

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION  
AS AT DECEMBER 31, 2018

	Note	December 31, 2018 (Un-audited) (Rupees in thousands)	June 30, 2018 (Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	1,809,066	1,410,212
Intangible assets		16,800	15,094
Investment property		1,000	1,002
Long-term investments	6	5,138,330	4,938,387
Long-term loans	7	835,280	788,428
Long-term deposits		13,552	13,396
Deferred tax asset - net		110,826	191,151
		<b>7,924,854</b>	<b>7,357,670</b>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		144,813	131,572
Stock-in-trade	8	5,387,848	3,953,914
Trade debts		2,132,776	1,519,728
Loans and advances		82,236	91,907
Trade deposits and short-term prepayments		172,448	141,318
Interest accrued		4,400	2,088
Other receivables		13,173	16,400
Short-term investments	9	3,040,651	4,847,238
Income tax – net	10	184,177	62,828
Sales tax refundable		119,938	91,517
Cash and bank balances		538,071	701,283
		<b>11,820,531</b>	<b>11,559,793</b>
<b>TOTAL ASSETS</b>		<b>19,745,385</b>	<b>18,917,463</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital		1,000,000	1,000,000
200,000,000 (June 30, 2018: 200,000,000) ordinary shares of Rs.5/- each			
Issued, subscribed and paid-up capital		405,150	405,150
81,029,909 (June 30, 2018: 81,029,909) ordinary shares of Rs.5/- each		16,786,600	16,032,520
Reserves		17,191,750	16,437,670
<b>NON-CURRENT LIABILITIES</b>			
Long-term deposits		2,379	2,379
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,424,460	2,318,998
Accrued mark-up		101	-
Unclaimed dividend		53,601	49,712
Unpaid dividend		52,116	47,954
Short-term running finance		20,978	60,750
		<b>2,551,256</b>	<b>2,477,414</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
<b>TOTAL EQUITIES AND LIABILITIES</b>		<b>19,745,385</b>	<b>18,917,463</b>

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



Shahid Saleem  
Chief Financial Officer



Mazhar Valjee  
Chief Executive



Salman Burney  
Director

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018  
(UN-AUDITED)

Note	Half year ended		Quarter ended	
	December 31, 2018 (Rupees in thousands)	December 31, 2017 (Rupees in thousands)	December 31, 2018 (Rupees in thousands)	December 31, 2017 (Rupees in thousands)
Revenue – net	10,554,748	8,447,632	5,673,832	4,357,017
Cost of sales	(8,626,513)	(6,904,287)	(4,592,177)	(3,545,673)
<b>Gross profit</b>	<b>1,928,235</b>	<b>1,543,345</b>	<b>1,081,655</b>	<b>811,344</b>
Distribution costs	(133,922)	(102,844)	(53,023)	(47,195)
Administrative expenses	(374,467)	(357,500)	(195,075)	(185,431)
Other charges	(137,840)	(115,275)	(86,966)	(68,882)
	(646,229)	(575,619)	(335,064)	(301,508)
Other income	12 824,093	727,016	642,446	528,408
<b>Operating profit</b>	<b>2,106,099</b>	<b>1,694,742</b>	<b>1,389,037</b>	<b>1,038,244</b>
Finance costs	(6,053)	(3,393)	(2,915)	564
<b>Profit before taxation</b>	<b>2,100,046</b>	<b>1,691,349</b>	<b>1,386,122</b>	<b>1,038,808</b>
Taxation	(606,378)	(418,191)	(403,527)	(265,202)
<b>Profit after taxation</b>	<b>1,493,668</b>	<b>1,273,158</b>	<b>982,595</b>	<b>773,606</b>
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
Basic and diluted earnings per share	13 18.43	15.71	12.13	9.55

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**Shahid Saleem**  
Chief Financial Officer



**Mazhar Valjee**  
Chief Executive



**Salman Burney**  
Director

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018  
(UN-AUDITED)

	Half year ended		Quarter ended	
	December 31, 2018	December 31, 2017	December 31, 2018	December 31, 2017
	(Rupees in thousands)		(Rupees in thousands)	
Profit after taxation	1,493,668	1,273,158	982,595	773,606
<b>Other comprehensive income</b>				
<i>Items to be reclassified to statement of profit or loss in subsequent periods:</i>				
(Loss) / gain on revaluation of investments at fair value through other comprehensive income.	(50,833)	(21,791)	(31,204)	3,476
<b>Total comprehensive income for the period</b>	<b>1,442,835</b>	<b>1,251,367</b>	<b>951,391</b>	<b>777,082</b>

