


THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2018

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	2,426,397	1,947,728
Intangible assets		16,015	17,521
Investment property		6,672,486	6,702,921
Long-term investments	5	5,124,541	4,624,862
Long-term loans		7,415	9,048
Long-term deposits		21,705	21,433
Long-term prepayments		22,501	22,501
Deferred tax asset - net		202,635	191,145
		14,493,695	13,537,159
CURRENT ASSETS			
Stores, spares and loose tools		144,131	137,465
Stock-in-trade	6	5,080,011	4,047,147
Trade debts		1,815,888	1,593,086
Loans and advances		107,694	105,905
Trade deposits and short-term prepayments		423,186	151,110
Interest accrued		2,390	2,451
Other receivables		6,479	30,400
Short-term investments	7	8,178,944	9,069,237
Sales tax refundable		27,835	105,163
Cash and bank balances		832,590	1,325,900
		16,619,148	16,567,864
TOTAL ASSETS		31,112,843	30,105,023
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5 each		1,000,000	1,000,000
Issued, subscribed and paid-up capital			
81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs. 5/- each		405,150	405,150
Share deposit money		12	12
Reserves		20,810,246	19,957,969
Equity attributable to equity holders of the parent		21,215,408	20,363,131
Non-controlling interest		6,533,060	6,484,082
		27,748,468	26,847,213
NON-CURRENT LIABILITIES			
Long-term deposits		318,509	319,720
CURRENT LIABILITIES			
Trade and other payables		2,748,992	2,672,579
Unclaimed dividend		49,012	49,712
Unpaid dividend		96,397	47,954
Short-term borrowings		35,113	60,750
Deferred income		24,585	10,172
Accrued markup		209	-
Income Tax - net	8	91,558	96,923
		3,045,866	2,938,090
CONTINGENCIES AND COMMITMENTS			
	9		
TOTAL EQUITIES AND LIABILITIES		31,112,843	30,105,023

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

		Quarter ended	
	Note	Sep 30, 2018	Sep 30, 2017
		(Rupees in thousands)	
Revenue - net		5,148,188	4,341,680
Cost of sales		(4,220,606)	(3,516,994)
Gross Profit		927,582	824,686
Distribution costs		(82,445)	(57,835)
Administrative expenses		(372,699)	(370,434)
Other charges		(52,133)	(47,876)
		(507,277)	(476,145)
Other income	10	600,683	574,643
Operating Profit		1,020,988	923,184
Finance costs		(3,457)	(4,215)
		1,017,531	918,969
Share of net profit of associates - after tax		271,922	166,580
Profit before taxation		1,289,453	1,085,549
Taxation		(309,660)	(256,333)
Profit after taxation		979,793	829,216
Attributable to:			
- Equity holders of the Holding Company		875,296	735,223
- Non-controlling interest		104,497	93,993
		979,793	829,216
		Rupees	
Basic and diluted earnings per share attributable to the equity holders of the Holding Company	11	10.80	9.07

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2018
(UN-AUDITED)

	Quarter ended	
	Sep 30, 2018	Sep 30, 2017
	(Rupees in thousands)	
Profit after taxation	979,793	829,216
Other comprehensive income		
<i>Items to be reclassified to statement of profit or loss in subsequent periods:</i>		
Loss on revaluation of available for sale investments	(19,629)	(25,267)
<i>Items not to be reclassified to statement of profit or loss in subsequent periods:</i>		
Share of actuarial loss on remeasurement of defined benefit plans of associates	(3,390)	(119)
Total comprehensive income for the period, net of tax	956,774	803,830
Attributable to:		
- Equity holders of the Holding Company	852,277	709,837
- Non-controlling interest	104,497	93,993
	956,774	803,830

