



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.

Condensed Interim Financial Information
First Quarter Ended (Un-audited)
September 30, 2013

Company Information

Board of Directors

Mr. Shams Raif
 Mr. Shaukat Shafi
 Mr. Ahmed Shafi
 Mr. Salman Raif
 Mr. Umer Shafi
 Mr. Muhammad Arshad
 Mr. Masood A. Sheikh

(Chief Executive)

Audit Committee

Mr. Shaukat Shafi
 Mr. Salman Raif
 Mr. Masood A. Sheikh

(Chairman)
 (Member)
 (Member)

Company Secretary

Mr. Masood A. Sheikh

Auditors

Riaz Ahmed & Company
 Chartered Accountants

Legal Advisor

Ghani Law Associate
 Mr. Anser Mukhtar

Bankers

Habib Bank Limited
 National Bank of Pakistan
 Bank Al-Habib Limited
 Standard Chartered Bank (Pakistan) Limited
 Habib Metropolitan Bank Limited
 NIB Bank Limited
 Emirates Global Islamic Bank Limited

Registered Office

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

Mills

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

Directors' Report To The Share Holders

On behalf of the Board of Directors of the Company, I am pleased to present the results for the First Quarter ending September 30, 2013.

Both raw cotton prices and yarn demand remained stable during the period under review. Liquidity constraints, however, prevented the Company from operating at maximum capacity. Management is making all efforts to improve cash flows and all resources are being deployed to ensure that production and revenue are significantly enhanced going forward.

A drop in sales during the quarter caused a gross loss of 10.17%. Most expenses remained at the level of the comparative period of the previous years. Financial costs were reduced to 1.06% of sales.

The upward inflationary trend and inconsistent energy supply are looming threats for the rest of this financial year. The Management is confident that we will meet these challenges head-on and improve results for the remaining three quarters.

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

For and on behalf of Board of Directors



Shams Raif
 Chief Executive

November 30, 2013
 Karachi.

Balance Sheet - Un Audited

	Note	
	September 30, 2013	June 30, 2013
	Rupees	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized 34,000,000 (June 30, 2013: 34,000,000) ordinary shares of Rs. 10 each	340,000,000	340,000,000
Issued, subscribed and paid up share capital	324,912,050	324,912,050
Reserve	(380,512,759)	(363,938,383)
Shareholders' equity	(55,600,709)	(39,026,333)
Surplus on revaluation of Property, Plant & Equipment	567,020,706	567,736,264
Surplus on revaluation of Investment Property	19,664,538	19,664,538
NON-CURRENT LIABILITIES		
Long term finances	58,487,923	56,773,900
Deferred liability	56,766,301	56,073,340
Total non-current liabilities	115,254,224	112,847,240
CURRENT LIABILITIES		
Trade and other payables	188,622,630	183,784,721
Accrued mark-up	30,811,794	30,552,745
Short term borrowing	1,694,812	19,781,976
Current and overdue portion of long term liabilities	25,483,808	25,483,808
Provisions	9,928,940	9,928,940
Provision for taxation	4,689,698	3,964,909
Total current liabilities	261,231,682	273,497,099
Contingencies and commitments	4	-
Total equity and liabilities	<u>907,570,441</u>	<u>934,718,808</u>



Shams Rafi
Chief Executive

3

As at September 30, 2013

	Note	
	September 30, 2013	June 30, 2013
	Rupees	Rupees
ASSETS		
NON-CURRENT ASSETS		
Fixed assets		
Property, plant and equipments	592,863,515	596,324,792
Capital working in progress - plant and machinery	5,000,000	5,000,000
Investment property	23,940,655	23,940,655
Long term investments	520,000	520,000
Long term loans	1,029,406	1,005,306
Long term deposits	710,722	710,722
Total non-current assets	<u>624,064,298</u>	<u>627,501,475</u>
CURRENT ASSETS		
Stores and spares	2,504,765	2,518,179
Stock in trade	4,975,737	41,079,450
Trade debtors	195,816,792	185,750,106
Loan and advance	3,221,339	1,436,867
Short term deposits, prepayments and receivables	19,650,601	18,083,146
Short term investments	46,610,334	49,396,954
Advance income tax and refund	8,092,265	7,808,618
Cash and bank balances	2,634,310	1,144,013
Total current assets	283,506,143	307,217,333
Total assets	<u>907,570,441</u>	<u>934,718,808</u>

The annexed notes form an integral part of these financial statements.



