



Jubilee Spinning & Weaving Mills Ltd.

BOOK POST

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Jubilee Spinning & Weaving Mills Ltd.
45-A, Off Zafar Ali Road, Gulberg-V,
Lahore-Pakistan.

**Half Yearly Accounts December 31,
2016 (Un-Audited)**



Company Information

Board of Directors

Mr. Jahanzeb Shafi (Chief Executive)
Mr. Aurangzeb Shafi
Mr. Muhammad Akbar Khan
Mr. Shaukat Shafi
Mr. Tariq Shafi
Mr. Umer Shafi
Mr. Usman Shafi

Audit Committee

Mr. Usman Shafi Chairman
Mr. Aurangzeb Shafi
Mr. Muhammad Akbar Khan

Company Secretary

Sh. Naseer Ahmad

Auditors

Riaz Ahmed & Company
Chartered Accountant

Legal Advisor

M/s. Amjad H. Bokhari & Associates

Bankers

Habib Metro Bank Limited
Habib Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited
Allied Bank Limited
Faysal Bank Limited

Registered Office

45-A Off Zafar Ali Road, Gulberg-V
Lahore, Pakistan

Mills

B-28, Manghopir Road S.I.T.E Karachi,

**Directors' Report to the share holders**

Dear Shareholders,

The Directors of your Company feel pleasure in presenting the results for the Half Yearly ended December 31, 2016 with Auditors' Review

NET Profit / (Loss)

During the year, the company gained net profit of Rs. 19,685,976 after charging costs, expenses and provisions for the year as compared to previous year's net profit of Rs. 14,342,359

Financial Results

The financial results of the company are summarized as follows:

Year ended on	Rupees December 31, 2016	Rupees December 31, 2015
Sales	10,967,953	12,105,291
Cost of sales	(4,168,675)	(4,064,816)
Gross Profit/ (loss)	6,799,278	8,040,475
Gross Profit/ (loss) rate %	61.99%	66.4%
Selling, admin and other operating cost	(6,260,279)	(5,518,741)
Other income	23,692,793	15,587,207
Finance Charges	(3,207)	(86,985)
Provision for tax	(3,201,339)	(2,882,060)
Profit / (loss) after tax	19,685,976	14,342,359
Basic profit / (loss) per share	0.61	0.44

However the management is confident that we will further improve result for the remaining period of this year.

In closing, I would like to thank our shareholders for their continued support.

For and on behalf of the board of Directors

Jahanzeb Shafi
Chief Executive

February 28, 2017
Karachi.

**شیئر ہولڈرز کیلئے ڈائریکٹرز کی رپورٹ**

معزز شیئر ہولڈرز،

آپ کی کمپنی کے ڈائریکٹرز کو ششماہی اختتامی دسمبر 31، 2016 کے نتائج مجموعہ نظر ثانی آڈیٹرز اعلان کرتے ہوئے انتہائی خوشی ہے۔

کل منافع / نقصان

سال کے دوران، کمپنی نے کل منافع Rs.19,685,976 حاصل کیا لاگت، اخراجات اور سالانہ متفرقات کی ادائیگی کے گزشتہ سال کے مقابلے میں کل نقصان Rs.14,342,359 کے۔

مالی نتائج:-

کمپنی کے مالی نتائج کا خلاصہ درج ذیل ہے۔

رقم	رقم	سال کے اختتام پر
دسمبر 31، 2015	دسمبر 15، 2016	
12,105,291	10,967,953	فروخت
(4,064,816)	(4,168,675)	لاگت فروخت
8,040,475	6,799,278	مجموعی منافع (نقصان)
66.4%	61.99%	مجموعی منافع (نقصان) ریٹ %
(5,518,741)	(6,260,279)	فروخت، انتظامی اور دیگر اخراجات
15,587,207	23,692,793	دیگر آمدنی
(86,985)	(3,207)	مالی ادائیگی
(2,882,060)	(3,201,339)	ٹیکس کے مندرجات کی مد میں
14,342,359	19,685,976	منافع / نقصان بعد از ٹیکس
0.44	0.61	بنیادی منافع / نقصان فی شیئر

تاہم انتظامیہ پر امید ہے کہ ہم اس سال کے بقایا عرصے کے نتائج میں مزید بہتری لائیں گے۔
آخر میں، میں اپنے تمام شیئرز ہولڈرز کے مسلسل تعاون کا شکریہ ادا کرتا ہوں۔