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Sep 30, 2018	Sep 30, 2017
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,289,453	1,085,549
Adjustments for non-cash charges and other items:		
Depreciation and amortization	127,913	115,526
Share in profit of associates - after taxation	(271,922)	(166,580)
Finance costs	3,457	4,215
Profit earned on call deposits and short-term investments	(60,705)	(108,337)
Liabilities no longer payable written back	(736)	(83)
Gain on revaluation / redemption of investments at fair value through profit and loss	(93,714)	(48,922)
Dividend income	(429)	(546)
Provision for impairment of trade debts	20,561	7,085
Provision for retirement benefits	2,128	1,767
Gain on disposal of property, plant and equipment and intangible assets	(1,262)	(2,842)
	(274,709)	(198,717)
	1,014,744	886,832
(Increase) / decrease in current assets		
Stores, spares and loose tools	(6,666)	(11,774)
Stock-in-trade	(1,032,864)	(185,344)
Trade debts	(243,363)	(319,416)
Loans and advances	(1,789)	(10,005)
Trade deposits and short-term prepayments	(272,076)	(73,467)
Other receivables	24,181	(16,553)
Sales tax refundable	77,328	-
Increase / (decrease) in current liabilities		
Deferred income	14,413	15,553
Trade and other payables	75,027	271,698
Sales tax payable	-	125,349
	(1,365,809)	(203,959)
Cash (used in) / generated from operations	(351,065)	682,873
Finance costs paid	(3,248)	(4,215)
Retirement benefits paid	(6)	(6,199)
Income tax paid	(326,515)	(105,693)
Long-term loans	1,633	999
Long-term deposits - net	(1,483)	(159)
Net cash (used in) / generated from operating activities	(680,684)	567,606
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(577,065)	(150,923)
Dividends received	429	11,646
Profit received on call deposits and short term investments	53,355	115,964
Long-term investments made during the period	(250,776)	(269,838)
Proceeds from disposal of property, plant and equipment and intangible assets	3,426	7,631
Short-term investments encashed / (made) during the period	1,052,790	(422,548)
Net cash generated from / (used in) investing activities	282,159	(708,068)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(7,776)	(52,724)
Net cash used in financing activities	(7,776)	(52,724)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(406,301)	(193,186)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	4,054,544	7,541,508
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	3,648,243	7,348,322
Cash and bank balances	832,590	672,419
Short-term investments	2,850,766	6,690,293
Short-term running finance	(35,113)	(14,390)
	3,648,243	7,348,322

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2018

	Issued, subscribed & paid-up capital	Share deposit money	RESERVES				Non-controlling interest	Total equity
			Capital reserve	General reserve	Unappropriated profit	Gain /(Loss) on changes in fair value of available for sale investments		
----- Rupees in '000 -----								
Balance as at June 30, 2017 (Audited)	405,150	12	67,929	11,207,374	7,027,888	143,928	6,116,611	24,968,892
Transfer to general reserve	-	-	-	2,366,000	(2,366,000)	-	-	-
Subsidiary Companies								
Final dividend @ Rs. 0.304/- per share for the year ended June 30, 2017							(41,303)	(41,303)
Profit for the period	-	-	-	-	735,223	-	93,993	829,216
Other comprehensive income	-	-	-	-	(119)	(25,267)	-	(25,386)
Total comprehensive income	-	-	-	-	735,104	(25,267)	93,993	803,830
Balance as at September 30, 2017 (Unaudited)	405,150	12	67,929	13,573,374	5,396,992	118,661	6,169,301	25,731,419
Balance as at June 30, 2018 (Audited)	405,150	12	67,929	13,573,374	6,152,487	164,179	6,484,082	26,847,213
Transfer to general reserve	-	-	-	1,592,000	(1,592,000)	-	-	-
Subsidiary Companies								
Final dividend @ Rs. 0.408/- per share for the year ended June 30, 2018	-	-	-	-	-	-	(55,519)	(55,519)
Profit for the period	-	-	-	-	875,296	-	104,497	979,793
Other comprehensive income	-	-	-	-	(3,390)	(19,629)	-	(23,019)
Total comprehensive income	-	-	-	-	871,906	(19,629)	104,497	956,774
Balance as at September 30, 2018 (Unaudited)	405,150	12	67,929	15,165,374	5,432,393	144,550	6,533,060	27,748,466

The annexed notes from 1 to 17 form an integral part of these consolidated condensed interim financial statements.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director

THAL LIMITED

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

1 THE GROUP AND ITS OPERATIONS

- 1.1 Thal Limited (the Holding Company) was incorporated on January 31, 1966 as a public company limited by shares and is listed on the Pakistan Stock Exchange.

