

Thal Limited

Condensed Interim Financial Information
For the Nine Months Ended March 31, 2015
(Un-audited)



Thal Limited

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Thal Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS

Dear Shareholders,

The Directors of your Company are pleased to place before you the performance for the quarter ended March 31, 2015, along with the unaudited condensed interim financial information.

Rupees in Millions		
	For the period ended March 31, 2015	For the period ended March 31, 2014
Sales	10,945	8,486
Profit Before Taxes	1,988	1,357
Profit After Taxes	1,488	1,054
Earnings Per Share (Rs.)	18.36	13.01

Performance Overview:

During the period, the company posted sales revenue of Rs. 10.9 billion compared to Rs. 8.5 billion in the corresponding quarter last year, generating a profit before tax of Rs. 2 billion as compared to the previous period of Rs. 1.4 billion, posting a significant increase of 43%. The improvement in performance was mainly due to improved sales registered by the Engineering segment owing to a new vehicle launch by its largest customer.

The basic and undiluted Earnings per Share (EPS) for the period under review was Rs. 18.36 as compared to Rs. 13.01 in the previous period.

Accordingly, the Board has approved the 2nd interim dividend, i.e., Rs. 3.75 per share @75% for the 9 month ended March 31, 2015 in addition to the 1st interim dividend of Rs 3.75 per share @ 75%, thus making a total Dividend payout of Rs. 7.50 per share i.e. 150% upto March 31, 2015.

Business Brief – Engineering Segment

The turnover of the Engineering Segment of the company has shown an impressive growth of 38% during the 3rd quarter of 2014-2015, resulting in highest-ever recorded sales of Rs. 1.2 billion compared to Rs. 894 million in the corresponding quarter of last year.

The auto sector in the country has shown a healthy growth of 44% in volumes terms during the 3rd quarter of 2014-2015 compared to the corresponding period of last year. The major reason for this growth was a new model launch by one of the OEMs, which has been very successful in the market, as well as the Punjab Government's Taxi Scheme for unemployed youth introduced in Dec 2014. This was further aided by a price reduction given by some OEMs to enhance the falling volumes.

The management continued its focus on improving quality, Health, Safety and Environment initiatives while enhancing cost efficiencies through continuous resourcing and process improvement. These efforts were recognized as the Company received awards in the Overall Best Category and Cost Excellence from two valued customers. The Company also received the Top Overall Industrial Corporate Excellence Award from the Management Association of Pakistan (MAP).

In line with the 3rd quarter performance, 4th quarter sales in the auto sector are expected to improve further owing to continued demand for the new car models and the Taxi Scheme. The business has been successful in coping up with the increased demands from its customers and is now working with increased capacity utilization achieved through process improvement and committed workforce.

The management of the Company will continue its effective engagement with the government for a stable and favorable Auto Industry Policy, necessary to promote the auto industry. In this regards the Company and other auto parts manufacturers have made representations and appeal to the government for the reversal of the 5 – 12.5% Regulatory Duty imposed on the import of steel raw materials.

Business Brief – Building Material & Allied Product Segment

The Building Material & Allied Product Segment of the company achieved a turnover of Rs. 4 billion as against Rs. 3.7 billion, an increase of 8%, during the 3rd quarter of 2014-15 as compared to the corresponding period of last year.

Jute Operations

The Jute industry continued to witness numerous challenges in the local and export markets, particularly the dumping of large volumes by India and Bangladesh in overseas markets, due to the dilution of the Mandatory Jute Packaging Act in India. In the local market, the demand for grain sacks was on the lower side from the Public Procurement Agencies (PPAs) as compared to last year due to excessive carryover stocks of wheat from last year. Moreover, the chronic issue of power shortage and increase in cost of doing business affected the targets set for the business. In particular the increase in minimum labour wages has impacted the profitability as the company is fully compliant with all regulations.

The management is taking appropriate measures to rationalize cost of production and optimizing the sales mix between the local & international markets to remain competitive. This expects to yield positive results in future.

Papersack Operations

The Papersack Business continues to have positive momentum going into the final quarter, with the cement industry witnessing a growth of 8% on a YoY basis in local dispatches, with expectations of sustained demand for the rest of the year.

To create more value for the business, the management is putting efforts to diversify its customer base and had made considerable inroads in a number of new sectors. This effort will provide a platform for future expansion and better results for the Business. Furthermore, continuous improvements in the quality standards have resulted in attracting global fast food franchises operating in Pakistan to choosing the Company as their preferred supplier of paper bags, which are both environmentally friendly and bio-degradable

We anticipate that the demand for papersacks to be sustained across our customer portfolio, while the full benefit of lower oil prices and weakening Euro will be realized in the latter part of the year. On the other hand, the benefit of lower oil prices will benefit the competing woven polypropylene industry considerably, and may lead to price war for a larger share of the market.

Laminates Operations

Although the market remained unstable due to political unrest, there have been some improvements in the overall sentiments, and resultantly, the business has witnessed positive trend in the quarter under review. Going forward, the Business expects to gain further momentum and stability in the business.

Due to the instability in neighboring countries/region, the export markets have not performed up to expectations. However, the commitment to establish FORMITE in the international markets remains high, and concentration remains on developing complementary markets to diversify our business risk and exposures.

In the local market, FORMITE continues to face intense competition from the undocumented segment and the management is countering this aspect by focusing on premium and quality conscious customers, who continue to patronize the FORMITE products due to the range, quality, diversity and after sales service.

The Business is positive that the growth momentum of the previous quarter will continue for the remainder of the year.

Investment in Sindh Engro Coal Mining Company Limited

During the year, the Company entered into a Shareholders Agreement with Engro Powergen Limited and Hub Power Company Limited for joint investment in Sindh Engro Coal Mining Company Limited (SECMC). The Company has made an investment of Rs 360 million and also agreed to make an investment up to a total of Rs 3 billion subject to certain conditions and regulatory approvals.

