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**QUARTERLY REPORT
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2013**

Taha Spinning Mills Limited

Registered Office:
406, Commerce Centre, Hasrat Mohani Road, Karachi

TAHA SPINNING MILLS LIMITED
COMPANY INFORMATION

Board of Directors	Mr. Ashfaq Ahmed Chief Executive Mr. Saqib Ashfaq Executive Director Mr. Amir Ashfaq Executive Director Mr. Niaz Mohammad Independent Mr. M. Farooq Non Executive Mr. Ikhtlaq Husain Non Executive Mr. Saleem Abbas Non Executive
Audit Committee	Mr. Niaz Mohammad Chairman Mr. Ikhtlaq Husain Mr. M. Farooq
Human Resource & Remuneration Committee	Mr. Amir Ashfaq Chairman Mr. Ikhtlaq Hussain Mr. Saleem Abbas
Chief Financial Officer	Mr. Irfan Ahmed
Company Secretary	Mr. Muhammad Sarfraz
Auditors	Naveed Zafar Ashfaq Jaffery & Co. Chartered Accountants 1 st Floor, Modern Motors House, Beaumont Road, Karachi.
Bankers	NIB Bank Limited Askari Bank Limited National Bank of Pakistan
Legal Advisor	Farooq Rashid & Co Advocates and Corporate Consultants 403 Commerce Centre Hasrat Mohani Road Karachi-74200
Share Registrar and Transfer Office	Najeeb Consultants (Pvt)Ltd 405-Commerce Centre, Hasrat Mohani Road, Karachi
Registered Office	406-Commerce Centre, Hasrat Mohani Road, Karachi Karachi 74200
Mills	Warburton Road, Tehsil Nankana Sahib Distt. Sheikhupura, Punjab

TAHA SPINNING MILLS LIMITED
DIRECTORS REPORT TO THE MEMBERS OF THE COMPANY

The directors are pleased to present the financial statements for the nine months ended March 31,2013

1. Sales

There is no sale during the period as the manufacturing operation is suspended since July 2008.

2. Gross Profit/Loss

There is no gross profit and (loss) due to suspension of manufacturing operation

3. Pre-Tax Profit/Loss

The company has reported the pre-tax Loss of Rs: (1.40) million as compared to corresponding period Loss of Rs: (1.64) million

4. Earnings Per Share

The earnings per share of the company is Rs: 0.99

5. Finance Cost

Finance cost represents mark-up on the borrowing from banking companies and the financial institutions. Finance cost of the company for the period is Rs: 0.408 Million as compared to Rs. 0.0016 Million of the comparable period of the last year.

6. Current and Future Summary and Prospects

The major issues faced by the industry is non availability of gas, high interest rates and impact of wages increase, which is the main cause of increase of manufacturing cost. These issues need the attention of the government for the revival of the industry.

Due to above extraordinary events, management was unable to run the mills and suspended its yarn manufacturing operation in July 2008. There have been thefts at the mills also. We are taking steps for recovery of the stolen machinery worth Rs.22 million. Alhamdulillah issues with NIB Bank have been resolved. Looking the adverse economy condition and energy crises, board of directors decided to dispose off the entire undertaking of the company and pay off its creditors. Shareholders of the company in their EOGM meeting held on 20th February,2013 have also approved the sale of entire undertaking of the company. Sale is stuck up due to pending issue with the court. Management is trying its best to resolve these issues amicably outside the court. The board will decide future plan after paying off the liabilities of the creditors and looking the available funds for investment.

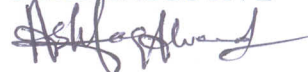
7. Code of Corporate Governance

We are pleased to inform you that company has taken necessary steps to comply with the Code of Corporate Governance as required by the regulation of the Karachi stock exchange.

We appreciate the hard work of all the company's staff and the support of its bankers