The Holding Company is engaged in the manufacture of jute goods, engineering goods, papersacks and laminate sheets. The registered office of the holding company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

The Group comprises of the Holding Company and its subsidiaries, Noble Computer Services (Private) Limited, Pakistan Industrial Aids (Private) Limited, Makro-Habib Pakistan Limited, A-One Enterprises (Private) Limited, Habib METRO Pakistan (Private) Limited, Thal Boshoku Pakistan (Private) Limited, Thal Power (Private) Limited and Thal Electrical (Private) Limited.

Noble Computer Services (Private) Limited is engaged in providing Internal Audit Services, I.T. related Services, Advisory Services, H.R Services and Management Services.

Pakistan Industrial Aids (Private) Limited is engaged in trading of various products.

Makro-Habib Pakistan Limited is engaged in a chain of wholesale / retail cash and carry stores.

A-One Enterprises (Private) Limited was incorporated in Pakistan on December 16, 2011 as a private limited company.

Habib METRO Pakistan (Private) Limited's main business is to own and manage properties.

Thal Boshoku Pakistan (Private) Limited is engaged in the manufacturing of Air cleaner set assembly, Seat track sub assembly and Seat side frame sub assembly for automobiles.

Thal Power (Private) Limited has entered into a joint venture agreement with M/s Novatex for collaboration to develop a 330 MW Coal-fired Power Generation Plant at Thar, Sindh.

Thal Electrical (Private) Limited was incorporated in Pakistan on January 12, 2018 as a private limited company.

These subsidiaries have been consolidated in these consolidated condensed interim financial statements.

1.2 Geographical location and address of business units

Holding Company:

The registered office of the Holding Company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Plants

The Jute operations are located at Muzaffargarh, Punjab.

Engineering operations are located at Korangi and Port Qasim, Karachi, Sindh.

Papersack operations are located at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa.

Laminate operations are located at Hub, Balochistan.

Subsidiaries:

Noble Computer Services (Private) Limited operations are located at 2nd Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Pakistan Industrial Aids (Private) Limited operations are located at - Plot number 192 Korangi industrial area, Sector 22, Karachi.

Makro Habib Pakistan Limited is located at 2nd Floor, House of Habib - 3-Jinnah Co-operative Housing Society, Sharae Faisal, Karachi.

A- One Enterprises (Private) Limited is located at 4th Floor, House of Habib - 3-Jinnah Co-operative Housing Society, Sharae Faisal, Karachi.

Habib Metro Pakistan (Private) Limited operations are located at Mezzanine Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Thal Boshoku Pakistan (Private) Limited operations are located at - Plot number 192 Korangi industrial area, Sector 22 and plot number SP-C north western industrial road, Port Qasim, Karachi.

Thal Power (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

Thal Electrical (Private) Limited operations are located at 4th Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Sharae Faisal, Karachi.

THAL LIMITED

2 BASIS OF PREPERATION

2.1 These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirement of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's audited consolidated financial statements for the year ended June 30, 2018.

3 ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended June 30, 2018. The Group has adopted certain amended International Financial Reporting Standards which became effective during the period and reported in note 6.1 to the audited consolidated financial statements for the year ended June 30, 2018. The adoption of such amended standards and interpretation did not have any effect on these consolidated condensed interim financial statements.