Subsidiaries

Thal Boshoku Pakistan (Private) Limited

During the 3rd quarters of 2014-15, Thal Boshoku showed healthy growth and the sale volume exceeded the target. The profitability reflects the efforts of the management in meeting enhanced sale volumes and cost rationalization.

The Company is working on various options for expansion of its product line. Besides its own efforts, the management continuously benefits from the expertise and guidance of its JV Partner – Toyota Boshoku Corporation Japan.

Makro-Habib Pakistan Limited

Makro-Habib Pakistan Limited continued its cash and carry business at the Saddar store. The operations of this store are handled by METRO Habib Cash and Carry Pakistan under the terms of the Operation Agreement. The store is subject to a legal case pending adjudication in the Supreme Court of Pakistan.

Habib METRO Pakistan (Private) Limited

Habib METRO Pakistan (Private) Limited (HMPL) owns and manages properties with 60% shareholding of the Company. We are pleased to report that HMPL has declared the 3rd interim dividend for the quarter ended March 31, 2015 and your company's share of Rs. 88.7 million will be incorporated in the next quarter financials.

Right Share Subscription

The Company has made an additional investment of Rs 5.7 M through subscription towards the rights issue of Shabbir Tiles & Ceramics Ltd., as associate Company after the EOGM approval of March 25, 2015.

Acknowledgement:

We would like to thank the Almighty for all His blessings in these challenging times and to convey our appreciation to all our customers, dealers, bankers and joint venture and technical partners for their continued support and confidence in the Company. We also want to recognize the efforts of all our team members who have worked diligently to achieve the results.

On behalf of the Board



(ASIF RIZVI)
Chief Executive

Karachi: April 29, 2015.

Thal Limited

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2015

	Note	March 31, 2015 (Un-audited) (Rupees in thousands)	June 30, 2014 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	595,366	608,630
Intangible assets	5	8,501	-
Investment property		1,022	1,025
Long-term investments	6	4,034,988	3,653,907
Long-term loans and deposits		13,036	11,602
Long-term prepayments		945	3,780
Deferred tax asset - net		76,051	45,555
		<u>4,729,909</u>	<u>4,324,499</u>
CURRENT ASSETS			
Stores, spares and loose tools		89,195	84,270
Stock-in-trade	7	3,239,958	3,091,257
Trade debts		1,392,203	873,476
Loans, advances, deposits, prepayments and other receivables		113,573	77,611
Short-term investments	8	2,036,745	1,751,523
Accrued profit		3,147	2,845
Income Tax - net	9	31,602	293,468
Sales tax refundable		-	24,419
Cash and bank balances		474,216	384,675
		<u>7,380,639</u>	<u>6,583,544</u>
TOTAL ASSETS		<u>12,110,548</u>	<u>10,908,043</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital 100,000,000 (June 30, 2014: 100,000,000) ordinary shares of Rs.5 each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital 81,029,909 (June 30, 2014: 81,029,909) ordinary shares of Rs. 5/- each		<u>405,150</u>	<u>405,150</u>
Reserves		<u>9,990,157</u>	<u>9,013,589</u>
		<u>10,395,307</u>	<u>9,418,739</u>
NON-CURRENT LIABILITIES			
Long term deposits		1,714	1,714
CURRENT LIABILITIES			
Trade and other payables		1,613,523	1,482,218
Short-term borrowings		10,330	5,338
Accrued mark-up		106	34
		<u>1,713,527</u>	<u>1,487,590</u>
CONTINGENCIES AND COMMITMENTS	10	-	-
TOTAL EQUITIES AND LIABILITIES		<u>12,110,548</u>	<u>10,908,043</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


ASIF RIZVI
Chief Executive

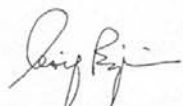

MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED MARCH 31, 2015 (Un-audited)

	Note	Nine months ended		Quarter ended	
		March 31, 2015 (Rupees in thousands)	March 31, 2014 (Rupees in thousands)	March 31, 2015 (Rupees in thousands)	March 31, 2014 (Rupees in thousands)
Revenue - net		10,945,360	8,486,225	4,260,314	3,319,039
Cost of sales		8,953,475	7,126,672	3,333,399	2,664,579
Gross Profit		1,991,885	1,359,553	926,915	654,460
Distribution costs		(153,367)	(123,371)	(59,384)	(42,881)
Administrative expenses		(331,209)	(277,338)	(109,984)	(73,374)
		(484,576)	(400,709)	(169,368)	(116,255)
Other income	11	631,086	503,200	233,099	114,527
Operating Profit		2,138,395	1,462,044	990,646	652,732
Finance costs		(3,605)	(3,665)	(1,281)	(1,242)
Other charges		(146,682)	(100,739)	(68,056)	(39,912)
		(150,287)	(104,404)	(69,337)	(41,154)
Profit before taxation		1,988,108	1,357,640	921,309	611,578
Taxation		(500,354)	(303,656)	(243,363)	(155,988)
Profit after taxation		1,487,754	1,053,984	677,946	455,590
		Rupees		Rupees	
Basic and diluted earnings per share	12	18.36	13.01	8.37	5.62

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



ASIF RIZVI
Chief Executive



MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED MARCH 31, 2015 (Un-audited)

	Nine months ended		Quarter ended	
	March 31, 2015 (Rupees in thousands)	March 31, 2014	March 31, 2015 (Rupees in thousands)	March 31, 2014
Profit after taxation	1,487,754	1,053,984	677,946	455,590
Other comprehensive income				
<i>Item to be reclassified to profit and loss account in subsequent periods:</i>				
Gain on revaluation of available for sale investments	(4,748)	25,086	(32,191)	16,014
Total comprehensive income for the period	<u>1,483,006</u>	<u>1,079,070</u>	<u>645,755</u>	<u>471,604</u>

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.



