D-202, SITE, Karachi
S-81, Northern Bypass,
Hub River Road, Karachi.

Chief Financial Officer

Mr. Imran Tola

Company Secretary

Mr. Muhammad Faheem

Balochistan
D-14, HITE, Hub, Lasbela,
Balochistan.

Bankers

Bank Al Habib Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Ltd
Meezan Bank Limited
Standard Chartered Bank (Pakistan) Ltd

Share Registrar/Transfer Agent
FAMCO Associate
(Pvt.) Ltd 8-F, Next to
Hotel Faran Nursery,
Block-6, PECHS,
Shahrah-e-Faisal, Karachi.

Auditors

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants
180-A, S.M.C.H.S.,
Shahrah-e-Faisal, Karachi

Website
<http://www.feroze1888.com>

Legal Advisor

Mohsin Tayebaly & Co

Directors' Report

Your directors are pleased to present the un-audited financial statements of the company for the first quarter ended on September 30, 2017.

Operational and Financial Performance

In the quarter under review, the sales volume showed the growth by 8%, however, the gross profit declined by 5.89% and the net profit also declined by 20.49%. A few of the reasons for the decline in the profitability of the company including the surge in raw material prices, sales price competitiveness in the international market, lack of uninterrupted gas supply and higher financial cost because of increased working capital.

The management is continuously working on various plans which include the marketing strategies to achieve the sales growth; and operational efficiency through improve capacity utilization, control and recycle wastages in the processes, optimization and consolidation of resources, process reengineering, and upgrading the plant and equipment. These strategies will ultimately result in improved results and more sustainability in the long term.

Future Prospects

The declining exports from \$25 billion to \$20 billion are bringing enormous pressure on the external section with the current account deficit expanding and triggering calls for immediate policy interventions and support to stop the trade gap widening.

Pakistan has the potential to become a major exporter, but high trade costs and unsupportive policy environment is a major hurdle to cross. The national economy is directly linked with survival of value added textile sector that is earning maximum foreign exchange for the country in addition to providing jobs to millions. It is inevitable that the government like regional rival countries heavily subsidizes its value added sector which is currently badly ignored and government must take onboard the textile sector during formulation of textile related policies to revive this sector on sustainable grounds.

The other key impediments and core issues are the higher raw material prices, utilities' tariffs, stuck up refunds such as sales tax, duty draw backs, rebate under recent package announced in January 2017, and condition of 10% increase in exports for the eligibility of the rebate in year 2017-18.

The revised export package has been approved by the government allowing the exporter to claim 50% of the rate of DTL without the condition of 10% or more increment in export sales as compared to preceding year, this step is in the right direction for the revival of exports of the country and in overcoming national trade deficit.

 **Feroze1888 Mills Limited**

The management is optimistic that the strategies highlighted above will help the company achieving its short term and long term goals and meeting the expectations of all the stakeholders with the grace of Almighty Allah.

Consolidated Financial Statements

Xublimity (Private) Limited, incorporated on 20th April 2017, is the subsidiary company of Feroze1888 Mills Limited. Therefore, the company has annexed condensed interim consolidated financial information along with its condensed interim standalone financial information.

Acknowledgement

The Board is pleased to place on record its sincere appreciation for the contributions made by the employees of the company. The Board also acknowledges the role of all financial institutions, customers, suppliers and other stakeholders for their continued support and looking forward for the same cordial relationship in coming years.

For and on behalf of the Board

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive Officer

Karachi: October 27, 2017

نظماء تجزیہ برائے حصص یافتگان

آپ کے ناظمین ۳۰ ستمبر ۲۰۱۰ء تک کی سہ ماہی کے غیر محاسب شدہ مالیاتی گوشوے پیش کرتے ہوئے نہایت مسرور ہیں۔