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**Shahid Saleem**  
Chief Financial Officer



**Mazhar Valjee**  
Chief Executive



**Salman Burney**  
Director

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018  
(UN-AUDITED)

	December 31, 2018	December 31, 2017
	(Rupees in thousands)	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	2,100,046	1,691,349
Adjustments for non-cash charges and other items:		
Depreciation and amortisation	123,435	89,852
Finance costs	6,053	3,393
Profit earned on call deposits and short term investments	(35,138)	(130,790)
Liabilities no longer payable written back	(752)	(83)
Gain on revaluation / redemption of investments at fair value through profit and loss	(118,051)	(60,979)
Dividend income	(590,351)	(501,829)
Provision for impairment of trade debts	12,123	1,884
Reversal of provision for impairment of loan - Makro-Habib Pakistan Limited	-	(7,503)
Provision for retirement benefits	4,061	3,536
Gain on disposal of operating fixed assets	(35,169)	(1,077)
	(633,789)	(603,596)
<b>(Increase) / decrease in current assets</b>		
Stores, spares and loose tools	(13,241)	(27,011)
Stock-in-trade	(1,433,934)	(817,114)
Trade debts	(625,171)	(611,296)
Loans and advances	9,671	(41,075)
Trade deposits and short-term prepayments	(31,130)	(8,875)
Other receivables	3,227	(2,007)
Sales tax refundable	(28,421)	(9,321)
<b>Increase in current liabilities</b>		
Trade and other payables	109,451	312,959
	(2,009,548)	(1,203,740)
<b>Cash used in operations</b>	(543,291)	(115,987)
Finance costs paid	(5,952)	(3,394)
Retirement benefits paid	(7,298)	(6,221)
Income tax paid	(647,402)	(528,949)
Long-term loans	1,998	1,998
Long-term deposits	(156)	285
<b>Net cash used in operating activities</b>	(1,202,101)	(652,268)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(528,764)	(218,359)
Long-term loans to subsidiaries - net	(48,850)	(126,000)
Dividends received	590,351	574,884
Profit received on call deposits and short-term investments	33,604	140,050
Sale proceeds from disposal of operating fixed assets	39,940	4,325
Long-term investments made during the period	(250,776)	(299,656)
Short-term investments encashed during the period	3,172,311	321,982
<b>Net cash generated from investing activities</b>	3,007,816	397,226
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid	(680,704)	(1,276,622)
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,125,011	(1,531,664)
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	1,281,994	4,970,397
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	2,407,005	3,438,733
Cash and bank balances	538,071	620,555
Short-term investments	1,889,912	2,818,525
Short-term running finance	(20,978)	(347)
	2,407,005	3,438,733

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



**Shahid Saleem**  
Chief Financial Officer



**Mazhar Valjee**  
Chief Executive



**Salman Burney**  
Director

THAL LIMITED  
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018

	RESERVES					Total Equity
	Issued, subscribed & paid-up capital	Capital Reserve	General Reserve	Unappropriated profit	Gain / (loss) on changes in fair value of investments at fair value through other comprehensive income	
----- (Rupees in '000) -----						
Balance as at June 30, 2017 (Audited)	405,150	55,704	11,165,499	3,662,802	143,925	15,433,080
Transfer to general reserve	-	-	2,366,000	(2,366,000)	-	-
Final dividend @ Rs. 16/- share for the year ended June 30, 2017	-	-	-	(1,296,479)	-	(1,296,479)
Profit after taxation	-	-	-	1,273,158	-	1,273,158
Other comprehensive income	-	-	-	-	(21,791)	(21,791)
Total comprehensive income	-	-	-	1,273,158	(21,791)	1,251,367
Balance as at December 31, 2017 (Un-audited)	405,150	55,704	13,531,499	1,273,481	122,134	15,387,968
Balance as at June 30, 2018 (Audited)	405,150	55,704	13,531,499	2,281,141	164,176	16,437,670
Transfer to general reserve	-	-	1,592,000	(1,592,000)	-	-
Final dividend @ Rs. 8.5/- share for the year ended June 30, 2018	-	-	-	(688,755)	-	(688,755)
Profit after taxation	-	-	-	1,493,668	-	1,493,668
Other comprehensive income	-	-	-	-	(50,833)	(50,833)
Total comprehensive income	-	-	-	1,493,668	(50,833)	1,442,835
Balance as at December 31, 2018 (Un-audited)	405,150	55,704	15,123,499	1,494,054	113,343	17,191,755

The annexed notes from 1 to 19 form an integral part of these unconsolidated condensed interim financial statements.