جہانزیب شفیع

چیف ایگزیکٹو

فروری 28، 2017

کراچی



Auditors' Report to the Members on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of JUBILEE SPINNING & WEAVING MILLS LIMITED ("the Company") as at 31 December 2016 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2016 and 31 December 2015 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2016.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for Adverse Conclusion

- (i) During the period, property having carrying value of Rupees 73.902 million has been transferred to investment property. However, no revaluation has been carried out nor the effect thereof has been accounted for in the books of account of the Company at the time of transfer to investment property as required by approved accounting standards as applicable in Pakistan. Furthermore, fair valuation of investment property has not been carried out since last valuation as at 30 June 2014. In the absence of latest valuation, we remained unable to substantiate the balance of investment property as at 31 December 2016;
- (ii) Trade debts, loans and advances and other receivables as at 31 December 2016 include Rupees 20.732 million, Rupees 42.724 million and 14.755 million respectively receivable from an associated company. The management has not provided us with its assessment of balances doubtful of recovery nor did account for any provision in this condensed interim financial information. Further, there exists frequent cash transactions under the head loans and advances and other receivables with same associated company which lack the business rationale and may attract the provisions of the Companies Ordinance, 1984. We remained unable to satisfy ourselves in respect of such balances;
- (iii) Long term financing amounting to Rupees 20.150 million obtained from directors of the Company during the period has been accounted for as interest free long term financing. We remained unable to substantiate the terms and conditions attached to such financing due to lack of written supporting documents. Moreover, discounting to fair value of such interest free long term financing has not been carried out and accounted for in this condensed interim financial information as required by approved accounting standards as applicable in Pakistan. Furthermore, unwinding of discount on long term financing obtained in preceding years has also not been accounted for in this condensed interim financial information;



- (iv) Revenue amounting Rupees 10.968 million accounted for in this condensed interim financial information represents billing to tenants in respect of use of Company's power house equipment. During the period, the Company has disposed of its power house equipment in October 2016 and placed alternate power generators. However, these alternate power house generators, generating the aforesaid revenue have not been recognized in the books of account of the Company. Moreover, in the absence of legal opinion to this effect, we remained unable to satisfy ourselves as to whether the aforesaid arrangement with the tenants is in compliance with all the applicable regulatory provisions/requirements.
- (v) As on 31 December 2016, accumulated loss of the Company was Rupees 518.596 million due to which its equity stood negative by Rupees 97.785 million. Effective from March 2014, the Company has closed its core textile operations. In current and preceding periods, the Company had disposed of all of its operating fixed assets except for leasehold land and building on leasehold land. These events indicate a material uncertainty which may cast significant doubt on the Company's ability to continue as going concern and therefore it may be unable to realize its assets and discharged its liabilities in the normal course of business. This condensed interim financial information and notes thereto do not disclose this fact. The management of the Company also did not provide us its assessment of going concern assumption used in preparation of this condensed interim financial information and the future financial projections indicating the economic viability of the Company. These facts indicate that going concern assumption used in the preparation of this condensed interim financial information is inappropriate.

Adverse Conclusion

Based on our review, because of the significance of the matters discussed in the basis for adverse conclusion paragraphs, this condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

RIAZ AHMAD & COMPANY Chartered Accountants

Name of the engagement partner:
Muhammad Hamid Jan

February 28, 2017

KARACHI



Jubilee Spinning & Weaving Mills Ltd.

Half Yearly Accounts December 31, 2016

Balance Sheet - Un Audited

	Note	UNAUDITED 31 DECEMBER 2016 Rupees	AUDITED 30 JUNE 2016 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
34,000,000 (30 June 2016: 34,000,000) ordinary shares of Rupees 10 each		<u>340,000,000</u>	<u>340,000,000</u>
Issued, subscribed and paid up share capital			
32,491,205 (30 June 2016: 32,491,205) ordinary shares of Rupees 10 each		324,912,050	324,912,050
Reserves		(422,696,779)	(444,169,316)
Total equity		(97,784,729)	(119,257,266)
Surplus on revaluation of property, plant and equipment			
- Net of tax		213,818,213	287,720,168
Surplus on revaluation of investment property - Net of tax		496,361,150	422,459,195
LIABILITIES			
NON-CURRENT LIABILITIES			
Long term financing	5	19,950,000	-
Deferred income tax		9,473,330	9,473,330
Employees retirement benefits		30,647,085	35,259,509
		60,070,415	44,732,839
CURRENT LIABILITIES			
Trade and other payables		88,377,405	116,861,975
Current portion of long term financing		8,386,191	8,386,191
Accrued markup		24,517,429	24,517,429
Provisions		9,928,940	9,928,940
Provision for taxation		9,230,559	6,029,220
		140,440,524	165,723,755
TOTAL LIABILITIES		<u>200,510,939</u>	<u>210,456,594</u>
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		<u>812,905,573</u>	<u>801,378,691</u>