عملی امور اور مالیاتی کارکردگی

زیر نظر سہ ماہی کے اعداد و شمار کے مطابق کمپنی کی فروخت میں ۸ فیصد اضافہ ہوا ہے، تاہم، مجموعی منافع ۵.۸۹ فیصد اور خالص منافع میں ۲۰.۴۹ فیصد کمی ہوئی ہے۔ جس کی اہم وجہ خام مال کی قیمتوں میں اضافہ، بین الاقوامی مارکیٹ میں فروخت کی قیمتوں کا مقابلہ، گیس کی غیر متواتر فراہمی، اور سرمایہ کاری میں اضافی مالی لاگت ہے۔

انتظامیہ مسلسل مختلف منصوبوں پر کام کر رہی ہے جس میں مارکیٹنگ کی حکمت عملی کے ذریعے فروخت کو بڑھانا، پیداواری صلاحیتوں کو بڑھانا، صنعتی عمل میں بننے والے فضلہ مادوں کو کم کرنا اور اس کو دوبارہ استعمال کے قابل بنانا، وسائل کو زیادہ سے زیادہ استعمال کرنا، صنعتی عمل کی دوبارہ تشکیل کرنا اور مشینوں کی صلاحیتوں میں اضافے کو بروئے کار لاتے ہوئے عملیاتی کارکردگی کو بڑھانا بھی شامل ہے۔ یہ حکمت عملی بالآخر طویل مدت میں بہتر نتائج اور زیادہ استحکام کا پیش خیمہ ثابت ہوگی۔

ایک نظر مستقبل پر

برآمدات کی مد میں ۲۵ بلین ڈالر سے ۲۰ بلین ڈالر تک کی کمی کی وجہ سے بیرونی سیکشن شدید دباؤ کا شکار ہے، موجودہ حالات میں اس امر کی اشد ضرورت ہے کہ موافق اور معاون پالیسیوں کے اطلاق کے ذریعے موجودہ خسارے کو بڑھنے سے روکنے اور تجارت کے فروغ کے لئے فوری کوششیں کی جائیں۔

پاکستان ایک اہم برآمد کنندہ ملک بننے کی صلاحیت رکھتا ہے، لیکن اس راہ کی اہم رکاوٹ زیادہ تجارتی اخراجات اور غیر موافق و غیر معاون حکومتی پالیسیاں ہیں۔ قومی معیشت کے استحکام سے ٹیکسٹائل سیکٹر کی بقا کا براہ راست تعلق ہے جو ملک کے لئے زیادہ سے زیادہ غیر ملکی ذرمبادلہ کمانے اور لاکھوں افراد کو روزگار فراہم کرنے کا ذریعہ ہے۔ حریف ممالک کی طرح حکومت کی جانب سے ٹیکسٹائل سیکٹر کو بھاری رعایت فراہم کرنا ناگزیر ہے، یہ سیکٹر مسلسل نظر اندازی کا شکار ہے، ضرورت اس امر کی ہے کہ ٹیکسٹائل سے متعلقہ پالیسیوں کی تشکیل میں حکومت ٹیکسٹائل سیکٹر کی مشاورت کو یقینی بنائے تاکہ اس صنعت کی بحالی کے لئے موثر اور پائیدار کوششیں کی جاسکیں۔

Feroze1888 Mills Limited

دیگر کلیدی رکاوٹوں اور بنیادی مسائل میں خام مال کی گرانقدر قیمتیں، دیگر اخراجات کے زخموں میں اضافہ، چھنسی ہوئی رقوم جیسے سبز ٹیکس، ڈیوٹی ڈرا بیک، حالیہ جنوری ۲۰۱۷ء کے پیکیج کے تحت اعلان کردہ چھوٹ کی وصولیاتی کا حصول اور سال ۱۸-۲۰۱۷ء میں چھوٹ کی اہلیت کے لئے برآمدات میں ۱۰ فیصد اضافے کی شرط شامل ہے۔

تجدید شدہ برآمداتی پیکیج جو حکومت نے منظور کیا ہے کہ تحت برآمد کنندہ کو ڈی ایل ٹی ایل کی ۵۰ فیصد شرح کا دعویٰ کرنے کی اجازت دیتا ہے جو کہ پچھلے سال کے مقابلے میں برآمد کی فروخت میں ۱۰ فیصد یا اس سے زیادہ اضافہ کی شرط کے بغیر ہے۔ یہ بلکہ برآمدات کی بحالی اور قومی تجارتی خسارہ پر قابو پانے کے لئے صحیح سمت میں اٹھایا گیا ایک درست قدم ہے۔