**Shahid Saleem**  
Chief Financial Officer



**Mazhar Valjee**  
Chief Executive



**Salman Burney**  
Director

THAL LIMITED  
NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE HALF YEAR ENDED DECEMBER 31, 2018  
(UN-AUDITED)

**1. THE COMPANY AND ITS OPERATIONS**

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

The Company is engaged in the manufacture of engineering goods, jute goods, laminate sheets and papersack. The jute operation is at Muzaffargarh, Punjab, engineering operation at Karachi, Sindh, papersack operation at Hub, Balochistan and Gadoon, Khyber Pakhtunkhwa and laminate operation located at Hub, Balochistan. The registered office of the Company is situated at 4<sup>th</sup> Floor, House of Habib, 3-Jinnah Co-operative Housing Society, Block 7/8, Shahrah-e-Faisal, Karachi.

- 1.2** These unconsolidated condensed interim financial statements are separate condensed interim financial statements of the Company in which investments in subsidiaries and associates are accounted for on the basis of direct equity interest and are not consolidated or accounted for using equity method.

**2. BASIS OF PREPARATION**

- 2.1** These unconsolidated 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 requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

These unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2018 are unaudited but subject to limited scope review by the statutory auditors as required by the Listed Companies (Code of Corporate Governance) Regulations, 2017.

- 2.2** The figures of the unconsolidated condensed interim statement of profit or loss and unconsolidated condensed interim statement of other comprehensive income for the quarters ended December 31, 2018 and 2017 have not been reviewed by the external auditors of the Company as they have reviewed the cumulative figures for the half year ended December 31, 2018. These unconsolidated condensed interim financial statements do not include all the information and disclosures as required in the annual financial statements and should be read in conjunction with the Company's annual unconsolidated financial statements for the year ended June 30, 2018.
- 2.3** These unconsolidated condensed interim financial statements are being submitted to the shareholders as required by the Section 237 of the Companies Act, 2017.
- 2.4** The Securities and Exchange Commission of Pakistan (SECP) vide its S.R.O 229 (I)/2019 dated February 14, 2019 has deferred the application of IFRS 9 till June 30, 2019.

**3. ACCOUNTING POLICIES**

The accounting policies and the methods of computations adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those followed in the preparation of the Company's annual unconsolidated financial statements for the year ended June 30, 2018 except for as follows;

**3.1 New / Revised Standards, Interpretations and Amendments**

The Company has adopted the following standards and amendment to IFRSs which became effective for the current period:

**Standard or Interpretation**

- |          |   |   |
|----------|---|---|
| IFRS 2   | - | Share-based Payments – Classification and Measurement of Share-based Payments Transactions (Amendments)   |
| IFRS 4   | - | Insurance Contracts: Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts – (Amendments) |
| IFRS 15  | - | Revenue from Contracts with Customers   |
| IAS 40   | - | Investment Property: Transfers of Investment Property (Amendments)  |
| IFRIC 22 | - | Foreign Currency Transactions and Advance Consideration   |

## THAL LIMITED

The adoption of the above standards and amendments in the accounting standards did not have effect on the accounting policies of the Company except as follows:

### 3.2 IFRS 15 – Revenue from Contracts with Customers

IFRS 15 'Revenue from Contracts with Customers' supersedes IAS 11 'Construction Contracts', IAS 18 'Revenue' and related interpretations and it applies to all revenue arising from contracts with customers, unless those contracts are in the scope of other standards. The new standard establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers.

The Company is engaged in manufacture of engineering goods, jute goods, laminate sheets and papersack. The Company has assessed that significant performance obligations in contracts with customers, across all divisions, is based on transfer of control of related goods and is discharged at that point of time. The Company's transfer of goods takes place upon delivery of goods to customers and in case of export when risk and rewards are transferred as per shipping terms.

Based on the above, the Company considers that its existing accounting policies are substantially in compliance with the requirements of IFRS 15.

## 4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of unconsolidated condensed interim financial statements in conformity with approved accounting standards, as applicable in Pakistan requires the management to make estimates, assumptions and use judgments that affect the application of policies and the reported amount of assets and liabilities and income and expenses.

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are same as those applied in the Company's annual unconsolidated financial statements for the year ended June 30, 2018.