Shaukat Shafi
Director

4

Condensed Interim Profit & Loss Account (Un-audited)

For The Period Ended September 30, 2013

	Note	
	July 01, 2013 to September 30, 2013 Rupees	July 01, 2012 to September 30, 2012 Rupees
Sales - net	72,478,870	109,989,485
Cost of sales	5 79,849,536	100,400,255
Gross (loss)/profit	(7,370,667)	9,589,230
Operating expenses		
Administrative	5,252,692	4,445,314
Distribution	342,691	127,418
	5,595,383	4,572,732
Effect of fair value adjustment of interest free long term financing from directors	1,689,024	-
Operating profit before provisions and write offs	(14,655,073)	5,016,498
Other operating income	1,343,513	20,429,493
	(13,311,559)	25,445,991
Financial and other charges	769,956	450,221
	(14,081,515)	24,995,770
Share of profit/(Loss) in associated company	-	(2,376,493)
Profit / (Loss) before taxation	(14,081,515)	22,619,277
Provision for taxation	724,789	1,099,895
Profit / (Loss) after taxation	(14,806,304)	21,519,382
Earnings per share - Basic and diluted	(0.46)	0.66

The annexed notes form an integral part of these financial statements.



Shams Rafi
Chief Executive

5



Shaukat Shaif
Director

Condensed Interim Statement of Comprehensive Income (Un-audited)

For The Period Ended September 30, 2013

	Note	
	July 01, 2013 to September 30, 2013 Rupees	July 01, 2012 to September 30, 2012 Rupees
Profit/(Loss) after tax	(14,806,304)	21,519,382
Other Comprehensive income		
Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax	-	-
Fair value adjustment on available for sale investment	2,868,933	2,146,820
	2,868,933	2,146,820
Total comprehensive income	(11,937,371)	23,666,202

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



Shams Rafi
Chief Executive

6



Shaukat Shaif
Director

Condensed Interim Cash Flow Statement (Un-audited)
For The Period Ended September 30, 2013

Note July 01, 2013 to September 30, 2013
to September 30, 2012
Rupees Rupees

CASH FLOWS FROM OPERATING ACTIVITIES

Cash (used in) operating activities after working capital changes	6	20,979,311	758,466
Financial changes paid		(627,954)	(101,172)
Gratuity paid		(533,253)	(480,755)
Income tax paid		(283,647)	(2,305,112)

Net cash from operating activities

19,534,457 (2,128,573)

CASH FLOWS FROM INVESTING ACTIVITIES

Dividend received	43,003	42,053
Long term loans	-	24,487

43,003 66,540

CASH FLOWS FROM FINANCING ACTIVITIES

Long term loans	-	2,980,076
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Net cash used-in financing activities

- 2,980,076

Net increase in cash and cash equivalents

19,577,460 918,043

Cash and cash equivalents at the beginning of the period

(18,637,963) (1,688,399)

Cash and cash equivalents at the end of the half year

939,497 749,644

The annexed notes form an integral part of these financial statements.

Shams Rafi
Chief Executive

Shaukat Shaif
Director

Condensed Interim Statement of Changes In Equity (Un-audited)
For The Period Ended September 30, 2013

Share capital	Fair value reserve	Reserves Revenue			Sub Total	Total
		General reserves	Accumulated loss			

329,912,690 12,708,545 5,102,200 (49,896,102) (376,180,557) (5,126,507)

Balance as at June 30, 2012

Changes in equity for the period ended September 30, 2012

Other comprehensive income

Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax

21,519,381 21,519,381 21,519,381

Fair value adjustment on available for sale investment

1,810,140 1,810,140 1,810,140

Total other comprehensive income

23,329,521 23,329,521 23,329,521

Balance as at September 30, 2012

329,912,690 12,708,545 5,102,200 (41,566,581) (32,551,869) (27,938,869)