اللہ تعالیٰ کے فضل سے انتظامیہ پر امید ہے کہ مندرجہ بالا حکمت عملی کمپنی کے مختصر مدت اور طویل مدت کے اہداف کو پورا کرنے اور تمام شراکت داروں کی توقعات کو پورا کرنے میں مددگار ثابت ہوگی۔

اشتمال شدہ گوشوارے

مورخہ ۲۰ اپریل ۲۰۱۷ء کو ایک کمپنی "Xublimity (Private) Limited" تشکیل دی گئی ہے، جو کہ "Feroze1888 Mills Limited" کی ذیلی کمپنی ہے۔ لہذا، کمپنی نے علیحدہ عبوری مالیاتی معلومات کے ساتھ ساتھ عبوری اشتمال شدہ معلومات بھی فراہم کی ہے۔

اظہار تشکر

بورڈ کمپنی کے تمام ملازمین کی جانب سے کی گئی کوششوں کے لئے تہ دل سے مشکور ہیں اس کے ساتھ ساتھ بورڈ اپنے تمام مالیاتی اداروں، صارفین، فروخت کنندگان اور کاروباری شراکت داروں کے مسلسل تعاون کو تسلیم کرتے ہیں اور آنے والے سالوں میں اسی طرح کے خوشگوار تعلقات کے لئے پُر امید ہیں۔

منجانب بورڈ

ریحان رحمان

چیف ایگزیکٹو

خلیق الرحمان

ڈائریکٹر

کراچی

۲۷ اکتوبر ۲۰۱۷ء


Feroze1888 Mills Limited
**Condensed Interim Balance Sheet (Unaudited)
As At September 30, 2017**

	September 30, 2017	June 30, 2017
 (Rupees in '000)	
ASSETS		
Non-current assets		
Property, plant and equipment	8,895,883	8,262,151
Intangible assets	4,031	2,975
Long term investment	618	618
Long term deposits	7,093	7,093
	<u>8,907,625</u>	<u>8,272,837</u>
Current assets		
Store and spares	830,265	498,033
Stock in trade	4,259,487	3,637,710
Trade debt - considered goods	4,825,140	4,354,193
Advances, prepayments and other receivables	1,933,094	1,616,864
Taxation - net	286,116	265,920
Cash & bank balances	144,836	92,931
	<u>12,278,938</u>	<u>10,465,651</u>
	<u>21,186,563</u>	<u>18,738,488</u>
SHARE CAPITAL & RESERVES		
Authorised share capital		
400,000,000 ordinary shares of Rs 10/- each	4,000,000	4,000,000
Issued, subscribed and paid-up capital		
	3,768,009	3,768,009
Capital reserves	758,663	758,663
Accumulated profit	8,914,396	8,482,149
	<u>13,441,068</u>	<u>13,008,821</u>
Surplus on revaluation	1,499,008	1,499,008
LIABILITIES		
Non-current liabilities		
Long term finances - secured	531,359	437,142
Current liabilities		
Trade & other payables	3,577,686	3,178,367
Short term borrowings - secured	2,021,552	500,000
Accrued mark-up	8,882	5,142
Current portion of long term finances	107,008	110,008
	<u>5,715,128</u>	<u>3,793,517</u>
	<u>21,186,563</u>	<u>18,738,488</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer


Feroze1888 Mills Limited
**Condensed Interim Profit & Loss Account (Unaudited)
For The Three Months Ended September 30, 2017**