ASIF RIZVI
Chief Executive



MAZHAR VALJEE
Director


Thal Limited

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2015 (Un-audited)

	March 31, 2015	March 31, 2014
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,988,108	1,357,640
Adjustments for non-cash charges and other items:		
Depreciation	84,967	80,591
Finance costs	3,605	3,665
Profit earned on call deposits and short term investments	(62,373)	(61,249)
Profit earned on musharika certificates & treasury bills	(13,168)	-
Liabilities no longer payable written back	-	(182)
Gain on revaluation of investments at fair value through profit and loss	(32,751)	(49,129)
Dividend income	(469,066)	(351,135)
Reversal for impairment of debts	9,317	(23,801)
Provision for retirement benefits	3,255	1,659
Gain on disposal of property, plant and equipment	(5,957)	(5,757)
	(482,171)	(405,338)
	1,505,937	952,303
(Increase) / decrease in current assets		
Stores, spares and loose tools	(4,883)	(13,735)
Stock-in-trade	(148,701)	(894,950)
Trade debts	(528,044)	(463,671)
Loans, advances, deposits, prepayments and other receivables	(11,543)	32,288
Increase / (decrease) in current liabilities		
Trade and other payables	(146,352)	128,509
Sales tax payable	89,568	66,614
	(749,955)	(1,144,945)
Cash used in operations	755,982	(192,642)
Finance costs paid	(3,042)	(3,647)
Retirement benefits paid	(4,130)	(3,007)
Income tax paid	(295,115)	(309,299)
Net cash used in operating activities	453,695	(508,595)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(84,012)	(92,761)
Long term loans and deposits	1,401	702
Dividends received	469,066	351,135
Profit received	62,077	70,518
Proceeds from disposal of property, plant and equipment	9,769	7,219
Investment in equities	(385,829)	(104,500)
Short term investments purchased	(848,803)	299,980
Net cash (used in) / generated from investing activities	(776,331)	532,292
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid	(202,257)	(790,061)
Net cash used in financing activities	(202,257)	(790,061)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(524,893)	(766,364)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	2,129,337	1,520,124
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	1,604,444	753,760
Cash and bank balances	474,216	515,266
Short-term investments	1,140,558	250,000
Running finance	(10,330)	(11,506)
	1,604,444	753,760

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


ASIF RIZVI
Chief Executive


MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Issued, subscribed & paid-up capital	Reserves				Total equity
		Capital reserve	General reserve	Unappropriated profit	Gain /(Loss) on changes in fair value of available for sale investments	
Balance as at June 30, 2013 (Audited)	405,150	55,704	7,092,999	1,422,396	65,548	9,041,797
Profit for the period	-	-	-	1,053,984	-	1,053,984
Other comprehensive income	-	-	-	-	25,086	25,086
Total comprehensive income	-	-	-	1,053,984	25,086	1,079,070
Transfer to general reserve	-	-	814,000	(814,000)	-	-
Final dividend @ Rs. 7.50/= per share for the year ended June 30, 2013	-	-	-	(607,725)	-	(607,725)
Interim dividend @ Rs. 2.50/= per share for the year ended June 30, 2014	-	-	-	(202,575)	-	(202,575)
Balance as at March 31, 2014 (Un-audited)	405,150	55,704	7,906,999	852,080	90,634	9,310,567
Balance as at June 30, 2014 (Audited)	405,150	55,704	7,906,999	956,900	93,986	9,418,739
Profit for the period	-	-	-	1,487,754	-	1,487,754
Other comprehensive income	-	-	-	-	(4,748)	(4,748)
Total comprehensive income	-	-	-	1,487,754	(4,748)	1,483,006
Transfer to general reserve	-	-	754,000	(754,000)	-	-
Final dividend @ Rs. 2.50/= per share for the year ended June 30, 2014	-	-	-	(202,575)	-	(202,575)
Interim dividend @ Rs. 3.75/= per share for the year ending June 30, 2015	-	-	-	(303,863)	-	(303,863)
Balance as at March 31, 2015 (Un-audited)	405,150	55,704	8,660,999	1,184,216	89,238	10,395,307

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.


ASIF RIZVI
Chief Executive


MAZHAR VALJEE
Director

Thal Limited

SELECTED EXPLANATORY NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2015 (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 under the Companies Act, 1913 (now the Companies Ordinance, 1984) and is listed on the Karachi and Lahore Stock Exchanges.

The Company is engaged in the manufacture of jute goods, engineering goods, papersack and laminate sheets. The Jute operation is at Muzaffargarh, engineering operation at Karachi, papersack operation at Hub and Gadoon and laminate operation located at Hub. The registered office of the Company is situated at 4th Floor, House of Habib, 3 Jinnah Co-operative Housing Society, Block 7/8, Sharaf Faisal, Karachi.

- 1.2 This condensed interim financial information is separate financial information 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 This condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 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 does not include all the information and disclosure required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2014.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2014 except that the Company has adopted certain amended International Financial Reporting Standards (as referred to in note 6 to the financial statements for the year ended June 30, 2014 other than those yet to be notified by the SECP for the purpose of applicability in Pakistan). The adoption of such amended standards and interpretation did not have any effect on this condensed interim financial information.

4 PROPERTY, PLANT AND EQUIPMENT

	Note	March 31, 2015 (Un-audited) (Rupees in thousands)	June 30, 2014 (Audited)
Operating fixed assets	4.1	592,657	597,311
Capital work-in-progress	4.2	2,709	11,319
		<u>595,366</u>	<u>608,630</u>

Thal Limited

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

	Additions at cost		Deletions on book value	
	Nine months ended March 31,		Nine months ended March 31,	
	2015	2014	2015	2014
	(Un-audited)		(Un-audited)	
	------(Rupees in thousands)-----			
Land - Freehold	-	-	-	650
Plant and machinery	36,387	72,295	-	158
Furniture and fittings	747	430	-	-
Vehicles	22,686	7,421	3,798	629
Office and mills equipment	2,318	2,699	14	25
Computer equipment	18,837	1,728	-	-
Jigs and fixtures	2,590	3,121		
	<u>83,565</u>	<u>87,694</u>	<u>3,812</u>	<u>1,462</u>

4.2 During the period, capital work in progress amounting to Rs. 42.068 million (March 31, 2014 : Rs. 66.648 million) was transferred to owned assets.