	Note	December 31, 2018 (Un-audited) (Rupees in thousands)	June 30, 2018 (Audited) (Rupees in thousands)
<b>5 PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1 & 5.3	1,149,470	1,218,787
Capital work-in-progress	5.2	659,596	191,425
		<u>1,809,066</u>	<u>1,410,212</u>

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

	Additions at cost		Deletions at net book value	
	Half year ended December 31,		Half year ended December 31,	
	2018	2017	2018	2017
	(Un-audited)		(Un-audited)	
	----- (Rupees in thousands) -----			
Operating fixed assets				
Freehold land	-	-	650	-
Building on freehold land	-	774	-	-
Plant and machinery	34,359	72,804	177	374
Furniture and fittings	-	768	521	-
Vehicles	3,564	1,604	2,858	2,702
Office and mills equipment	3,154	8,493	144	-
Computer equipment	9,800	3,604	226	172
Jigs and fixtures	3,649	12,231	-	-
	54,526	100,278	4,576	3,248

# THAL LIMITED

**5.2** Includes capital work in progress on building on freehold land and plant and machinery amounting to Rs. 234.130 million (June 30, 2018: Rs. 124.661 million) and Rs. 355.773 million (June 30, 2018: Rs. 18.998 million), respectively.

**5.3** During the period, capital work in progress amounting to Rs. 17.498 million (December 31, 2017: Rs.37.625 million) was transferred to operating fixed assets.

## **6. LONG-TERM INVESTMENTS**

During the period, the Company has made further investment in Sindh Engro Coal Mining Company (SECMC) amounting to Rs. 250.776 million

## **7. LONG-TERM LOANS**

These include interest free loan amounting to Rs. 829.286 million (June 30, 2018: Rs. 780.436 million) given for purchase of shares of Thal Nova Power Thar (Private) Limited (ThalNova) to Thal Power (Private) Limited. The loan is likely to be converted into share capital based on the progress achieved by ThalNova for its underlying project.

	Note	December 31, 2018 (Un-audited) (Rupees in thousands)	June 30, 2018 (Audited)
<b>8. STOCK-IN-TRADE</b>			
Raw material			
In hand	8.1	3,184,307	2,586,886
In transit		917,698	639,192
		<u>4,102,005</u>	<u>3,226,078</u>
Work-in-process		301,438	226,833
Finished goods		984,405	501,003
		<u>5,387,848</u>	<u>3,953,914</u>

**8.1** This includes items amounting to Rs. 37.507 million (June 30, 2018: Rs. 38.284 million) carried at net realizable value. [Cost Rs. 90.239 million (June 30, 2018: Rs. 93.422 million)]

## **9. SHORT-TERM INVESTMENTS**

**9.1** These represent investment in Term Deposit Receipts amounting to Rs. 1,650.069 million (June 30, 2018: Rs. 347.954 million), Treasury Bills amounting to Rs. 245.040 million (June 30, 2018: Rs. 299.445 million) and Mutual Funds amounting to Rs.1,145.542 million (June 30, 2018: Rs. 4,199.839 million).

**9.2** Term deposit receipts include Rs. 1.105 million (June 30, 2018: Rs. 1.081 million) maintained with Habib Metropolitan Bank, a related party.

**9.3** These Include short-term investments amounting to Rs. 1,889.912 million (June 30, 2018: Rs. 641.461 million) having maturity up to three months.

	Note	December 31, 2018 (Un-audited) (Rupees in thousands)	June 30, 2018 (Audited)
<b>10. INCOME TAX- net</b>			
Group Tax Relief adjustments	10.1	593,466	593,466
Group Taxation adjustments	10.2	(8,626)	512
Income tax provision less tax payments – net		<u>(400,663)</u>	<u>(531,150)</u>
		<u>184,177</u>	<u>62,828</u>



## THAL LIMITED

- 10.1** 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 Company adjusted its tax liabilities for the tax years 2008 to 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 (Appeals) (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.

- 10.2** In terms of the provision of Section 59AA of the Ordinance, the Company, MHPL and A-One Enterprises (Private) Limited have irrevocably opted to be taxed as one fiscal unit for the tax year 2019.

