

QUARTERLY REPORT
FOR THE NINE MONTHS PERIOD ENDED
31ST MARCH 2015
(UN-AUDITED)

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	Non Executive Director
Mr. Amir Ashfaq	Executive Director
Mr. Niaz Mohammad	Independent
Mr. Mohammad Azam	Non Executive
Mr. Qamar Iqbal	Non Executive
Mr. Saleem Abbas	Non Executive

Audit Committee

Mr. Niaz Mohammad - Chairman
Mr. Mohammad Azam
Mr. Qamar Iqbal

Human Resource & Remuneration Committee

Mr. Amir Ashfaq Chairman
Mr. Qamar Iqbal
Mr. Saleem Abbas

Chief Financial Officer

Mr. Shakeel Akhtar

Company Secretary

Mr. Muhammad Sarfraz

Auditors

Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants
1st floor, Modern House
Beaumont Road
Karachi.

Bankers

Habib 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

TAHA SPINNING MILLS LIMITED

DIRECTORS REPORT TO THE MEMBERS OF THE COMPANY FOR THE NINE MONTH PERIOD ENDED MARCH.31, 2015

The directors are pleased to present the financial statements for the nine months period ended March 31,2015

1. Sales

There is no sale during the period as there is no manufacturing activity by the company.

2. Gross Profit/Loss

There is no gross profit/(loss) due to non-manufacturing activities.

3. Pre-Tax Profit/Loss

The company has reported pre-tax (loss) for the nine months period ended is Rs(2.97) million.

4. Earnings Per Share

The earning per share for the nine months period ended is Rs:(0.73)

5. Finance Cost

Finance cost of the company for the ninth months period ended ended is Rs.1,851 as compared to the corresponding period of Rs.688,803

6. Current and Future Summary and Prospects

The major issues faced by the industry are electric and gas load shedding which is hurting the industrial development in the country. These issues need the attention of the government for revival of the industry.

We have very small capital in hand, therefore we are looking other business options including setting up a small spinning unit. We are also negotiating with the financial institutions for the proposed business plan but no positive response is being received due to small capital and inadequate security being offered.

We regret to inform our members that heavy fire erupted on 4th floor of Commerce Centre on 9th February, 2015. Our office premises also came under fire. Furniture and fixture, computers and office record have been burnt. Fire was controlled by the fire brigade after 3 to 4 hours efforts.

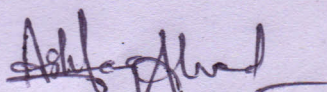
7. Code of Corporate Governance

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.

The company has developed its own website (www.hmiml.com) in compliance to SECP notification dated 10th July,2014. Financial results can be reviewed on company's website. However copy of financial results can be supplied to the members if requested by them.

We appreciate the best efforts of all the company's staff and the support of its bankers

For and on behalf of the Board of Directors



CHIEF EXECUTIVE


Karachi:27.4.2015

TAHA SPINNING MILLS LIMITED
BALANCE SHEET
AS AT MARCH 31, 2015

	Note	Un-Audited MARCH 2015 Rupees	Audited JUNE 2014 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
6,100,000 (June 2014 : 6,100,000) ordinary shares of rupees 10 each		<u>61,000,000</u>	<u>61,000,000</u>
Issued, subscribed and paid up share capital	4	40,500,000	40,500,000
Accumulated (Loss)		<u>(30,429,116)</u>	<u>(27,512,654)</u>
		10,070,884	12,987,346
CURRENT LIABILITIES			
Trade and other payables		187,500	65,000
CONTINGENCIES AND COMMITMENTS			
	5		
TOTAL EQUITY AND LIABILITIES		<u>10,258,384</u>	<u>13,052,346</u>
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		25,000	25,000
CURRENT ASSETS			
Advances income tax		216,297	155,810
Other receivables		5,481,716	5,950,745
Cash and bank balances		4,535,371	6,920,791
		10,233,384	13,027,346
TOTAL ASSETS		<u>10,258,384</u>	<u>13,052,346</u>