5 INTANGIBLE ASSETS

Softwares	<u>9,057</u>	<u>-</u>	<u>-</u>	<u>-</u>
		Note	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
			(Rupees in thousands)	

6 LONG-TERM INVESTMENTS

Investment in related parties

Subsidiaries, un-quoted - at cost

Noble Computer Services (Private) Limited	1,086	1,086
Pakistan Industrial Aids (Private) Limited	10,000	10,000
Habib METRO Pakistan (Private) Limited	2,789,223	2,789,223
A-One Enterprises (Private) Limited	61,395	61,395
Thal Boshoku Pakistan (Private) Limited	104,500	104,500
Makro Habib Pakistan Limited	223,885	223,885
Thal Power (Private) Limited	100	-
	<u>3,190,189</u>	<u>3,190,089</u>

Associates - at cost

Quoted

Indus Motor Company Limited	48,900	48,900
Habib Insurance Company Limited	561	561
Agriauto Industries Limited	9,473	9,473
Shabbir Tiles and Ceramics Limited	21,314	15,585
	<u>80,248</u>	<u>74,519</u>

Un-Quoted

METRO Habib Cash & Carry Pakistan (Private) Limited	6.1	284,105	284,105
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Other investments - available for sale

Quoted - at fair value

Habib Sugar Mills Limited	59,200	68,142
GlaxoSmithKline (Pakistan) Limited	294	279
Dynea Pakistan Limited	43,750	36,773
Allied Bank Limited	17,202	-
	<u>120,446</u>	<u>105,194</u>

Un-Quoted - at cost

Sindh Engro Coal Mining Company Limited	360,000	-
	<u>4,034,988</u>	<u>3,653,907</u>

Thal Limited

- 6.1 The Company holds a put option with respect to its holding in MHCCP whereby, if MHCCP does not achieve specified financial performance targets, the Company may require Metro Cash and Carry International Holding BV to acquire the shares of MHCCP at a price to be determined on the basis of a predefined mechanism. The put option is exercisable from June 27, 2014 to June 26, 2019 subject to certain conditions.

	Note	March 31, 2015 (Un-audited) (Rupees in thousands)	June 30, 2014 (Audited)
7 STOCK-IN-TRADE			
Raw material			
In hand		1,988,034	2,146,446
In transit		362,093	314,131
Work-in-process		191,938	171,239
Finished goods		697,893	459,441
	7.1	<u>3,239,958</u>	<u>3,091,257</u>

- 7.1 This includes items amounting to Rs. 641.489 million (June 30, 2014 : Rs. 793.164) carried at net realizable value. [Cost Rs. 699.681 million (June 30, 2014 : Rs. 841.973 million)]

8 SHORT TERM INVESTMENTS

- 8.1 This includes investment in Term Deposit Receipts amounting to Rs. 807.656 million (June 30, 2014: Rs. 1,701.358 million), Government Treasury Bills amounting to Rs.347.535 million (June 30, 2014: NIL) and mutual funds amounting to Rs. 881.554 million (June 30, 2014: NIL).
- 8.2 Term deposit receipts include Rs. 705.878 million (June 30, 2014: Rs. 1,701.358 million) maintained with related party.

9 INCOME TAX - NET

Group tax relief adjustments	9.1	593,466	593,466
Income tax provisions less tax payments - net		<u>(561,864)</u>	<u>(299,998)</u>
		<u>31,602</u>	<u>293,468</u>

- 9.1 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 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.

There was no change in the status of assessments of the Company for the tax years 2008 to 2010 as reported in the annual financial statements for the year ended June 30, 2014.

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There were no major changes in the status of contingencies as reported in the annual financial statements for the year ended June 30, 2014 except the following:

- 10.1.1 Letter of guarantees issued by banks on behalf of the company amounts to Rs. 26.904 million (June 30, 2014 : Rs. 24.075 million).

- 10.1.2 Post dated cheques issued to Collector of Customs amounts to Rs. 185.288 million (June 30, 2014 : Rs. 218.276 million).

10.2 Commitments

- 10.2.1 Letter of credits outstanding for raw material and spares amounts to Rs. 567.507 million (June 30, 2014 : Rs. 996.761 million).

- 10.2.2 Commitments in respect of capital expenditure are NIL (June 30, 2014 : Rs. 12.294 million).

- 10.2.3 Commitments for rentals under ljarah agreements in respect of vehicles amount to Rs. 3.807 million (June 30, 2014: 11.305 million).

Thal Limited

11 OTHER INCOME

This includes dividend income amounting to Rs. 469.066 million (March 31, 2014: 351.135 million) and profit on call deposits & short term investments amounting to Rs. 62.373 million (March 31, 2014: Rs. 61.249 million).

12 BASIC AND DILUTED EARNINGS PER SHARE

Profit after taxation

Nine months ended	
March 31, 2015	March 31, 2014
(Un-audited)	
(Rupees in thousands)	

1,487,754	1,053,984
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Number of shares in thousands

Weighted average number of ordinary shares of Rs. 5/- each in issue

81,030	81,030
--------	--------

Rupees

Basic and diluted earnings per share

18.36	13.01
-------	-------

13 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions with related parties during the period are as follows:

Transactions

Sales
Professional Services acquired
Insurance premium
Purchase of assets
Purchase of goods
Insurance claim received
Mark-up and bank charges paid
Profit received
Supplies purchased
Contribution to provident fund
Contribution to retirement benefit fund
Rent paid
Rent received
Key management personnel remuneration

5,942,899	3,560,102
60,773	60,456
19,306	22,996
16,536	175
119,440	62,581
9,094	1,090
3,355	4,107
62,093	61,234
22,744	17,212
29,113	31,063
3,634	1,808
800	300
3,768	2,094
76,409	78,688

March 31, 2015	June 30, 2014
(Un-audited)	(Audited)
(Rupees in thousands)	

Balances

Trade debts
Other receivables
Bank balances
Trade and other payables
Short term borrowings

431,072	44,234
602	850
411,961	352,496
15,715	6,029
9,901	4,972

13.1 The investments in related parties are disclosed in note 6 and 8 of the condensed interim financial information.

Thal Limited

14 NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of directors of the Company has proposed and approved 2nd interim cash dividend of Rs. 3.75 per share for the nine months ended March 31, 2015, in its meeting held on April 29, 2015.

