

TAHA SPINNING MILLS LIMITED
CONDENSED INTERIM FINANCIAL INFORMATION
(UN-AUDITED)
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2016

TAHA SPINNING MILLS LIMITED
COMPANY INFORMATION

Board of Directors

Mr. Ashfaq Ahmed	Chief Executive
Mr. Saqib Ashfaq	Chairman-Non Executive
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. M. Shakeel Akhtar

Company Secretary

Mr. M. Shakeel Akhtar

Auditors

Naveed Zafar Ashfaq Jaffery & Co
Chartered Accountants
1st floor, Modern House
Beamount 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
408-Commerce Centre,
Hasrat Mohani Road, Karachi

Registered Office

406-Commerce Centre,
Hasrat Mohani Road, Karachi
Karachi 74200

Phone No.:

92-21-32638521-3

Fax No.:

92-21-32639843

E-mail:

tsml@hmiml.com

Website

www.hmiml.com

Business:

PC yarn manufacturer

Status of Company

Public listed company (SSC)

Company Registration No.

K-0023133

National Tax No.

0698412-6

Contact person:

Mr.Muhammad Sarfraz

Phone:92-21-32638521-3

E-mail:sarfrazinfo@hotmail.com

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

The directors are pleased to present the financial statements for the 1st quarter ended on 30th Sept., 2016

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 activity.
3. **Pre-Tax Profit/Loss**
The company has pre-tax (loss) for the reported period Rs.(0.993) million.
4. **Loss Per Share**
The loss per share for the period ended is Rs.(0.25)
5. **Finance Cost**
There is no borrowing from banks, therefore there is no borrowing cost.
6. **Current and Future Summary and Prospects**

Looking the textile industry crises, management of the company decided to change the business dimensions of the company from existing to fast moving consumer goods. New business objects were not specified in the Memorandum of Association. Management called EOGM of the members on 3rd October, 2016 and got approval of the members for new business plan and addition of new business object clauses in the Memorandum of Association of the company. Petition has been filed with Securities & Exchange Commission of Pakistan for approval of new business objects. Management is planning to get involve in the manufacture of fast moving consumer goods itself or through merger, corporate restructuring or through prosperous investors for revival of the company. Negotiation with a prosperous group has also been completed for new business plan. The new investor group has shown their interest for revival/takeover of the company after completion of all legal formalities. Management is also negotiating with financial institutions for financing of proposed business plan.

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 Pakistan Stock Exchange.

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: 29.10.2016

طخ اسپننگ ملز لمیٹڈ ڈائریکٹرز رپورٹ برائے حصص یافتگان

آپ کے ڈائریکٹرز مالی گوشوارے برائے پہلی سرمایہ 30 ستمبر 2016 کو پیش کر کے سرور ہو رہے ہیں۔

۱۔ فروخت:-

کمپنی کی صنعتکاری کی کوئی سرگرمی نہیں ہے اس لئے اس عرصہ میں کوئی فروخت بھی نہیں کی گئی ہے۔

۲۔ مجموعی منافع:-

اس سرمایہ کیلئے کمپنی نے کوئی مجموعی منافع نہیں کمایا کیونکہ صنعتکاری کی کوئی سرگرمی نہیں ہے۔