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

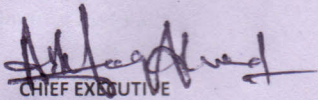

CHIEF EXECUTIVE

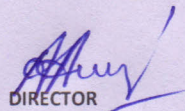

DIRECTOR

TAHA SPINNING MILLS LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	<u>Nine Months ended</u>		<u>Third Quarter ended</u>	
	March 31, 2015 Rupees	March 31, 2014 Rupees	March 31, 2015 Rupees	March 31, 2014 Rupees
Administrative expenses	(3,001,834)	(776,796)	(2,625,392)	(242,902)
Other operating income	29,940	567,663	9,851	168,673
Finance cost	(1,851)	(688,803)	(894)	(683,987)
	<u>(2,973,745)</u>	<u>(897,936)</u>	<u>(2,616,435)</u>	<u>(758,216)</u>
Gain on disposal of assets held for sale	-	73,860,785	-	(500,000)
Profit / (Loss) before taxation	(2,973,745)	72,962,849	(2,616,435)	(1,258,216)
Taxation				
Current	-	(56,766)	-	(56,766)
Prior year	57,283	-	-	-
Profit / (Loss) after taxation	<u>(2,916,462)</u>	<u>72,906,083</u>	<u>(2,616,435)</u>	<u>(1,314,982)</u>
Earnings / (Loss) per share (Basic and diluted)	<u>(0.73)</u>	<u>18.00</u>	<u>(0.66)</u>	<u>(0.32)</u>

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

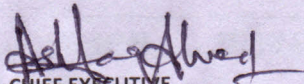

CHIEF EXECUTIVE

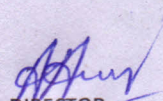

DIRECTOR

TAHA SPINNING MILLS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	<u>Nine Months ended</u>		<u>Third Quarter ended</u>	
	March 31, 2015 Rupees	March 31, 2014 Rupees	March 31, 2015 Rupees	March 31, 2014 Rupees
Profit / (Loss) after taxation	(2,916,462)	72,906,083	(2,616,435)	(1,314,982)
Other comprehensive income	-	-	-	-
Total comprehensive Income / (loss) for the period transferred to equity	<u>(2,916,462)</u>	<u>72,906,083</u>	<u>(2,616,435)</u>	<u>(1,314,982)</u>

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

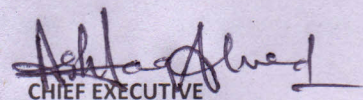

CHIEF EXECUTIVE

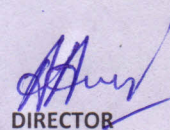

DIRECTOR

TAHA SPINNING MILLS LIMITED
CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	March 31, 2015 Rupees	March 31, 2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) /Profit before taxation	(2,973,745)	72,962,849
Adjustments for:		
Gain on sale of fixed assets	-	(73,860,785)
Finance cost	1,851	688,803
	<u>1,851</u>	<u>(73,171,982)</u>
(Loss) before working capital changes	(2,971,894)	(209,133)
(Increase)/Decrease in current assets		
Loans and advances	-	(18,162)
Other receivable	469,029	-
	<u>469,029</u>	<u>(18,162)</u>
Increase/(Decrease) in current liabilities		
Trade and other payables	122,500	(1,463,670)
Cash used in operations	(2,380,365)	(1,690,965)
Finance cost paid	(1,851)	(1,626,529)
Taxes paid/adjustment	(3,204)	(46,436)
	<u>(5,055)</u>	<u>(1,672,965)</u>
Net cash used in operating activities	(2,385,420)	(3,363,930)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of fixed assets and stores	-	117,379,000
Net cash generated from investing activities	-	117,379,000
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term financing	-	(111,139,312)
Net cash used in financing activities	-	(111,139,312)
Net decrease in cash and cash equivalents	(2,385,420)	2,875,759
Cash and cash equivalents at the start of the year	6,920,791	4,185,344
Cash and cash equivalents at the end of the period	<u>4,535,371</u>	<u>7,061,103</u>