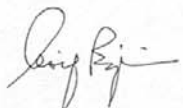
15 GENERAL

15.1 Figures have been rounded off to the nearest thousands.

15.2 Corresponding figures have been re-arranged and reclassified, wherever necessary. However, there were no significant reclassification / rearrangement to report.

16 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 29, 2015 by the Board of Directors of the Company.



ASIF RIZVI
Chief Executive



MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2015

	Note	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
(Rupees in thousands)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	4	1,295,885	1,359,936
Intangible assets	5	8,977	379
Investment property		7,240,436	7,432,450
Long-term investments	6	1,978,404	1,565,041
Long-term loans and deposits		11,715	10,282
Long-term prepayments		58,210	65,002
Deferred tax asset - net		39,970	26,754
		<u>10,633,597</u>	<u>10,459,844</u>
CURRENT ASSETS			
Stores, spares and loose tools		96,183	85,756
Stock-in-trade	7	3,550,940	3,386,559
Trade debts		1,507,114	942,975
Loans, advances, deposits, prepayments and other receivables		183,437	140,460
Short-term investments	8	3,661,340	3,121,623
Accrued profit		3,249	2,961
Income Tax - net	9	5,581	296,027
Sales tax refundable		-	83,505
Cash and bank balances		798,753	520,971
		<u>9,806,597</u>	<u>8,580,837</u>
TOTAL ASSETS		<u>20,440,194</u>	<u>19,040,681</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
100,000,000 (June 30, 2014: 100,000,000) ordinary shares of Rs.5 each		<u>500,000</u>	<u>500,000</u>
Issued, subscribed and paid-up capital		405,150	405,150
81,029,909 (June 30, 2014: 81,029,909) ordinary shares of Rs. 5/- each			
Share deposit money		12	12
Reserves		<u>11,718,554</u>	<u>10,542,041</u>
Equity attributable to equity holders' of the parent		<u>12,123,716</u>	<u>10,947,203</u>
Non-controlling interest		<u>5,785,677</u>	<u>5,664,797</u>
		<u>17,909,393</u>	<u>16,612,000</u>
NON-CURRENT LIABILITIES			
Long term deposits		309,593	308,119
CURRENT LIABILITIES			
Trade and other payables		2,078,744	2,032,477
Short-term borrowings		79,239	74,059
Deferred income		27,942	13,995
Accrued markup		106	31
Sales tax payable		35,177	-
		<u>2,221,208</u>	<u>2,120,562</u>
CONTINGENCIES AND COMMITMENTS	10	-	-
TOTAL EQUITIES AND LIABILITIES		<u>20,440,194</u>	<u>19,040,681</u>

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


ASIF RIZVI
Chief Executive

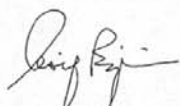

MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE NINE MONTHS ENDED MARCH 31, 2015 (Un-audited)

	Note	Nine months ended		Quarter ended	
		March 31, 2015 (Rupees in thousands)	March 31, 2014 (Rupees in thousands)	March 31, 2015 (Rupees in thousands)	March 31, 2014 (Rupees in thousands)
Revenue - net		13,416,970	10,442,274	5,099,702	3,952,242
Cost of sales		11,081,384	8,858,191	4,041,463	3,228,459
Gross Profit		2,335,586	1,584,083	1,058,239	723,783
Distribution costs		(183,464)	(132,223)	(69,953)	(44,761)
Administrative expenses		(908,189)	(820,204)	(290,328)	(251,154)
		(1,091,653)	(952,427)	(360,281)	(295,915)
Other income	11	1,365,507	1,235,523	450,619	391,762
Operating Profit		2,609,440	1,867,179	1,148,577	819,630
Finance costs		(14,329)	(4,000)	(4,283)	(1,493)
Other charges		(167,206)	(101,210)	(75,824)	(40,064)
		(181,535)	(105,210)	(80,107)	(41,557)
		2,427,905	1,761,969	1,068,470	778,073
Share of net profit / (loss) of associates - after tax		268,642	(83,615)	136,466	(32,540)
Profit before taxation		2,696,547	1,678,354	1,204,936	745,533
Taxation		(767,171)	(548,700)	(333,752)	(237,012)
Profit after taxation		1,929,376	1,129,654	871,184	508,521
Attributable to:					
- Equity holders of the Holding Company		1,689,195	952,320	781,785	448,398
- Non-controlling interest		240,181	177,334	89,399	60,123
		1,929,376	1,129,654	871,184	508,521
		Rupees	Rupees	Rupees	Rupees
Basic and diluted earnings per share attributable to the equity holders of the Holding Company	12	20.85	11.75	9.65	5.53

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



ASIF RIZVI
Chief Executive



MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED MARCH 31, 2015 (Un-audited)

	Nine months ended		Quarter ended	
	March 31, 2015 (Rupees in thousands)	March 31, 2014	March 31, 2015 (Rupees in thousands)	March 31, 2014
Profit after taxation	1,929,376	1,129,654	871,184	508,521
Other comprehensive income				
<i>Items to be reclassified to profit and loss account in subsequent periods:</i>				
Share of unrealised gain on revaluation of foreign exchange contracts of an associate	-	1,448	-	-
Gain on revaluation of available for sale investments	(6,080)	19,649	(32,191)	16,577
	(6,080)	21,097	(32,191)	16,577
<i>Items not to be reclassified to profit and loss account in subsequent periods:</i>				
Share of actuarial loss on remeasurement of defined benefit plans of associates	(146)	-	(52)	-
Total comprehensive income for the period, net of tax	<u>1,923,150</u>	<u>1,150,751</u>	<u>838,941</u>	<u>525,098</u>
Attributable to:				
- Equity holders of the Holding Company	1,682,969	973,417	749,542	464,975
- Non-controlling interest	240,181	177,334	89,399	60,123
	<u>1,923,150</u>	<u>1,150,751</u>	<u>838,941</u>	<u>525,098</u>