	September 30, 2017	September 30, 2016
 (Rupees in '000)	
Sales - net	5,223,837	4,761,029
Cost of sales	<u>(4,315,281)</u>	<u>(3,795,610)</u>
Gross profit	908,556	965,419
Administrative cost	<u>(213,521)</u>	<u>(185,302)</u>
Distribution cost	<u>(143,691)</u>	<u>(121,519)</u>
Other operating cost	<u>(60,553)</u>	<u>(38,242)</u>
	<u>(417,765)</u>	<u>(345,063)</u>
	490,791	620,356
Finance cost	<u>(22,582)</u>	<u>(22,788)</u>
Profit before taxation	468,209	597,568
Taxation	<u>(35,962)</u>	<u>(53,904)</u>
Profit after taxation	<u>432,247</u>	<u>543,664</u>
Earning per share basic & diluted	<u>1.15</u>	<u>1.44</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

 **Feroze1888 Mills Limited**

**Condensed Interim Statement Of Other Comprehensive
Income (Unaudited) For The Three Months Ended
September 30, 2017**

	September 30, 2017	September 30, 2016
 (Rupees in '000)	
Profit for the three months	432,247	543,664
Other comprehensive income	-	-
Total comprehensive income for the three months	<u>432,247</u>	<u>543,664</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

**Condensed Interim Cash Flow Statement (Unaudited)
For The Three Months Ended September 30, 2017**

	September 30, 2017	September 30, 2016
(Rupees in '000)	
Cash flow from operating activities		
Profit before taxation	468,209	597,568
Adjustment for non cash charges and other items:		
Depreciation	144,282	119,957
Amortization	10,532	4,476
Workers' Fund	29,075	35,502
Finance cost	22,582	22,788
Loss / (gain) on sales of fixed assets	28,697	(2,299)
	<u>235,168</u>	<u>180,424</u>
Cash flow from operating activities before working capital changes	703,377	777,992
(Increase) / decrease in current asset		
Stores and spares	(332,232)	31,682
Stock in trade	(621,777)	357,058
Trade debt	(470,947)	(1,030,241)
Advances, prepayments & other receivables	(316,229)	(79,923)
Increase in current liabilities		
Trade and other payables	500,056	262,616
	<u>(1,241,129)</u>	<u>(458,808)</u>
Cash (used in) / generated from operating activities	<u>(537,752)</u>	<u>319,184</u>
Finance cost paid	(18,842)	(21,150)
Workers' fund paid	(129,808)	(213,085)
Income tax paid	(56,158)	(40,461)
	<u>(204,808)</u>	<u>(274,696)</u>
Net Cash (used in) generated from Operating Activities	<u>(742,560)</u>	<u>44,488</u>
Cash flow from investing activities		
Fixed capital expenditure	(842,556)	(314,622)
Sales proceeds of fixed assets	24,256	4,536
Net Cash used in investing activities	<u>(818,300)</u>	<u>(310,086)</u>
Cash flow from financing activities		
Dividend paid	(4)	(2)
Long term finance obtained	115,500	-
Repayment of long term finance	(24,283)	-
Net (decrease) in cash and cash equivalent	<u>(1,469,647)</u>	<u>(265,600)</u>
Net cash and cash equivalent at beginning	(407,069)	990,908
	<u>(1,876,716)</u>	<u>725,308</u>
Cash and cash equivalent at end	<u>(1,876,716)</u>	<u>725,308</u>
Cash and cash equivalents:		
Cash & bank balances	144,836	725,308
Short term borrowings - secured	(2,021,552)	-
	<u>(1,876,716)</u>	<u>725,308</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

**Condensed Interim Statement Of Changes In Equity
(Unaudited) For The Three Months Ended
September 30, 2017**

	Share capital	Capital reserve	Accumulated profit	Total
	-----	(Rupees in '000)	-----	-----
Balance as at July 01, 2016	3,768,009	758,663	7,160,555	11,687,227
Total comprehensive income for the year ended June 30, 2017	-	-	2,489,677	2,489,677
Transactions with owners				
Final cash dividend for the year ended June 30, 2016				
- Final @ 21% (Rs. 2.10 per share) for all shareholders	-	-	(791,282)	(791,282)
Interim cash dividend for the year ended June 30, 2017				
- Interim @ 10% (Rs. 1.00 per share) for all shareholders	-	-	(376,801)	(376,801)
	-	-	(1,168,083)	(1,168,083)
Balance as at June 30, 2017	3,768,009	758,663	8,482,149	13,008,821
Total comprehensive income for the three months ended September 30, 2017	-	-	432,247	432,247
Balance as at September 30, 2017	<u>3,768,009</u>	<u>758,663</u>	<u>8,914,396</u>	<u>13,441,068</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

Selected Notes To The Condensed Interim Financial Information (Unaudited) For The Three Months Ended September 30, 2017

1. The condensed interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2017.
2. The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the preceding year ended June 30, 2017.

3. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, directors and key management personnel. The transactions with associated undertakings and related parties, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

Nature of Transaction	Relationship	September 30, 2017	September 30, 2016
		(Rupees '000)	
Sales	Associate	205,059	345,876
Purchases	Associate	-	2,349
Manufacturing and other expenses	Associate	321,896	236,439

Balances with related parties at the end of the period were as follows:	September 30, 2017	June 30, 2017
	(Rupees '000)	

Net payable	Associate	<u>(135,836)</u>	<u>(122,850)</u>
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4 Date of Authorisation

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on October 27, 2017.

5 General

Figures have been rounded-off to the nearest thousand rupees.

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer


Feroze1888 Mills Limited
**Consolidated Condensed Interim Balance Sheet
(Unaudited) As At September 30, 2017**

	September 30, 2017	June 30, 2017
 (Rupees in '000)	
ASSETS		
Non-current assets		
Property, plant and equipment	8,895,883	8,262,151
Intangible assets	4,198	2,975
Long term investment	10	10
Long term deposits	<u>7,093</u>	<u>7,093</u>
	<u>8,907,184</u>	<u>8,272,229</u>
Current assets		
Store and spares	830,265	498,033
Stock in trade	4,259,488	3,637,710
Trade debt - considered goods	4,825,140	4,354,193
Advances, prepayments and other receivables	1,932,824	1,616,720
Taxation	286,116	265,920
Cash & bank balances	<u>145,491</u>	<u>93,730</u>
	<u>12,279,324</u>	<u>10,466,306</u>
	<u>21,186,508</u>	<u>18,738,535</u>
SHARE CAPITAL & RESERVES		
Authorised share capital		
400,000,000 ordinary shares of Rs 10/- each	<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed and paid-up capital	3,768,009	3,768,009
Capital reserves	758,663	758,663
Consolidated group reserves	<u>8,914,209</u>	<u>8,482,039</u>
	<u>13,440,881</u>	<u>13,008,711</u>
Non-Controlling Interest	133	157
Surplus on revaluation	1,499,008	1,499,008
LIABILITIES		
Non-current liabilities		
Long term finances - secured	531,359	437,142
Current liabilities		
Trade & other payables	3,577,685	3,178,367
Short term borrowings - secured	8,882	500,000
Accrued mark-up	2,021,552	5,142
Current portion of long term finances	<u>107,008</u>	<u>110,008</u>
	<u>5,715,127</u>	<u>3,793,517</u>
	<u>21,186,508</u>	<u>18,738,535</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer


Feroze1888 Mills Limited

**Consolidated Condensed Interim Profit & Loss Account
(Unaudited) For The Three Months Ended
September 30, 2017**

	September 30, 2017 (Rupees in '000)
Sales - net	5,223,837
Cost of sales	<u>(4,315,281)</u>
Gross profit	908,556
Administrative cost	<u>(213,623)</u>
Distribution cost	<u>(143,691)</u>
Other operating cost	<u>(417,867)</u>
	490,689
Finance cost	<u>(22,582)</u>
Profit before taxation	468,107
Taxation	<u>(35,962)</u>
Profit after taxation	<u>432,145</u>
Earning per share basic & diluted	<u>1.15</u>
Share of profit / (loss) attributable Relating to:	
- Equity holders of holding company	432,170
- Non-Controlling interest	<u>(25)</u>
	<u>432,145</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

 **Feroze1888 Mills Limited**

**Consolidate Condensed Interim Statement of Other
Comprehensive Income (Unaudited) For The Three
Months Ended September 30, 2017**