4 PROPERTY, PLANT AND EQUIPMENT

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
		(Rupees in thousands)	
Operating fixed assets	4.1	1,499,031	1,534,660
Capital work-in-progress	4.2	927,366	413,068
		<u>2,426,397</u>	<u>1,947,728</u>

4.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	Quarter ended Sep 30,		Quarter ended Sep 30,	
	2018	2017	2018	2017
	(Un-audited)		(Un-audited)	
	----- (Rupees in thousands) -----			
Operating fixed assets				
Plant and machinery	15,511	13,518	157	356
Furniture and fittings	-	144	-	-
Vehicles	6,368	1,445	1,866	4,262
Office and mills equipment	1,430	677	99	
Computer equipment	6,551	2,804	70	171
Jigs and Fixtures	3,649	3,963	-	-
	33,509	22,551	2,192	4,789

4.2 During the period, capital work in progress amounting to Rs. 15.280 million (Sep 30, 2017: 16.626 million) was transferred to operating fixed assets.

THAL LIMITED

	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
	(Rupees in thousands)	
5 LONG-TERM INVESTMENTS		
Associates - stated as per equity method		
<i>Quoted</i>		
Indus Motor Company Limited	2,286,003	2,029,092
Habib Insurance Company Limited	63,835	64,704
Agriauto Industries Limited	345,964	331,545
Shabbir Tiles and Ceramics Limited	24,938	23,884
	2,720,740	2,449,225
Joint venture - stated as per equity method		
ThalNova Power Thar (Private) Limited	555,819	558,802
Other investments - available for-sale		
<i>Quoted - at fair value</i>		
Habib Sugar Mills Limited	74,210	75,610
Dynea Pakistan Limited	87,924	103,839
GlaxoSmithKline (Pakistan) Limited	248	278
GlaxoSmithKline Healthcare (Pakistan) Limited	175	203
Habib Bank Limited	9,857	10,839
Allied Bank Limited	18,531	18,755
TPL Properties Limited	8,250	9,300
	199,195	218,824
<i>Un-Quoted - at cost</i>		
Sindh Engro Coal Mining Company Limited	1,648,787	1,398,011
	5,124,541	4,624,862
5.1	All investments have been made in accordance with the provisions of the Section 199 of the Companies Act, 2017 and the rules promulgated for this purpose.	
6 STOCK-IN-TRADE		
Raw material		
In hand	3,375,627	2,645,618
In transit	600,877	648,361
	3,976,504	3,293,979
Work-in-process	268,941	226,833
Finished goods	834,566	526,335
	5,080,011	4,047,147
6.1	This includes items amounting to Rs. 38.449 million (June 30, 2018 : Rs. 38.284 million) carried at net realizable value. [Cost Rs. 87.655 million (June 30, 2018 : Rs. 93.422 million)]	

THAL LIMITED

7 SHORT TERM INVESTMENTS

- 7.1 This represents investment in Term Deposit Receipts amounting to Rs. 977.541 (June 30, 2018: Rs. 1,128.239 million), Government Treasury bills amounting to Rs. 1,908.893 million (June 30, 2018: 1,881.850 million) and mutual funds amounting to Rs. 5,292.510 million (June 30, 2018: 6,059.148 million).
- 7.2 Term deposit receipts include Rs. 423.347 million (June 30, 2018: Rs. 579.843 million) maintained with Habib Metropolitan Bank Limited, a related party.
- 7.3 These include short-term investments amounting to Rs. 2,850.766 million (June 30, 2018: Rs. 2,789.394 million) having maturity up to three months.

	Note	Sep 30, 2018 (Un-audited)	June 30, 2018 (Audited)
(Rupees in thousands)			
8 INCOME TAX - Net			
Group Tax Relief adjustments	8.1	(593,466)	(593,466)
Group Taxation adjustments	8.2	229	(512)
Income Tax provision less tax payments - net		684,795	690,901
		91,558	96,923

- 8.1 In terms of the provisions of Section 59B of the Income Tax Ordinance, 2001 (the Ordinance), a subsidiary company may surrender its tax losses in favour of its Holding Company for set off against the income of its Holding Company subject to certain conditions as prescribed under the Ordinance.