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


ASIF RIZVI
Chief Executive


MAZHAR VALJEE
Director


Thal Limited

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED MARCH 31, 2015 (Un-audited)

	March 31, 2015	March 31, 2014
	(Rupees in thousands)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,696,547	1,678,354
Adjustments for non-cash charges and other items:		
Depreciation and Amortization	335,876	316,014
Share in (profit) / loss of associates - after taxation	(268,642)	83,615
Finance costs	13,905	3,956
Profit earned on call deposits and short term investments	(191,689)	(120,604)
Profit earned on musharika certificates & treasury bills	(13,168)	-
Liabilities no longer payable written back	-	(182)
Gain on revaluation of investments at fair value through profit and loss	(32,751)	(55,870)
Dividend income	(5,586)	(6,714)
Reversal of provision for impairment of trade debts - net	9,317	(23,801)
Provision for retirement benefits	3,255	1,659
Gain on disposal of property, plant and equipment	(6,325)	(6,543)
	<u>(155,808)</u>	<u>191,531</u>
	2,540,739	1,869,885
(Increase) / decrease in current assets		
Stores, spares and loose tools	(10,385)	(13,926)
Stock-in-trade	(164,381)	(905,645)
Trade debts - unsecured, considered good	(573,456)	(471,357)
Loans, advances, deposits, prepayments and other receivables	17,469	(13,134)
Deferred income	2,924	976
Increase / (decrease) in current liabilities		
Trade and other payables	(244,558)	158,705
Sales tax payable	85,611	20,243
	<u>(886,776)</u>	<u>(1,224,138)</u>
Cash generated from operations	1,653,963	645,746
Finance costs paid	(13,342)	(3,938)
Retirement benefits paid	(4,130)	(3,007)
Income tax paid	(515,297)	(567,684)
Net cash used in operating activities	1,121,194	71,117
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(95,013)	(267,089)
Long term loans and deposits	1,401	(10,125)
Dividends received	240,351	233,192
Profit received on call deposits and short term investments	173,644	127,929
Proceeds from disposal of property, plant and equipment	12,929	10,498
Investment in equities	(385,729)	-
Short term investments purchased	(1,519,941)	(60,694)
Net cash (used in) / generated from investing activities	(1,572,358)	33,711
CASH FLOWS FROM FINANCING ACTIVITIES		
Issue of share capital	-	85,500
Dividends paid	(321,559)	(1,015,539)
Long term deposit	1,474	294
Net cash used in financing activities	(320,085)	(929,745)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(771,249)	(824,917)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	3,485,415	2,444,087
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>2,714,166</u>	<u>1,619,170</u>
Cash and bank balances	798,753	607,676
Short term investments	1,994,652	1,023,000
Short-term running finance	(79,239)	(11,506)
	<u>2,714,166</u>	<u>1,619,170</u>

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


ASIF RIZVI
Chief Executive


MAZHAR VALJEE
Director

Thal Limited

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED MARCH 31, 2015

	Issued, subscribed & paid-up capital	Share deposit money	RESERVES					Non- controlling interest	Total equity
			Capital reserve	General reserve	Unappropriated profit	Unrealised gain/(loss) on hedging instruments	Gain/(Loss) on changes in fair value of available for sale investments		
Balance as at June 30, 2013 (Audited)	405,150	12	67,929	7,134,874	2,988,785	(1,448)	71,920	5,501,071	16,168,293
Profit for the period	-	-	-	-	952,320	-	-	177,334	1,129,654
Other comprehensive income	-	-	-	-	-	1,448	19,649	-	21,097
Total comprehensive income	-	-	-	-	952,320	1,448	19,649	177,334	1,150,751
Transfer to general reserve	-	-	-	814,000	(814,000)	-	-	-	-
Final dividend @ Rs. 7.5/- per share for the year ended June 30, 2013	-	-	-	-	(607,725)	-	-	-	(607,725)
Interim dividend @ Rs. 2.5/- per share for the year ended June 30, 2014	-	-	-	-	(202,575)	-	-	-	(202,575)
Subsidiary Company									
Final dividend @ Rs. 0.31/- per share	-	-	-	-	-	-	-	(42,171)	(42,171)
Interim dividend @ Rs. 0.268/- per share	-	-	-	-	-	-	-	(36,457)	(36,457)
Interim dividend @ Rs. 0.262/- per share	-	-	-	-	-	-	-	(35,641)	(35,641)
Non controlling interest arising on investment in subsidiary	-	-	-	-	-	-	-	85,500	85,500
Balance as at March 31, 2014 (Un-audited)	405,150	12	67,929	7,948,874	2,316,805	-	91,569	5,649,636	16,479,975
Balance as at June 30, 2014 (Audited)	405,150	12	67,929	7,948,874	2,429,917	-	95,321	5,664,797	16,612,000
Profit for the period	-	-	-	-	1,689,195	-	-	240,181	1,929,376
Other comprehensive income	-	-	-	-	-	-	(6,226)	-	(6,226)
Total comprehensive income	-	-	-	-	1,689,195	-	(6,226)	240,181	1,923,150
Transfer to general reserve	-	-	-	754,000	(754,000)	-	-	-	-
Final dividend @ Rs. 2.5/- per share for the year ended June 30, 2014	-	-	-	-	(202,575)	-	-	-	(202,575)
Interim dividend @ Rs. 3.75/- per share for the year ending June 30, 2014	-	-	-	-	(303,863)	-	-	-	(303,863)
Share issue costs	-	-	(18)	-	-	-	-	-	(18)
Subsidiary Company									
Final dividend @ Rs. 0.242 per share	-	-	-	-	-	-	-	(32,919)	(32,919)
Interim dividend @ Rs. 0.323 per share	-	-	-	-	-	-	-	(43,939)	(43,939)
Interim dividend @ Rs. 0.312 per share	-	-	-	-	-	-	-	(42,443)	(42,443)
Balance as at March 31, 2015 (Un-audited)	405,150	12	67,911	8,702,874	2,858,674	-	89,095	5,785,677	17,909,393

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


ASIF RIZVI
Chief Executive


MAZHAR VALJEE
Director

Thal Limited

SELECTED EXPLANATORY NOTES TO AND FORMING PART OF THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2015 (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 under the Companies Act, 1913 (now the Companies Ordinance, 1984) and is listed on the Karachi and Lahore Stock Exchanges.