Changes in equity from October 01, 2012 to June 30, 2013

Profit after tax for the period ended June 30, 2013

Other comprehensive income

(35,000,200) (35,000,200) (35,000,200)

Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax

4,888,149 4,888,149 4,888,149

Fair value adjustment on available for sale investment

19,024,704 19,024,704 19,024,704

Total other comprehensive income

19,024,704 19,024,704 19,024,704

Total comprehensive income

4,888,149 4,888,149 4,888,149

Balance as at June 30, 2013

329,912,690 31,728,249 5,102,200 (46,678,632) (36,938,383) (39,026,533)

Changes in equity for the period ended September 30, 2013

Profit after tax for the period ended September 30, 2013

Other comprehensive income

(14,896,394) (14,896,394) (14,896,394)

Transferred from surplus on revaluation of fixed assets on account of incremental depreciation - net of tax

1,100,860 1,100,860 1,100,860

Fair value adjustment on available for sale investment

(2,868,933) (2,868,933) (2,868,933)

Total other comprehensive income

(1,768,073) (1,768,073) (1,768,073)

Total comprehensive income

(2,868,933) (2,868,933) (2,868,933)

Balance as at September 30, 2013

329,912,690 28,859,316 5,102,200 (46,034,070) (30,512,759) (35,000,709)

Shams Rafi
Chief Executive

Shaukat Shaif
Director

Selected Notes To The Condensed Interim Financial Information (Un-audited) For The Period Ended September 30, 2013

1. STATUS AND NATURE OF BUSINESS

The company was incorporated in Pakistan as a public limited company on December 12, 1973. The company obtained certificate of commencement of business in January 1974. Shares of the company are listed in Karachi, Lahore and Islamabad stock exchanges. 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 generates electricity for its own requirement. The registered office is located at 45-A, Off: Zafar Ali Road, Gulberg - V, Lahore whereas factory is located at B-28, Manghopir Road, S.I.T.E, Karachi.

2. BASIS OF PREPARATION

These unaudited financial statements are being presented and submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Accounting policies adopted for the preparation of these financial statements are consistent with those used in the preparation of annual accounts for the year ended June 30, 2013.

4. CONTINGENCIES AND COMMITMENTS

Contingencies

None

Commitments

None

5. COST OF SALES

	July 01, 2013 to September 30, 2013 Rupees	July 01, 2012 to September 30, 2012 Rupees
Finished stock - opening	1,234,651	1,067,838
Add: Cost of goods manufactured	5.1 79,821,756	100,436,036
	81,056,407	101,503,874
Less: Finished stock - closing	(1,206,871)	(1,103,620)
	<u>79,849,536</u>	<u>100,400,254</u>

9

5.1 Cost of goods manufactured

	July 01, 2013 to September 30, 2013 Rupees	July 01, 2012 to September 30, 2012 Rupees
Raw material consumed	48,673,199	75,267,335
Stores and spares	1,814,115	2,107,091
Salaries, wages and other benefits	13,759,617	12,313,741
Power and fuel	7,916,027	6,716,497
Depreciation	3,320,906	3,578,832
Other manufacturing expenses	1,578,679	1,280,466

Work-in-process

Opening	6,517,653	6,008,184
Closing	(3,758,439)	(6,836,110)
	<u>2,759,214</u>	<u>(827,926)</u>
	79,821,756	100,436,036