۳۔ ٹیکس سے پہلے نقصان:-

کمپنی نے اس سرمایہ ٹیکس سے پہلے کا (0.993) ملین روپے نقصان کیا ہے۔

۴۔ فی شیئر بنیادی کمی یا نقصان:-

اس سرمایہ کی فی شیئر بنیادی نقصان صرف (0.25) پیسہ ہے۔

۵۔ مالی معاملات پر خرچہ:-

چونکہ کمپنی نے بنکوں سے کوئی قرضہ نہیں لیا ہوا اس لئے کوئی مالی خرچہ نہیں ہے۔

۶۔ موجودہ اور مستقبل کی کیفیت:-

ٹیکسٹائل کی صنعت کے بحران کو دیکھتے ہوئے کمپنی کی انتظامیہ نے فیصلہ کیا ہے کہ موجودہ کاروبار میں تبدیلی کی جائے اور جو چیزیں صارفین میں زیادہ پسند کی جاتی ہیں اس پر توجہ دی جائے۔ نئے کاروباری مقاصد کمپنی کے موجودہ میوزم میں وضع نہیں کئے گئے ہیں۔ کمپنی کی انتظامیہ نے ایک غیر معمولی اجلاس بلا کر 3 اکتوبر 2016 کو ممبران سے اگلی منظوری لے لی ہے۔ اس سلسلے میں ایک پیشین سیکورٹی اینڈ ایکسیج کمیون آف پاکستان کی منظوری کیلئے داخل کر دی گئی ہے۔

کمپنی کی انتظامیہ منصوبہ بنا رہی ہے کہ اپنے طور پر یا کسی کمپنی کے اشتراک سے یا کسی مستحکم سرمایہ دار کے ساتھ ملکر ایسی مصنوعات بنائی جائیں جو صارفین میں زیادہ مقبول ہوں، تاکہ کمپنی کو دوبارہ بحال کیا جاسکے۔

نئے کاروباری منصوبے کیلئے مستحکم سرمایہ داروں کے ساتھ بات چیت مکمل ہو چکی ہے اور نئے سرمایہ داروں نے اپنی رضامندی ظاہر کر دی ہے کہ وہ کمپنی کو بحال بھی کر دیں گے اور کمپنی کا انتظام بھی سنبھال لیں گے۔ تمام قانونی کارروائی مکمل کرنے کے بعد کمپنی کی انتظامیہ مالیاتی اداروں سے نئے کاروباری منصوبے کے بارے میں بات چیت کر رہی ہے۔

۷۔ اچھے تنظیمی اصول (کوڈ آف کارپوریٹ گورننس)

کمپنی نے اچھے تنظیمی ڈھانچے کے لئے اسٹاک ایکسچینج کے مرتب کردہ اصول کو اپنانے کی پالیسی بنائی ہوئی ہے اور اس پر عمل کر رہی ہے۔

ہم کمپنی کے تمام اسٹاک کی منت کو سراہتے ہیں اور بنکوں کے تعاون کے مشکور ہیں۔

محکم بورڈ آف ڈائریکٹرز
چیف ایگزیکٹو

تاریخ: 29-10-2016

TAHA SPINNING MILLS LIMITED
Condensed Interim Balance Sheet
As at September 30, 2016

	NOTE	September 30, 2016 Rupees (Un-Audited)	June 30, 2016 Rupees (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 6,100,000 (June 30,2016 : 6,100,000) ordinary shares of Rs.10 each.		61,000,000	61,000,000
Issued, subscribed and paid up share capital	4	40,500,000	40,500,000
Accumulated (Loss)		(34,748,316)	(33,755,117)
		5,751,684	6,744,883
CURRENT LIABILITIES			
Trade and other payables		67,400	67,400
CONTINGENCIES AND COMMITMENTS			
	5		
TOTAL EQUITY AND LIABILITIES		5,819,084	6,812,283
ASSETS			
NON-CURRENT ASSETS			
Long term deposits		25,000	25,000
CURRENT ASSETS			
Advance income tax		223,512	221,449
Other receivables		4,187,019	5,007,019
Cash and bank balances		1,383,553	1,558,815
		5,794,084	6,787,283
TOTAL ASSETS		5,819,084	6,812,283

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


CHIEF EXECUTIVE


DIRECTOR

TAHA SPINNING MILLS LIMITED
Condensed Interim Profit and Loss Account (Un-audited)
For The First Quarter Ended September 30, 2016

	NOTE	September 30, 2016 Rupees	September 30, 2015 Rupees
Operating expenses			
Administrative expenses		(999,937)	(359,452)
Operating loss		(999,937)	(359,452)
Profit on bank account		7,550	7,220
		(992,387)	(352,232)
Finance cost		(812)	(290)
Loss before taxation		(993,199)	(352,522)
Taxation		-	-
Loss after taxation		(993,199)	(352,522)
(Loss) per share (basic and diluted)		(0.25)	(0.09)