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


Jahanzeb Shafi
Chief Executive



Jubilee Spinning & Weaving Mills Ltd.

Half Yearly Accounts December 31, 2016

As at 31 December 2016

	Note	UNAUDITED 31 DECEMBER 2016 Rupees	AUDITED 30 JUNE 2016 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	135,448,054	211,778,436
Investment property		519,813,842	445,911,887
Long term investments	8	805,597	839,358
Long term loans		1,633,978	1,682,278
Long term deposits		5,908,329	3,949,009
		<u>663,609,800</u>	<u>664,160,968</u>
CURRENT ASSETS			
Trade debts		26,391,917	24,982,606
Loans and advances		42,989,375	27,437,554
Short term deposits and prepayments		876,695	500,000
Other receivables		20,319,643	24,868,500
Advance income tax and refund		12,464,823	10,080,767
Short term investments		44,935,325	47,748,374
Cash and bank balances		1,317,995	1,599,922
		149,295,773	137,217,723
TOTAL ASSETS		<u>812,905,573</u>	<u>801,378,691</u>


Tariq Shafi
Director



Condensed Interim Profit & Loss Account
For the half year Ended December 31, 2016 (Un-audited)

Note	Half Year Ended		Quarter Ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Rupees			
REVENUE	10,967,953	12,105,291	7,950,063	7,014,232
COST OF SALES	(4,168,675)	(4,064,816)	(2,440,524)	(1,971,496)
GROSS PROFIT	6,799,278	8,040,475	5,509,539	5,042,736
DISTRIBUTION AND SELLING COST	-	-	-	-
ADMINISTRATIVE EXPENSES	(6,260,279)	(5,518,741)	(3,706,630)	(3,566,873)
	538,999	2,521,734	1,802,909	1,475,863
UNREALIZED LOSS ON INVESTMENT - AT FAIR VALUE THROUGH PROFIT AND LOSS	-	(797,537)	-	(797,537)
LOSS ON DISPOSAL OF OPERATING FIXED ASSETS	(1,341,270)	-	-	-
OTHER INCOME	23,692,793	15,587,207	11,725,370	4,250,197
PROFIT FROM OPERATIONS	22,890,522	17,311,404	13,528,279	4,928,523
FINANCE COST	(3,207)	(86,985)	(1,667)	8,061
PROFIT BEFORE TAXATION	22,887,315	17,224,419	13,526,612	4,936,584
PROVISION FOR TAXATION				
TAXATION				
- Current	(3,201,339)	(657,431)	-	(657,431)
- Prior	-	(2,604,346)	-	(2,604,346)
- Deferred	-	379,717	-	379,717
	(3,201,339)	(2,882,060)	-	(2,882,060)
PROFIT AFTER TAXATION	19,685,976	14,342,359	13,526,612	2,054,524
EARNINGS PER SHARE- BASIC AND DILUTED (RUPEES)	12	0.61	0.42	0.06

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


Jahanzeb Shafi
Chief Executive


Tariq Shafi
Director



Condensed Interim Statement Of Comprehensive Income
For The Half Year Ended 31 December 2016 (Un-audited)

	Half Year Ended		Quarter Ended	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Rupees			
PROFIT AFTER TAXATION	19,685,976	14,342,359	13,526,612	2,054,524
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss:	-	-	-	-
Items that may be reclassified subsequently to profit or loss :				
Fair value adjustment on available for sale investments	1,786,561	805,327	1,786,561	805,327
Other comprehensive income for the period	1,786,561	805,327	1,786,561	805,327
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	21,472,537	15,147,686	15,313,173	2,859,851