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

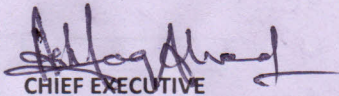

CHIEF EXECUTIVE

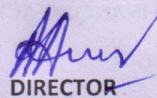

DIRECTOR

TAHA SPINNING MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2015

	PAID-UP SHARE CAPITAL	ACCUMULATED (LOSS)	RESERVE FOR ASSETS CLASSIFIED AS HELD FOR SALE	TOTAL
	-----Rupees-----			
Balance as at July 01, 2013	40,500,000	(100,193,766)	50,378,295	(9,315,471)
Total comprehensive profit for the period ended March 31, 2014	-	72,906,083	-	72,906,083
Realized gain on assets classified as held for sale	-	-	(50,378,295)	(50,378,295)
Balance as at March 31, 2014	40,500,000	(27,287,683)	-	13,212,317
Balance as at July 01, 2014	40,500,000	(27,512,654)	-	12,987,346
Total comprehensive (loss) for the period ended March 31, 2015	-	(2,916,462)	-	(2,916,462)
Balance as at March 31, 2015	40,500,000	(30,429,116)	-	10,070,884

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


CHIEF EXECUTIVE


DIRECTOR

TAHA SPINNING MILLS LIMITED
Selected Notes to the Condensed Interim Financial Information (Un-Audited)
For the Nine Months Period Ended March 31, 2015

1 LEGAL STATUS AND NATURE OF BUSINESS

Taha Spinning Mills Limited (the "Company") was incorporated in Pakistan as a Private Limited Company under The Companies Ordinance, 1984 in 1991 and subsequently converted to a Public Limited company on June 16, 1991. Shares of the company were listed on the Karachi Stock Exchange in Pakistan on February 01, 1994. The principal business of the company is to manufacture and sale of yarn.

1.1 The Management has settled the liabilities of its creditors and all financial institutions amicably. Since the sale of entire fixed assets management is focusing to set up a small spinning unit if financial assistance is provided by the banks. Negotiation with banks/financial institution are continue. Pending the arrangement of finance facilities, future business plan with a small capital in hand is not feasible.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim financial information have been prepared in accordance with the approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standard (IFRS) issued by International Accounting Standards Board as are notified under the Companies Ordinance, 1984, the provision of and directive issued under the Companies Ordinance, 1984. In case requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

These condensed interim financial information have been prepared in compliance with the International Accounting Standard (IAS) 34 Interim financial reporting and in compliance with the requirements of section 245 of the Companies Ordinance 1984.

The disclosures made in these condensed interim financial information have, however, been limited based on the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting. These condensed interim financial information are unaudited but a limited scope review have been performed by the external auditors of the company in accordance with the requirements of the Code of Corporate Governance and they have issued their report thereon.

2.2 Accounting convention

These condensed interim financial information have been prepared under "Historical Cost Convention" except as disclosed in the company's accounting policies.

3 ACCOUNTING POLICIES

The accounting policies adopted in preparation of these condensed interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2014

4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2015	2014		(Un-Audited) MARCH 31, 2015 Rupees	(Audited) JUNE 30, 2014 Rupees
4,050,000	4,050,000	Ordinary shares of Rs. 10 each fully paid in cash	40,500,000	40,500,000
<u>4,050,000</u>	<u>4,050,000</u>		<u>40,500,000</u>	<u>40,500,000</u>

4.1 The shareholders are entitled to receive all distribution to them including dividend and other entitlements in the form of bonus and right shares as and when declared by the company. All shares carry "one vote" per share without

4.2 There is no movement in share capital during the year.

5 CONTINGENCIES AND COMMITMENTS	March 2015 Rupees	March 2014 Rupees
Pakistan Synthatic Ltd.	1.51(m)	Nil
Recovery suit was filed by the creditor but company was not acknowledging the claim due to closed and time barred matter . Now the proceeding has been started and libility is shown in contingencies.		

6 TAXATION	March 2015 Rupees	March 2014 Rupees
- Current	-	-
- Prior	57.283	-
	<u>57,283</u>	<u>-</u>

7 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information have been authorized for issue on April 27, 2015 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.