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 and Thal Power (Private) Limited.

Noble Computer Services (Private) Limited is engaged in providing share registrar and related accounting services, share floatation services, data entry services and internal audit 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 owns a land at Multan road, Lahore.

Habib METRO Pakistan (Private) Limited, 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 was incorporated on July 3, 2014 and has not yet commenced its operations.

These subsidiaries have been consolidated in this condensed interim consolidated financial information.

2 BASIS OF PREPERATION

This condensed interim consolidated financial information has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 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.

This condensed interim consolidated financial information does not include all the information and disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's annual financial statements for the year ended June 30, 2014.

3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim consolidated financial information are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended June 30, 2014 except that the Group has adopted certain amended International Financial Reporting Standards (as referred to in note 7 to the consolidated financial statements for the year ended June 30, 2014 other than those yet to be notified by the SECP for the purpose of applicability in Pakistan). The adoption of such amended standards and interpretation did not have any effect on this condensed interim consolidated financial information.

Thal Limited

4 PROPERTY, PLANT AND EQUIPMENT

	Note	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
(Rupees in thousands)			
Operating fixed assets	4.1	1,293,035	1,182,036
Capital work-in-progress	4.2	2,850	177,900
		<u>1,295,885</u>	<u>1,359,936</u>

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

	Additions at cost		Deletions at book value	
	Nine months ended March 31,		Nine months ended March 31,	
	2015	2014	2015	2014
	(Un-audited)		(Un-audited)	
	----- (Rupees in thousands) -----			
Land - Freehold	-	-	-	650
Building on freehold land	15,490	-	-	-
Plant and machinery	129,382	134,232	-	144
Furniture and fittings	1,308	750	-	74
Vehicles	29,031	8,094	6,576	2,573
Office and mills equipment	7,592	4,196	18	50
Computer equipment	21,346	2,532	10	3
Jigs and Fixtures	52,009	40,900	-	-
	256,158	190,704	6,604	3,494

4.2 During the period, capital work in progress amounting to Rs. 208.508 million (March 31, 2014 : 66.648) was transferred to owned assets.

5 INTANGIBLE ASSETS

Softwares	<u>9,503</u>	<u>-</u>	<u>-</u>	<u>-</u>
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6 LONG-TERM INVESTMENTS

Associates - stated as per equity method

Quoted

Indus Motor Company Limited
Habib Insurance Company Limited
Agriauto Industries Limited
Shabbir Tiles and Ceramics Limited

Un-Quoted

METRO Habib Cash & Carry Pakistan (Private) Limited

Other investments - available for-sale

Quoted - at fair value

Habib Sugar Mills Limited
GlaxoSmithKline (Pakistan) Limited
Dynea Pakistan Limited
Allied Bank Limited

Un-Quoted - at cost

Sindh Engro Coal Mining Company Limited

Note
March 31,
2015
(Un-audited)
(Rupees in thousands)
June 30,
2014
(Audited)

1,221,859	1,142,528
39,327	41,431
210,706	199,090
26,066	20,552

6.1	-	56,246
	<u>1,497,958</u>	<u>1,459,847</u>

59,200	68,142
294	279
43,750	36,773
17,202	-
<u>120,446</u>	<u>105,194</u>

360,000	-
<u>1,978,404</u>	<u>1,565,041</u>

Thal Limited

- 6.1 The Group holds a put option with respect to its holding in MHCCP whereby, if MHCCP does not achieve specified financial performance targets, the Company may require Metro Cash and Carry International Holding BV to acquire the shares of MHCCP at a price to be determined on the basis of a predefined mechanism. The put option is exercisable from June 27, 2014 to June 26, 2019 subject to certain conditions.

	Note	March 31, 2015 (Un-audited) (Rupees in thousands)	June 30, 2014 (Audited)
7 STOCK-IN-TRADE			
Raw material			
In hand		2,039,226	2,182,610
In transit		377,538	330,713
		2,416,764	2,513,323
Work-in-process		191,938	171,239
Finished goods		948,664	707,923
Provision for obsolescence and shrinkage		(6,426)	(5,926)
		942,238	701,997
	7.1	3,550,940	3,386,559

- 7.1 This includes items amounting to Rs. 661.339 million (June 30, 2014 : Rs. 814.864) carried at net realizable value. [Cost Rs. 726.058 million (June 30, 2014 : Rs. 869.673 million)]

8 SHORT TERM INVESTMENTS

- 8.1 This includes investment Term Deposit Receipts amounting to Rs. 1,634.272 million (June 30, 2014 : Rs. 2,999.813 million), Government Treasury bills amounting to Rs. 347.535 million (June 30, 2014: NIL) and mutual funds amounting to Rs. 1,657.742 million (June 30, 2014: NIL).
- 8.2 Term deposit receipts include Rs. 1,532.494 million (June 30, 2014: Rs. 2,998.409 million) maintained with related party.

9 INCOME TAX - Net

Group tax relief adjustments	9.1	593,466	593,466
Income Tax provision less tax payments - net		(587,885)	(297,439)
		5,581	296,027

- 9.1 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.