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


CHIEF EXECUTIVE


DIRECTOR

TAHA SPINNING MILLS LIMITED
Condensed Interim Statement of Comprehensive Income (Un-Audited)
For The First Quarter Ended September 30, 2016

	September 30, 2016	September 30, 2015
Loss after taxation	(993,199)	(352,522)
Other comprehensive income	-	-
Total comprehensive loss for the period	<u><u>(993,199)</u></u>	<u><u>(352,522)</u></u>

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


CHIEF EXECUTIVE


DIRECTOR

TAHA SPINNING MILLS LIMITED
Condensed Interim Cash Flow Statement (Un-audited)
For The First Quarter Ended September 30, 2016

	September 30, 2016	September 30, 2015
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(993,199)	(352,522)
Adjustments for:		
Finance cost	812	290
	812	290
Loss before working capital changes	(992,387)	(352,232)
(Increase)/Decrease in current assets		
Other receivable	820,000	-
	820,000	-
Increase/(Decrease) in current liabilities		
Trade and other payables	-	(10,500)
Cash used in operations	(172,387)	(362,732)
Finance cost paid	(812)	(290)
Taxes paid/adjustment	(2,063)	(940)
	(2,875)	(1,230)
Net cash generated from / (used in) operating activities	(175,262)	(363,962)
Net increase in cash and cash equivalents	(175,262)	(363,962)
Cash and cash equivalents at the start of the period	1,558,815	4,100,202
Cash and cash equivalents at the end of the period	1,383,553	3,736,240

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


CHIEF EXECUTIVE


DIRECTOR

TAHA SPINNING MILLS LIMITED
Condensed Interim Statement of Changes in Equity (Un-audited)
For The First Quarter Ended September 30, 2016

	PAID-UP SHARE CAPITAL	ACCUMULATED (LOSS)	TOTAL
-----Rupees-----			
Balance as at July 01, 2015	40,500,000	(30,754,013)	9,745,987
Total comprehensive loss for the period ended September 30, 2015	-	(352,522)	(352,522)
Balance as at September 30, 2015	40,500,000	(31,106,535)	9,393,465
Balance as at July 01, 2016	40,500,000	(33,755,117)	6,744,883
Total comprehensive loss for the period ended September 30, 2016	-	(993,199)	(993,199)
Balance as at September 30, 2016	40,500,000	(34,748,316)	5,751,684

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


CHIEF EXECUTIVE


DIRECTOR

TAHA SPINNING MILLS LIMITED
Selected Notes to the Condensed Interim Financial Information (Un-Audited)
For The First Quarter Ended September 30, 2016

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. The registered address of the company is situated at 406-Commerce Centre, Hasrat Mohani Road, Karachi 74200.

- 1.1 The Company has closed down the factory in July 2008, and production activities remained suspended. The management has disposed off the land and building to pay off its major debts.

Management is planning to get involve in manufacture of fast moving consumer goods, itself or through corporate restructuring, merger or through properous investors for revival of the company as sufficient funds are required to implement new business plan. New business objects have been added in Memorandum of Association of the Company. Petition has been filled with SECP for approval. Management is also negotiating with financial institutions for financing of the proposed business plan. In view of the new business dimensions, the company shall remain as a going concern company.

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, 2016

TAHA SPINNING MILLS LIMITED
Selected Notes to the Condensed Interim Financial Information (Un-Audited)
For The First Quarter Ended September 30, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

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4 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

SEPTEMBER 30, 2016	JUNE 30, 2016		(Un-Audited) SEPTEMBER 30, 2016 Rupees	(Audited) JUNE 30, 2016 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

There has been no significant change in the contingencies and commitments since the last audited financial statements.

6 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial information have been authorized for issue on October 29, 2016 by the board of directors of the company.

7 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