Accordingly, the Holding Company has adjusted its tax liabilities for the tax years 2008-2010 by acquiring the losses of its subsidiary company and consequently an aggregate sum of Rs. 593.466 million equivalent to the tax value of the losses acquired has been paid to the subsidiary company.

The original assessments of the Company for the tax years 2008 to 2010 were amended under Section 122(5A) of the Ordinance by the tax authorities by disallowing Group Relief claimed by the Company under Section 59B of the Ordinance aggregating to Rs. 593.466 million. The Company preferred appeals against the said amended assessments before the Commissioner Inland Revenue (Appeals) who vide his orders dated 10th June 2011 and 11th July 2011 has held that the Company is entitled to Group Relief under Section 59B of the Ordinance. However, the tax department filed an appeal before the Appellate Tribunal Inland Revenue (ATIR) against the Commissioner Inland Revenue (Appeal) (CIR) Order. The ATIR has passed an order in favour of the Company for the above tax years; the Tax department filed reference application / appeal against the order of ATIR before the High Court of Sindh and with the Chairman ATIR which are under the process of hearings.

- 8.2 In terms of the provision of Section 59AA of the Income Tax Ordinance, 2001 (the Ordinance), the Company and its wholly owned subsidiaries MHPL and A-One Enterprises (Private) Limited have irrevocably opted to be taxed as one fiscal unit for the tax year 2019.

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

There were no material changes in the status of contingencies as reported in the annual consolidated financial statements for the year ended June 30, 2018.

9.2 Commitments

- 9.2.1 Letter of guarantees issued by banks on behalf of the Group amounts to Rs. 1,439.570 million (June 30, 2018: Rs. 1,437.701 million).
- 9.2.2 Post dated cheques issued to collector of Customs amounts to Rs. 28.359 million (June 30, 2018: Rs. 24.545 million)
- 9.2.3 Letter of credits outstanding for raw material and spares amounts to Rs. 1,378.156 million (June 30, 2018: Rs. 1,723.577 million).
- 9.2.4 Commitments in respect of capital expenditure amounts to Rs. 6.421 million (June 30, 2018: Rs. 7.515 million).
- 9.2.5 Commitments for rentals under Ijarah agreements in respect of vehicles and computers to a related party amount to Rs. 27.958 million (June 30, 2018: 29.187 million).
- 9.2.6 Commitments for rentals under operating lease agreements in respect of Land amount to Rs. 2,386.139 million (June 30, 2018: Rs. 2,466.099 million)

THAL LIMITED

10 OTHER INCOME

Income from financial assets

	Quarter ended Sep 30, 2018	Quarter ended Sep 30, 2017
	(Un-audited)	
	(Rupees in thousands)	
Dividend income	429	546
Profit earned on call deposits and short-term investments	60,705	108,337
Gain on revaluation / redemption of investments at fair value through profit or loss	93,714	48,922
Others	2,158	348
	<u>157,006</u>	<u>158,153</u>

Income from non-financial assets

Gain on disposal of property, plant and equipment	1,262	2,842
Rental income	378,094	362,996
Others	64,321	50,652
	<u>443,677</u>	<u>416,490</u>
	<u>600,683</u>	<u>574,643</u>

11 BASIC AND DILUTED EARNINGS PER SHARE

There is no dilutive effect on the basic earnings per share of the Holding Company, which is based on:

Profit after taxation attributable to the equity holders of the holding company	<u>875,296</u>	<u>735,223</u>
	Number of shares in thousands	
Weighted average number of ordinary shares of Rs. 5/- each in issue	<u>81,030</u>	<u>81,030</u>
	Rupees	
Basic and diluted earnings per share	<u>10.80</u>	<u>9.07</u>