There was no change in the status of assessments of the holding Company for the tax years 2008 to 2010 as reported in the annual financial statements for the year ended June 30, 2014.

10 CONTINGENCIES AND COMMITMENTS

10.1 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, 2014 other than the following:

- 10.1.1 Letter of guarantees issued by banks on behalf of the Group amounts to Rs. 35.659 million (June 30, 2014 : Rs. 29.859 million).
- 10.1.2 Post dated cheques issued to collector of Customs amounts to Rs. 185.288 million (June 30, 2014 : Rs. 218.276 million)

10.2 Commitments

- 10.2.1 Letter of credits outstanding for raw material and spares amounts to Rs. 616.662 million (June 30, 2014 : Rs. 1,028.488 million).
- 10.2.2 Commitments in respect of capital expenditure amounts to NIL (June 30, 2014: Rs. 18.532 million).
- 10.2.3 Commitments for rentals under ijarah agreements in respect of vehicles amount to Rs. 3.807 million (June 30, 2014 : Rs. 11.305 million).
- 10.2.4 Commitments for rentals under operating lease agreements in respect of Land amount to Rs. 3,063.182 million (June 30, 2014 : Rs. 3,182.566 million)

Thal Limited

11 OTHER INCOME

This includes rental income from investment property amounting to Rs. 937.341 million (March 31, 2014: Rs. 871.631 million) and profit on call deposits & short term investments amounting to Rs. 191.689 million (March 31, 2014: Rs. 120.604 million).

Nine months ended	
March 31, 2015	March 31, 2014
(Un-audited)	
(Rupees in thousands)	

12 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	1,689,195	952,320
	Number of shares in thousands	
Weighted average number of ordinary shares of Rs. 5/- each in issue	81,030	81,030
	Rupees	
Basic and diluted earnings per share	20.85	11.75

13 TRANSACTIONS WITH RELATED PARTIES

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

Transactions

Sales	6,096,850	3,596,686
Professional Services rendered	97,906	159,225
Rental Income	932,453	895,842
Insurance premium	21,177	23,826
Purchase of assets	21,141	175
Purchase of goods	106,153	85,928
Insurance claim received	9,094	1,890
Mark-up and bank charges paid	10,728	4,137
Profit received	142,108	107,508
Supplies purchased	956	1,061
Licence fee, signage and others	2,250	1,788
Operational Fee	64,991	-
Rent paid	1,750	775
Contribution to provident fund	33,617	34,795
Contribution to retirement benefit fund	3,634	1,808
Key management personnel remuneration	109,631	105,388

Balances

	March 31, 2015 (Un-audited)	June 30, 2014 (Audited)
(Rupees in thousands)		
Trade debts	465,362	51,457
Other receivables	385	907
Bank balances	660,456	377,927
Trade and other payables	14,212	1,095
Short term borrowings	78,810	73,693

13.1 The investments in related parties are disclosed in note 6 and 8 of the condensed interim consolidated financial information.

10

[illegible]

SALES REVENUE	7,447,795	4,823,489	4,020,847	3,653,233	2,073,896	2,046,587	(13,416,970)	(10,442,274)
SEGMENT RESULT	1,706,312	1,008,172	229,572	258,708	759,345	697,100	-	1,963,980

1.929.376	1.129.654
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[illegible]

SALES REVENUE	2,955,192	1,910,796	1,521,728	1,408,740	661,683	662,505	(38,901)	(29,799)	5,099,702	3,952,242
SEGMENT RESULT	769,718	491,724	141,311	128,190	274,753	237,274	-	-	1,185,762	857,188

Taxation

871.184	508.521
(333,132)	(237,012)

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 share registrar & management services.

Thal Limited

15 NON ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of directors of the Holding Company has proposed and approved an 2nd interim cash dividend of Rs. 3.75 per share for the nine months ended March 31, 2015, in its meeting held on April 29, 2015.

16 GENERAL

16.1 Figures have been rounded off to the nearest thousands.

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

17 DATE OF AUTHORISATION FOR ISSUE

This condensed interim consolidated financial information was authorised for issue on April 29, 2015 by the Board of Directors of the Holding Company.



ASIF RIZVI
Chief Executive



MAZHAR VALJEE
Director

CORPORATE INFORMATION

Board of Directors:

Rafiq M. Habib	Chairman
Sohail P. Ahmed	Vice Chairman
Asif Rizvi	Chief Executive
Ali S. Habib	Non-Executive Director
Mohamedali R. Habib	Non-Executive Director
Mazhar Valjee	Non-Executive Director
Asif Qadir	Independent Director

Chief Financial Officer:

Shahid Saleem

Company Secretary:

Ali Asghar Moten

Audit Committee:

Asif Qadir	Chairman - Independent
Mohamedali R. Habib	Member
Mazhar Valjee	Member
Sohail P. Ahmed	Member

Human Resource & Remuneration Committee:

Mazhar Valjee	Chairman
Ali S. Habib	Member
Asif Rizvi	Member

External Auditors:

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants

Legal Advisors:

A. K. Brohi & Co., Karachi
K. A. Wahab & Co., Karachi
Fazal-e-Ghani Advocates, Karachi

Tax Advisors:

Ernst & Young Ford Rhodes Sidat Hyder

Bankers:

Albaraka Islamic Bank
Bank Al-Habib Limited
Barclays Bank, PLC Pakistan
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
United Bank Limited

Registered Office:

4th Floor, House of Habib
3-Jinnah Cooperative Housing Society, Block 7/8
Sharae Faisal, Karachi - 75350
PABX: 92(21) 3431-2030, 3431-2185
Fax: 92(21) 3431-2318, 3439-0868
E-mail: tl@hoh.net
Web: www.thallimited.com

Share Registrar:

Noble Computer Services (Private) Limited
1st Floor, House of Habib
3-Jinnah Cooperative Housing Society, Block 7/8
Shahra-e-Faisal, Karachi - 75350
PABX: 92(21) 3432-5482-87
Fax: 92(21) 3432-5442