For and on behalf of the Board of Directors

CHIEF EXECUTIVE



Karachi: April 30, 2013

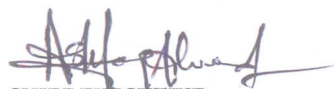
Taha Spinning Mills Limited

Condensed Interim Balance Sheet

As At March 31, 2013

EQUITY AND LIABILITIES		MARCH 31, 2013	JUNE 30, 2012
		(UN AUDITED)	(AUDITED)
		Rupees	Rupees
SHARE CAPITAL AND RESERVES			
Authorized share capital 6,100,000 (2012 : 6,100,000) ordinary shares of rupees 10 each.		61,000,000	61,000,000
Issued, subscribed and paid up share capital		40,500,000	40,500,000
Accumulated (Loss)		(85,034,939)	(89,057,700)
		(44,534,939)	(48,557,700)
Surplus on revaluation of fixed assets		-	27,534,601
NON-CURRENT LIABILITIES			
Long term financing		-	14,057,272
Long term financing from directors		72,720,958	35,770,958
Deferred liabilities		-	6,671,276
CURRENT LIABILITIES			
Trade and other payables		1,398,670	1,143,472
Accrued markup / interest		16,902,638	28,765,581
Short term borrowings		-	13,162,139
Current portion of non current liabilities		47,418,354	66,466,288
Provision for taxation		-	-
		65,719,662	109,537,480
CONTINGENCIES AND COMMITMENTS			
TOTAL EQUITY AND LIABILITIES		93,905,681	145,013,887
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	-	115,335,495
Long term deposits		3,671,826	5,524,303
CURRENT ASSETS			
Stores, spares and loose tools		535,222	535,222
Trade debts - considered good		-	16,331,362
Other financial assets		-	408,162
Loans and advances		146,112	3,183,323
Other receivables		1,950,745	1,950,745
Cash and bank balances		1,262,950	1,745,275
		3,895,029	24,154,089
Non current assets held for sale	6	86,338,826	-
TOTAL ASSETS		93,905,681	145,013,887

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


CHIEF EXECUTIVE


DIRECTOR

Karachi: 30th April, 2013

Taha Spinning Mills Limited

Condensed Interim Profit and Loss Account (An audited)

For the Quarter and Nine Months Period Ended March 31, 2013

	NINE MONTHS PERIOD ENDED		QUARTER ENDED	
	MARCH 31,	MARCH 31,	MARCH 31,	MARCH 31,
	2013	2012	2013	2012
	Rupees	Rupees	Rupees	Rupees
Sales	-	-	-	-
Cost of sales	-	-	-	-
Gross profit	-	-	-	-
Administrative expenses	(1,027,935)	(1,645,095)	(342,025)	(547,738)
Other operating income	28,252	-	28,252	-
Finance cost	(408,512)	(1,616)	(408,512)	(300)
	(1,408,195)	(1,646,711)	(722,285)	(548,038)
(Loss) before taxation	(1,408,195)	(1,646,711)	(722,285)	(548,038)
Taxation (deffered)	5,430,956	-	-	-
Profit / (Loss) after taxation	<u>4,022,761</u>	<u>(1,646,711)</u>	<u>(722,285)</u>	<u>(548,038)</u>
Earnings / (Loss) per share (Basic and diluted)	<u>0.99</u>	<u>(0.41)</u>	<u>(0.18)</u>	<u>(0.14)</u>

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


CHIEF EXECUTIVE

Karachi: 30th April, 2013


DIRECTOR

Taha Spinning Mills Limited

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the Quarter and Nine Months Period Ended March 31, 2013

	NOTE	MARCH 31, 2013 Rupees	MARCH 31, 2012 Rupees	MARCH 31, 2013 Rupees	MARCH 31, 2012 Rupees
Profit / (Loss) after taxation		4,022,761	(1,646,711)	(722,285)	(548,038)
Comprehensive income for the period		-	-	-	-
Total comprehensive income / (loss) for the period		<u>4,022,761</u>	<u>(1,646,711)</u>	<u>(722,285)</u>	<u>(548,038)</u>

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


CHIEF EXECUTIVE


DIRECTOR

Karachi: 30th April, 2013

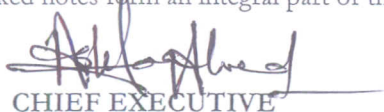
Taha Spinning Mills Limited

Condensed Interim Cash Flow Statement (Un-audited)

For the Quarter and Nine Months Period Ended March 31, 2013

	MARCH 31, 2013 Rupees	MARCH 31, 2012 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) before taxation	(1,408,195)	(1,646,711)
Adjustments for:		
Gain on sale of fixed assets	(28,252)	-
Finance cost	408,512	1,616
	380,260	1,616
Loss before working capital changes	(1,027,935)	(1,645,095)
 (Increase)/Decrease in current assets		
Other financial assets	408,162	-
Trade debts	16,331,362	2,181,761
Loans and advances	3,037,211	35,948
	19,776,735	2,217,709
Increase/(Decrease) in current liabilities		
Trade and other payables	255,199	960,000
Cash used in operations	19,003,999	1,532,614
Finance cost paid	(12,271,455)	(1,616)
Taxes paid/adjustment	-	(36,177)
	(12,271,455)	(37,793)
 Net cash used in operating activities	6,732,544	1,494,821
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	250,000	-
Security deposits	1,852,477	-
Net cash generated from investing activities	2,102,477	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	(13,162,139)	-
Long term financing	3,844,794	(1,500,000)
Net cash generated from financing activities	(9,317,345)	(1,500,000)
 Net decrease in cash and cash equivalents	(482,325)	(5,180)
Cash and cash equivalents at the start of the period	1,745,275	1,888,535
 Cash and cash equivalents at the end of the period	1,262,950	1,883,355