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


Jahanzeb Shafi
Chief Executive


Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

Half Yearly Accounts December 31, 2016

Condensed Interim Cash Flow Statement For the half year Ended December 31, 2016 (Un-audited)

	Note	31 December 2016 Rupees	31 December 2015 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES	11	(17,253,907)	(3,945,780)
Finance cost paid		(3,207)	(86,985)
Income tax paid		(2,482,726)	(412,760)
Gratuity paid		(4,676,065)	(61,200)
Net cash used in operating activities		(24,415,905)	(4,506,725)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received		54,339	138,456
Proceeds from disposal of fixed assets		1,100,000	5,000,000
Proceeds from sale of investments		4,940,659	-
Cost paid for exercise of right issue		-	(4,343)
Long term deposits		(1,959,320)	44,923
Long term loans received / (paid)		48,300	54,000
Net cash flow from investing activities		4,183,978	5,233,036
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan received		20,150,000	-
Long term loan paid		(200,000)	-
Net cash flow from financing activities		19,950,000	-
Net increase / (decrease) in cash and cash equivalents		(281,927)	726,311
Cash and cash equivalents at the beginning of the period		1,599,922	1,105,138
Cash and cash equivalents at the end of the period. (Note 11.1)		1,317,995	1,831,449

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


Jahanzeb Shafi
Chief Executive


Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

Nine Month Accounts 31 March 2016

Condensed Interim Statement of Changes In Equity For the half year ended December 31, 2016 (Un-audited)

Share capital	RESERVES						TOTAL	TOTAL EQUITY	
	CAPITAL			REVENUE					
	Fair value reserve on available for sale investments	Equity portion of shareholders' loan	Sub-Total	General reserve	Accumulated loss	Sub total			
Rupees									
Balance as at 30 June 2015 - (audited)	324,912,050	35,411,518	19,329,816	54,741,334	51,012,000	(545,289,465)	(494,277,465)	(439,536,131)	(114,624,081)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation	-	-	-	-	-	1,186,617	1,186,617	1,186,617	1,186,617
Related deferred tax	-	-	-	-	-	(379,717)	(379,717)	(379,717)	(379,717)
	-	-	-	-	-	806,900	806,900	806,900	806,900
Profit for the period	-	-	-	-	-	14,342,359	14,342,359	14,342,359	14,342,359
Other comprehensive income for the period	-	805,327	-	805,327	-	-	-	805,327	805,327
Total comprehensive income for the half year ended 31 December 2015	-	805,327	-	805,327	-	14,342,359	14,342,359	15,147,686	15,147,686
Transactions with the owners of the Company:									
Fair value adjustment on interest free loans from directors	-	-	(4,755,136)	(4,755,136)	-	-	-	(4,755,136)	(4,755,136)
Balance as at 31 December 2015 - (un-audited)	324,912,050	36,216,845	14,574,680	50,791,525	51,012,000	(530,140,206)	(479,128,206)	(428,336,681)	(103,424,631)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation	-	-	-	-	-	374,181	374,181	374,181	374,181
Related deferred tax	-	-	-	-	-	(104,130)	(104,130)	(104,130)	(104,130)
	-	-	-	-	-	270,051	270,051	270,051	270,051
Loss for the period	-	-	-	-	-	(8,595,822)	(8,595,822)	(8,595,822)	(8,595,822)
Other comprehensive income for the period	-	695,288	-	695,288	-	184,039	184,039	879,327	879,327
Total comprehensive income for the half year ended 30 June 2016	-	695,288	-	695,288	-	(8,411,783)	(8,411,783)	(7,716,495)	(7,716,495)
Transactions with the owners of the Company:									
Fair value adjustment on interest free loans from directors	-	-	(8,386,191)	(8,386,191)	-	-	-	(8,386,191)	(8,386,191)
Balance as at 30 June 2016 - (audited)	324,912,050	36,912,133	6,188,489	43,100,622	51,012,000	(538,281,938)	(487,269,938)	(444,169,316)	(119,257,266)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation	-	-	-	-	-	-	-	-	-
Related deferred tax	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	19,685,976	19,685,976	19,685,976	19,685,976
Other comprehensive income for the period	-	1,786,561	-	1,786,561	-	-	-	1,786,561	1,786,561
Total comprehensive income for the half year ended 31 December 2016	-	1,786,561	-	1,786,561	-	19,685,976	19,685,976	21,472,537	21,472,537
Transactions with the owners of the Company:									
Fair value adjustment on interest free loans from directors	-	-	-	-	-	-	-	-	-
Balance as at 31 December 2016 - (un-audited)	324,912,050	38,698,694	6,188,489	44,887,183	51,012,000	(518,595,962)	(467,583,962)	(422,696,779)	(97,784,729)