	September 30, 2017 (Rupees in '000)
Profit for the three months	432,170
Other comprehensive income	-
Total comprehensive income for the three months	<u>432,170</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer


Feroze 1888 Mills Limited
**Consolidated Condensed Interim Cash Flow Statement
(Unaudited) For The Three Months Ended
September 30, 2017**

	September 30, 2017
	(Rupees in '000)
Cash flow from operating activities	
Profit before taxation	468,107
Adjustment for non cash charges and other items:	
Depreciation	144,282
Amortization	10,537
Workers' Fund	29,075
Finance cost	22,582
Loss on sales of fixed assets	28,697
	<u>235,173</u>
Cash flow from operating activities before working capital changes	703,280
(Increase) in current asset	
Stores and spares	(332,232)
Stock in trade	(621,777)
Trade debt	(470,947)
Advances, prepayments & other receivables	(316,229)
Increase in current liabilities	
Trade and other payables	499,912
	<u>(1,241,273)</u>
Cash used in operating activities	(537,993)
Finance cost paid	(18,842)
Workers' fund paid	(129,808)
Income tax paid	(56,158)
	<u>(204,808)</u>
Net Cash used in Operating Activities	(742,801)
Cash flow from investing activities	
Fixed capital expenditure	(842,729)
Sales proceeds of fixed assets	24,256
Net Cash used in investing activities	(818,473)
Cash flow from financing activities	
Dividend paid	(4)
Long term finance obtained	115,500
Repayment of long term finance	(24,283)
Net (decrease) in cash and cash equivalent	<u>(1,470,061)</u>
Net cash and cash equivalent at beginning	(406,270)
Cash and cash equivalent at end	<u>(1,876,331)</u>
Cash and cash equivalents:	
Cash & bank balances	145,221
Short term borrowings - secured	(2,021,552)
	<u>(1,876,331)</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

**Consolidated Condensed Interim Statement of Changes In
Equity (Unaudited) For The Three Months Ended
September 30, 2017**

	Share capital	Capital reserve	Accumulated profit	Non controlling interest	Total
	----- (Rupees in '000) -----				
Balance as at July 01, 2016	3,768,009	758,663	7,160,555	-	11,687,227
Incorporation of Subsidiary	-	-	-	192	192
Total comprehensive income for the year ended June 30, 2017	-	-	2,489,567	(35)	2,489,532
Transactions with owners					
Final cash dividend for the year ended June 30, 2016 - Final @21% (Rs. 2.10 per share) for all shareholders	-	-	(791,282)	-	(791,282)
Interim cash dividend for the year ended June 30, 2017 - Interim @10% (Rs. 1.00 per share) for all shareholders	-	-	(376,801)	-	(376,801)
	-	-	(1,168,083)	-	(1,168,083)
Balance as at June 30, 2017	3,768,009	758,663	8,482,039	157	13,008,868
Total comprehensive income for the three months ended September 30, 2017	-	-	432,170	(25)	432,145
Balance as at September 30, 2017	<u>3,768,009</u>	<u>758,663</u>	<u>8,914,209</u>	<u>133</u>	<u>13,441,014</u>

The annexed notes 1 to 5 form an integral part of these condensed interim financial statements

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

**Selected Notes To The Consolidated Condensed Interim
Financial Information (Unaudited) For The Three Months
Ended September 30, 2017**

1. The condensed consolidated interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended June 30, 2017.
2. The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the preceding year ended June 30, 2017.

3. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated companies, directors and key management personnel. The transactions with associated undertakings and related parties, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

Nature of Transaction	Relationship	September 30, 2017	
		(Rupees '000)	
Sales	Associate		205,059
Manufacturing and other expenses	Associate		321,896
		September 30, 2017	June 30, 2016
		(Rupees '000)	

Balances with related parties at the end of the period were as follows:

Net payable	Associate	<u>(136,106)</u>	<u>(122,850)</u>
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4 Date of Authorisation

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on October 27, 2017.

5 General

Figures have been rounded-off to the nearest thousand rupees.

Khaleequr Rahman
Director

Rehan Rahman
Chief Executive

Imran Tola
Chief Financial Officer

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