THAL LIMITED

12 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties of the Group comprise associate companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions and balances with related parties during the period, other than those disclosed elsewhere in these consolidated condensed interim financial statements, are as follows:

Relationship	Nature of transactions	Quarter ended	
		Sep 30, 2018	Sep 30, 2017
		(Un-audited)	
		(Rupees in thousands)	
Associates	Sales	3,070,980	2,435,329
	Professional Services rendered and acquired	53,742	58,010
	Rental Income on properties	381,491	371,618
	Insurance premium	9,179	8,700
	Purchase of assets	2,863	2,653
	Purchase of goods	138,642	111,138
	Insurance claim received	3,581	1,443
	Mark-up and bank charges paid	1,269	2,597
	Profit received	14,817	58,993
	Supplies purchased	10,898	2,291
	Rent Paid	-	216
	Ijarah Rentals	5,853	-
Employee benefit plans	Contribution to provident fund	11,970	11,192
	Contribution to retirement benefit fund	2,128	2,972
Key management personnel	Key management personnel compensation	38,972	38,175
		Sep 30, 2018	June 30, 2018
		(Un-audited)	(Audited)
		(Rupees in thousands)	
Balances			
	Receivable from associates in respect of trade debts	501,470	551,736
	Prepayments made to associates	11,128	11,735
	Other receivables from associates	1,106	25,784
	Bank balances with associates	618,688	817,406
	Long-term deposit with associates	289,832	293,326
	Payable to associates in respect of trade and other payables	9,364	11,467
	Payable to associate in respect of short term running finance	34,347	58,579

12.1 The investments in related parties are disclosed in note 5 and 7 to these consolidated condensed interim financial statements.

13 FAIR VALUE OF FINANCIAL INSTRUMENTS

The fair value of the financial assets and liabilities is the amount at which the asset could be sold or the liability transferred in a current transaction between market participants, other than in a forced or liquidation sale. Investment in associates are carried using equity method of accounting.

Available-for-sale financial assets and financial assets designated at fair value through profit and loss account which are tradable in an open market are revalued at the market prices prevailing on the balance sheet date (Level 1 Valuation). The estimated fair value of all other financial assets and liabilities is considered not significantly different from their book values.

There were no transfers amongst levels during the period.

THAL LIMITED

14 SEGMENT ANALYSIS

Quarter Ended									
Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017	Sep 30, 2018	Sep 30, 2017
Engineering		Building material and allied products		Real estate management & others		Elimination		Total	

-----Rupees in thousand-----

SALES REVENUE	3,721,512	3,081,808	1,363,548	1,185,982	108,795	112,054	(45,667)	(38,164)	5,148,188	4,341,680
SEGMENT RESULT	690,728	636,086	114,289	78,954	293,703	273,723	-	-	1,098,720	988,763
Unallocated corporate (expenses) / income:										
Administrative & distribution costs									(204,040)	(192,296)
Other income									178,441	174,593
Operating profit									1,073,121	971,060
Finance cost									(3,457)	(4,215)
Other charges									(52,133)	(47,876)
Share in profit of associates									271,922	166,580
Taxation									(309,660)	(256,333)
									979,793	829,216

The Engineering segment is engaged in the manufacturing of automotive parts.

The Building material and allied products segment includes jute, papersack and laminate operations.

The Real estate management & others segment includes real estate management, trading and management services.

15 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors of the Holding Company has recommended final cash dividend of Rs. 8.5 per share for the year ended June 30, 2018. These consolidated condensed interim financial statements do not reflect the payment of cash dividend which has been approved by the shareholders in the annual general meeting held on October 22, 2018.

16 GENERAL

16.1 Figures have been rounded off to the nearest thousands.

16.2 Corresponding figures have been re-arranged , wherever necessary. However, there were no significant rearrangement to report.

17 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorised for issue on October 26, 2018 by the Board of Directors of the Holding Company.



Shahid Saleem
Chief Financial Officer



Mazhar Valjee
Chief Executive



Salman Burney
Director