6. CASH (USED IN) OPERATING ACTIVITIES AFTER WORKING CAPITAL CHANGES

Profit before taxation	(14,081,515)	22,619,276
Add / (less) adjustments for:		
Depreciation	3,478,113	3,774,121
Provision for gratuity	1,462,180	2,071,048
Share of profit/(Loss) from associate	-	2,376,493
Dividend income	(43,003)	(42,053)
Provision for write off and write back	-	(19,019,924)
Imputed interest expense / (income) under IAS-39	1,689,024	-
Unrealized gain/(loss) on remeasurement of investment	(81,865)	(148,871)
Financial charges	769,956	450,221
	<u>7,274,404</u>	<u>(10,538,965)</u>
Net cash flow from operating activities before working capital changes	(6,807,111)	12,080,311
Working capital changes		
(Increase) / Decrease in current assets	13,414	44,480
Stores, spare parts and loose tools	36,103,713	(3,074,809)
Stock in trade		

10

	July 01, 2013 to September 30, 2013 Rupees	July 01, 2012 to September 30, 2012 Rupees
Trade debts	(24,422,586)	(23,874,100)
Loan and advances to employees	(1,534,472)	-
Advances, deposits, prepayments and other receivables	12,788,445	(385,919)
Increase / (Decrease) in current liabilities	4,837,909	15,968,503
Trade and other payable	27,786,422	(11,321,845)
Cash flows from operating activities after working capital changes	<u>20,979,311</u>	<u>758,466</u>

7 TRANSACTIONS WITH RELATED PARTIES

Sale of yarn	64,138,850	108,680,500
Insurance premium	653,276	556,835
Rental income	1,196,325	1,196,325

8. SEGMENT INFORMATION

8.1 The company has 02 reportable business segments. The following summary describes the operation in each of the company's reportable segments:

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.

8.2 Segment Results	Spinning		Power Generation		Elimination of Inter-segment transactions		Total Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	30 September 2013	30 September 2012	30 September 2013	30 September 2012	30 September 2013	30 September 2012	30 September 2013	30 September 2012
Sales	72,478,870	109,989,485	12,711,672	10,266,728	(12,711,672)	(10,266,728)	72,478,870	109,989,485
Cost of sales	(84,264,057)	(101,892,467)	(8,297,151)	(8,774,516)	12,711,672	10,266,728	(79,849,536)	(100,400,255)
Gross profit/(Loss)	(7,370,667)	8,097,018	4,414,521	1,492,212	-	-	(7,370,667)	9,589,230
Distribution cost	(342,691)	(127,418)	-	-	-	-	(342,691)	(127,418)
Administrative expenses	(5,210,457)	(4,355,112)	(42,235)	(90,202)	-	-	(5,252,692)	(4,445,314)
Profit/(Loss) before taxation and unallocated expenses and income	(5,553,148)	(4,482,530)	(42,235)	(90,202)	-	-	(5,595,383)	(4,572,732)
Unallocated income and expenses:	(12,923,814)	3,614,488	4,372,286	1,402,010	-	-	(12,966,049)	5,016,498
Finance cost							(769,956)	(450,221)
Fair value adjustment of interest free loan							(1,689,024)	-
Other operating income							1,343,513	20,429,493
Share of profit in associated companies							-	(2,376,493)
Taxation							(724,789)	(1,099,895)
Profit/(Loss) after taxation							<u>(14,806,304)</u>	<u>21,519,382</u>

8.2.1 The sales of yarn to a single customer amounts to Rupees 64.14 million (2012: Rupees 108.68 million) out of the total revenue/sales of the company. All the reported segments operate in same geographical location.

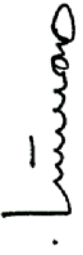
8.3 Segment Assets	Spinning		Power Generation		Total Company	
	30 September 2013 Rupees	30 September 2012 Rupees	30 September 2013 Rupees	30 September 2012 Rupees	30 September 2013 Rupees	30 September 2012 Rupees
	Segment assets	579,321,919	585,938,025	13,541,596	15,046,218	592,863,515
Unallocated assets					314,706,926	238,922,472
					<u>907,570,441</u>	<u>839,906,715</u>

9. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on November 30, 2013 by the Board of Directors of the company.

10. GENERAL

- 10.1 Corresponding figures have been rearranged or reclassified, wherever necessary, for the purpose of comparison.
- 10.2 Figures in these financial statements have been rounded off to the nearest rupee.



Shams Rafi
Chief Executive



Shaukat Shafi
Director