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


Jahanzeb Shafi
Chief Executive


Tariq Shafi
Director

**Selected Notes To The Condensed Interim Financial Information****For the half year ended December 31, 2016 (Un-audited)****1. THE COMPANY AND ITS OPERATIONS**

1.1 Jubilee Spinning & Weaving Mills Limited (the Company) was incorporated in Pakistan as a public limited company on 12 December 1973 under the Companies Act, 1913 (Now The Companies Ordinance, 1984). The Company obtained certificate of commencement of business in January 1974. Shares of the Company are listed on all Stock Exchanges in Pakistan. Its registered office is situated at 45-A, Off: Zafar Ali Khan Road, Gulberg V, Lahore whereas the production facilities are located at B-28, Manghopir Road, S.I.T.E, Karachi. The Company is engaged in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The Company also operates electric power generation facilities which generate electricity primarily for the Company's own requirements.

Due to intermittent availability of raw materials owing to shortage of working capital and continuous losses, the Company has closed its core operations since 2014. The Company has rented out its premises to earn rental income and service revenue from use of in-house power plant by tenants.

2. BASIS OF PREPARATION**2.1 Statement of Compliance**

This condensed interim financial information of the Company for the half year ended 31 December 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 – 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2 This condensed interim financial information is un-audited but subject to the limited scope review by the statutory auditors and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2016.

2.3 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain fixed assets and financial assets and liabilities which have been stated at revalued amounts, fair values, cost, amortized cost and present value as mentioned in respective policy notes disclosed in the published financial statements of the preceding year ended 30 June 2016. Accrual basis of accounting has been used in this condensed interim financial information except for the cash flow information.

2.4 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

3. ACCOUNTING POLICIES

The accounting policies and the method of computation adopted in preparation of this condensed interim financial report are the same as those applied in the preparation of the annual financial statements for the year ended 30 June 2016.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

"The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances."



During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2016.

	Un-audited December 31, 2016 Rupees	Audited June 30, 2016 Rupees
5. LONG TERM FINANCING - UNSECURED		
From directors:		
Opening balance	8,386,191	81,687,366
Loan obtained during the year	20,150,000	-
Add: Fair value adjustments under IAS-39	-	13,141,327
	<u>28,536,191</u>	<u>94,828,693</u>
Less: Paid during the year	(200,000)	(86,442,502)
	<u>28,336,191</u>	<u>8,386,191</u>
Less: Current portion	(8,386,191)	(8,386,191)
	<u>19,950,000</u>	<u>-</u>
6. CONTINGENCIES AND COMMITMENTS		
6.1 Contingencies		
Bank Guarantee from:		
Faysal Bank Limited (Note 6.1.1)	8,600,000	8,600,000
Standard Chartered Bank (Pakistan) Limited (Note 6.1.2)	793,800	793,800
Habib Bank Limited (Note 6.1.3)	2,000,000	2,000,000
	<u>11,393,800</u>	<u>11,393,800</u>
6.1.1 This represents a guarantee issued by Faysal Bank Limited to the collector of customs on behalf of the company against the custom duty on imports.		
6.1.2 This represents a guarantee issued by Standard Chartered Bank (Pakistan) Limited to the Honorable High Court, Sindh on account of cotton soft waste (carded and combed) fully paid.		
6.1.3 This represents a guarantee issued by Habib Bank Limited in favor of Sui Southern Gas Company Limited on behalf of the company for payment of gas bills. The guarantee is secured against hypothecation charge over current assets of Rupees 12 million. (30 June 2016: Rupees 12 million)		
6.2 Commitments		
There were no capital or other commitments as at 31 December 2016 (30 June 2016: Nil).		
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 7.1)	135,448,054	211,778,436
7.1 Operating fixed assets		
Opening book value	211,778,436	582,288,844
Add: Additions / Transfer in	-	-
Add: Surplus on revaluation during the period / year	-	-
Less: Impairment loss	-	-
	<u>211,778,436</u>	<u>582,288,844</u>



Jubilee Spinning & Weaving Mills Ltd.