## **11. CONTINGENCIES AND COMMITMENTS**

### **11.1 Contingencies**

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

### **11.2 Commitments**

- 11.2.1** Letter of guarantees issued by banks on behalf of the Company amounting to Rs. 1,398.723 million (June 30, 2018: Rs. 1,424.711 million).
- 11.2.2** Post dated cheques issued to Collector of Customs amounting to Rs. 22.331 million (June 30, 2018: Rs. 24.545 million).
- 11.2.3** Letter of credits outstanding for raw material and spares amounting to Rs. 1,516.974 million (June 30, 2018: Rs. 1,708.273 million).
- 11.2.4** Commitments in respect of capital expenditure are Rs. 523 million (June 30, 2018: Rs. 7.515 million).
- 11.2.5** Commitments for rentals under Ijarah agreements to a related party in respect of vehicles and computers amount to Rs. 32.641 million (June 30, 2018: Rs. 29.187 million).

## **12. OTHER INCOME**

### **Income from financial assets**

	2018	2017
Dividend income	590,351	501,829
Profit earned on call deposits and short term investments	35,138	130,790
Gain on revaluation / redemption of investments at fair value through profit and loss	118,051	60,979
Others	8,433	7,586
	<u>751,973</u>	<u>701,184</u>

### **Income from non-financial assets**

Gain on disposal of operating fixed assets	35,169	1,077
Others	36,951	24,755
	<u>72,120</u>	<u>25,832</u>
	<u><u>824,093</u></u>	<u><u>727,016</u></u>

THAL LIMITED

		Half year ended	
		2018	2017
		(Un-audited)	
		(Rupees in thousands)	
<b>13. BASIC AND DILUTED EARNINGS PER SHARE</b>			
There is no dilutive effect on the basic earnings per share of the Company, which is based on:			
Profit after taxation		1,493,668	1,273,158
		<b>Number of shares</b>	
		<b>In thousands</b>	
Weighted average number of ordinary shares of Rs. 5/- each in issue		81,030	81,030
		<b>Rupees</b>	
Basic and diluted earnings per share		18.43	15.71

**14. TRANSACTIONS WITH RELATED PARTIES**

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

Relationship	Nature of transactions	Half year ended	
		2018	2017
		(Un-audited)	
		(Rupees in thousands)	
Subsidiaries	Professional services acquired	91,232	75,278
	Dividend income	185,665	163,975
	Services acquired	1,593	-
	Purchase of assets	-	3,907
	Purchase of goods	332	2,174
	Supplies purchased	1,568	-
	Sale of goods	-	32
	Rent received	2,770	2,684
	Loan to subsidiary	48,850	126,000
	Service fee	13,861	13,860
	Tax loss and challans acquired	4,709	1,639
	Sale of assets	137	1,568
		Half year ended	
		2018	2017
		(Un-audited)	
		(Rupees in thousands)	
Associates	Sales of goods	6,495,234	5,103,760
	Dividend income	398,519	333,717
	Insurance premium	13,125	16,092
	Purchase of assets	196	-
	Purchase of goods	-	65,051
	Supplies purchased	21,308	6,316
	Insurance claim received	3,575	1,342
	Mark-up and bank charges paid	2,911	3,329
	Profit received on call deposits and short-term investments	8,445	49,483
	Rent paid	-	1,623
	Ijarah rentals	10,364	-

THAL LIMITED

		Half year ended	
		2018	2017
		(Un-audited)	
		(Rupees in thousands)	
<b>Employee benefit plans</b>	Contribution to provident fund	20,299	18,202
	Contribution to retirement benefit fund	4,061	3,536
<b>Key management personnel</b>	Remuneration	19,200	33,954

- 14.1** Key management personnel remuneration corresponding figure in note 14 has been revised in line with the new definition of key management personnel under directives issued by the Securities and Exchange Commission of Pakistan.

**15 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 subsidiary companies and associates are carried at cost.

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 date of unconsolidated condensed interim statement of financial position (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.

**16 FINANCIAL RISK MANAGEMENT, OBJECTIVES AND POLICIES**

The Company's activities expose it to a variety of financial risks. These unconsolidated condensed interim financial statements do not include all financial risk management information and disclosures which are required in the annual financial statements and should be read in conjunction with the annual unconsolidated financial statements of the Company for the year ended 30 June 2018. There have been no changes in any risk management policies since the year end.

**17 SUBSEQUENT EVENT**

The Board of Directors has proposed and approved an interim cash dividend of Rs.2.5/- per share for the half year ended December 31, 2018, in its meeting held on February 21, 2019.

**18 GENERAL**

Figures have been rounded off to the nearest thousands.

**19 DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorized for issue on February 21, 2019 by the Board of Directors of the Company.



**Shahid Saleem**  
Chief Financial Officer



**Mazhar Valjee**  
Chief Executive



**Salman Burney**  
Director