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


CHIEF EXECUTIVE


DIRECTOR

Karachi: 30th April, 2013

Taha Spinning Mills Limited

Condensed Interim Statement of Changes in Equity (Un-audited)

For the Quarter and Nine Months Period Ended March 31, 2013

	PAID-UP SHARE CAPITAL	ACCUMULATED (LOSS)	TOTAL
	-----Rupees-----		
Balance as at July 01, 2011	40,500,000	(72,047,024)	(31,547,024)
Total comprehensive (loss) for the period ended March 31, 2012	-	(1,646,711)	(1,646,711)
Balance as at March 31, 2012	<u>40,500,000</u>	<u>(73,693,735)</u>	<u>(33,193,735)</u>
Balance as at July 01, 2012	40,500,000	(89,057,700)	48,557,000
Total comprehensive (loss) for the period ended March 31, 2013	-	4,022,761	4,022,761
Surplus on revaluation relating to desposal of assets		-	
Balance as at March 31, 2013	<u>40,500,000</u>	<u>(85,034,939)</u>	<u>(44,534,939)</u>

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


CHIEF EXECUTIVE


DIRECTOR

Karachi: 30th April, 2013

spinning Mill listed on the Karachi Stock Exchange, 1984 in the sale of yarn. Mill is located in Karachi.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial statements are prepared in accordance with the provisions of and directive issued under the Companies Ordinance, 1984 and the Interim financial reporting directives of the Companies Ordinance, 1984.

The disclosures made in these condensed interim financial statements are unaudited but a limited scope review of International Accounting Standard (IAS) 34 Interim financial reporting Standard (IAS) 34 Interim financial reporting Ordinance 1984.

The disclosures made in these condensed interim financial statements have been prepared in accordance with the requirements of the Code of Accounting Convention.

2.2 Accounting convention

These condensed interim financial statements are prepared in accordance with the requirements of International Accounting Standard (IAS) 34 Interim financial reporting Standard (IAS) 34 Interim financial reporting Ordinance 1984.

ACCOUNTING POLICIES

The accounting policies adopted in preparation of these condensed interim financial statements are consistent with the accounting policies disclosed in the company's annual financial statements for the year ended 31st March 2013.

CONTINGENCIES AND COMMITMENTS

There are no contingencies and commitments disclosed in the preceding annual published financial statements of the company for the year ended 31st March 2013.

EQUIPMENT

	(Unaudited)	
	MARCH 31, 2013	JUNE 30, 2013
	Rupees	Rupees
	115,335,495	115,335,495
	(28,774,921)	-
	(86,560,574)	-
	-	-
	<u>115,335,495</u>	<u>115,335,495</u>

(Unaudited) (Audited)

MARCH 31, JUNE 30,
Rupees Rupees

6 Assets held for sales

Opening Balance	-	-
Add: Transfer to Property,Plant and equipment	86,560,574	-
Add: Gain on sales of assets	28,252	-
Less: Sold during the period	(250,000)	-
Closing Balance	<u>86,338,826</u>	<u>-</u>

Property, plant and equipment owned by the company has been classified and presented as non current assets held for sale following the approval by the members in EOGM on February 20th 2013. The company has discontinued operation and suspended its production of yarn since July 2008. Due to company's inability to comply with loan agreements and pay debts on due dates, assets have been classified held for sale. Furthermore due to pending litigation, the company has not been able to apply for any finance facility for revival of the business of the company. These circumstances give rise to significant uncertainty as to the ability of the company to continue operations as going concern in future and therefore, the company may be unable to realize its assets and discharge its liabilities in the normal course of business. The chief executive is authorized on behalf of the company to sell the non current assets within twelve months and pay off company's liabilities. The non current assets classified as held for sale under IFRS 5 "Non - current Assets Held for Sale and Discontinued Operations" and summarized accordingly.

7 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been authorized for issue on April 30, 2013 by the board of directors of the company.

8 GENERAL

Figures have been rounded off to the nearest rupees.
Corresponding figures have been re-arranged, where ever necessary, for the purpose of comparison.


CHIEF EXECUTIVE


DIRECTOR

Karachi: 30th April,2013