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	Unaudited December 31, 2016	Audited June 30, 2016
Transferred to disposal / investment property		
Cost / re-assessed value	94,563,410	611,391,244
Accumulated depreciation	(18,320,185)	(244,807,255)
Transfer / disposal - net	76,243,225	366,583,989
Less: Depreciation charged during the period / year	(87,157)	(3,926,419)
	<u>135,448,054</u>	<u>211,778,436</u>
8. LONG TERM INVESTMENTS		
Available for sale - Associated company (without significant influence)		
Taxmac (Private) Limited	520,000	520,000
52,000 (30 June 2016: 52,000) ordinary shares of Rupees 10 each		
Premier Insurance Company Limited (Note: 8.1)	285,597	319,358
11,335 (30 June 2016: 22,670) ordinary shares of Rupees 10 each	<u>805,597</u>	<u>839,358</u>
Associated companies (with significant influence) - Under equity method		
Cresox (Private) Limited (Note: 8.2)	-	-
8,982,160 (30 June 2016: 8,982,160) ordinary shares of Rupees 10 each		
Crescent Industrial Chemical Limited (Note: 8.3)	-	-
	<u>805,597</u>	<u>839,358</u>
8.1 Premier Insurance Company Limited		
Fair value on ceasing to be an associate	291,989	291,989
Fair value adjustment		
Opening	27,369	72,079
For the period / year	(33,761)	(44,710)
	<u>(6,392)</u>	<u>27,369</u>
	<u>285,597</u>	<u>319,358</u>
8.2 Cresox (Private) Limited		
Opening balance	-	-
Share of loss for the period / year	-	(70,472,706)
Share of loss of previous years - unrecognized	(367,008,873)	(296,536,167)
	<u>(367,008,873)</u>	<u>(367,008,873)</u>
Unrecognized loss	367,008,873	367,008,873
	<u>-</u>	<u>-</u>



Jubilee Spinning & Weaving Mills Ltd.

Half Yearly Accounts December 31, 2016

8.3 This represents investment of 184,000 ordinary shares in Crescent Industrial Chemical Limited which was fully impaired in previous years.

	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Rupees	Rupees	Rupees	Rupees
9. COST OF SALES				
Repair and maintenance	3,207,527	888,375	1,766,124	702,743
Fuel and power	594,000	67,500	401,000	67,500
Other factory overheads	287,558	665,408	193,810	19,804
Depreciation	79,590	2,443,533	79,590	1,181,449
Cost of goods manufactured	<u>4,168,675</u>	<u>4,064,816</u>	<u>2,440,524</u>	<u>1,971,496</u>

10. SEGMENT INFORMATION

10.1 Spinning: Production of different quality of yarn using natural and artificial fibers.

Power Generation: Generation and distribution of power.

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases have been eliminated from the total.



10.2 Segment Results	Spinning (Un-audited)		Power Generation (Un-audited)		Elimination of Inter-segment transactions (Un-audited)		Total Company (Un-audited)	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015	31 December 2016	31 December 2015
	Sales	-	-	10,967,953	12,105,291	-	-	10,967,953
Cost of sales	-	(3,902,379)	(4,168,675)	(162,437)	-	-	(4,168,675)	(4,064,816)
Gross (loss) / profit	-	(3,902,379)	6,799,278	11,942,854	-	-	6,799,278	8,040,475
Distribution cost	-	-	-	-	-	-	-	-
Administrative expenses	-	(5,518,741)	(6,260,279)	-	-	-	(6,260,279)	(5,518,741)
	-	(5,518,741)	(6,260,279)	-	-	-	(6,260,279)	(5,518,741)
Profit / (loss) before taxation and unallocated expenses and income	-	(9,421,120)	538,999	11,942,854	-	-	538,999	2,521,734
Unallocated income and expenses:								
Finance cost							(3,207)	(86,985)
Unrealized loss on investment- held for trading							-	(797,537)
Other income							23,692,793	15,587,207
Taxation								
- Current							(3,201,339)	(657,431)
- Prior							-	(2,604,346)
- Deferred							-	379,717
							(3,201,339)	(2,882,060)
Profit after taxation							21,027,246	14,342,359

10.2.1 All the reported segments operate in same geographical location.

10.3 Segment Assets	Spinning (Un-audited)		Power Generation (Un-audited)		Total Company (Un-audited)	
	31 December 2016	June 30, 2016	31 December 2016	June 30, 2016	31 December 2016	June 30, 2016
	Segment assets	-	-	3,215,186	23,003,518	3,215,186
Unallocated assets					809,690,387	778,375,173
					812,905,573	801,378,691
Segment liabilities	156,227,987	138,674,836	13,635,867	36,522,249	169,863,854	175,197,085
Unallocated liabilities					30,647,085	35,259,509
					200,510,939	210,456,594

II. CASH FLOW FROM OPERATING ACTIVITIES	HALF YEAR ENDED		QUARTER ENDED	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Profit before taxation	22,887,315	17,224,419		
Adjustments for non-cash charges and other items:				
Depreciation	87,157	2,613,738		
Provision for Gratuity	63,641	277,125		
Dividend income	(54,339)	(138,456)		
Liabilities written back	-	(7,611,039)		
Unrealized loss on remeasurement of investments	-	797,537		
Provision for doubtful debts	-	496,569		
Loss on disposal of fixed assets	1,341,270	(1,051,862)		
Gain on sale of investment	(308,618)	-		
Finance cost	3,207	86,985		
	24,019,633	12,695,016		
Working capital changes				
(Increase) / decrease in current assets:				
- Trade debts	(1,409,311)	34,795,907		
- Loans and advances	(15,551,821)	10,651,089		
- Other receivables	4,548,857	(4,016,927)		
- Short term deposits and prepayments	(376,695)	(700,900)		
	(12,788,970)	40,729,169		
Decrease in trade and other payables	(28,484,570)	(57,369,965)		
	(17,253,907)	(3,945,780)		
	1,317,995	1,831,449		
II.1 Cash and cash equivalents include the following				
Cash and bank balances				
12. EARNINGS PER SHARE - BASIC AND DILUTED				
There is no dilutive effect on the basic earnings per share of the Company which is based on:				
Associated companies				
Profit for the period - Rupees	19,685,976	14,342,359	13,526,612	2,054,524
Number of ordinary shares in issue	32,491,205	32,491,205	32,491,205	32,491,205
Earnings per share- Rupees	0.61	0.44	0.42	0.06

**13. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL INSTRUMENTS****(i) Fair value hierarchy**

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in this unconsolidated condensed interim financial information. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements At 31 December 2016	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets				
Available for sale financial assets	45,740,922	-	-	45,740,922
Available for sale - associated company	285,597	-	520,000	805,597
Total financial assets	<u>46,026,519</u>	<u>-</u>	<u>520,000</u>	<u>46,546,519</u>
Financial liabilities				
Long term financing	-	-	28,336,191	28,336,191
Total financial liabilities	<u>-</u>	<u>-</u>	<u>28,336,191</u>	<u>28,336,191</u>

Recurring fair value measurements At 30 June 2016	Level 1	Level 2	Level 3	Total
	Rupees			
Financial assets				
Available for sale financial assets	48,587,732	-	-	48,587,732
Available for sale - associated company	319,358	-	520,000	839,358
Total financial assets	<u>48,907,090</u>	<u>-</u>	<u>520,000</u>	<u>49,427,090</u>
Financial liabilities				
Long term financing	-	-	8,386,191	8,386,191
Total financial liabilities	<u>-</u>	<u>-</u>	<u>8,386,191</u>	<u>8,386,191</u>

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the half year ended 31 December 2016. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

(ii) Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

14. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related companies and key management personnel. The company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, not disclosed elsewhere, is given below:

Associated Companies	(Un-audited)			
	HALF YEAR ENDED		QUARTER ENDED	
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
	Rupees			
Balance receivable from / (payable to)				
Premier Insurance Limited	(12,735,179)	-	-	-
Cresox (Private) Limited	78,210,685	130,707,164	2,299,400	-

15. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors and authorized for issue on 28 February 2017.

16. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the company for the year ended 30 June 2015.

17. GENERAL

- No significant reclassification/ rearrangement of corresponding figures has been made in this condensed interim financial information.
- Figures have been rounded off to the nearest Rupee.


Jahanzeb Shafi
Chief Executive


Tariq Shafi
Director