



**Quarterly
Accounts
(UN-AUDITED)
As at 30th September, 2018
(1st Quarter)**

SANA Industries Limited

33-D-2, Block 6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400
Phone: 021-34322556-9 Email: info@sana-industries.com

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COMPANY INFORMATION

Board of Directors

Mr.Mohammed Younus Nawab	- Chairman
Mr.Ibrahim Younus	- Director
Mr.Ismail Younus	- Director
Mr.Mohammed Faizanullah	- Director
Mr.Mohammed Khalid Yousuf	- Director
Hafiz Mohammed Irfan Nawab	- Chief Executive

Audit Committee

Mr.Mohammed Khalid Yousuf	- Chairman
Mr.Abdul Hameed	- Member
Mr.Mohammed Faizanullah	- Member and Secretary

Registered Office

33-D-2, Block 6, P.E.C.H.S P.O.Box No.10651, Karachi - 75700 Phone : 32561728 - 29 Fax : 32570833 E-mail : info@sanaindustries.com

Auditors

Muniff Ziauddin & Co. Chartered Accountants F/17/3, Business Executive Centre Block 8, Clifton, Karachi. Phone : 35375127 - 28 Fax : 35820325

Bankers

Habib Metropolitan Bank Limited Islamic Banking Branch, Jodia Bazar, Karachi. Phone : 32432528 - 30 Fax : 32432527

H.R. & Remuneration Committee

Mr.Mohammed Khalid Yousuf	- Chairman
Mr.Ibrahim Younus	- Member

C.F.O./Company Secretary

Mr.Abdul Hussain Antaria

Mills

B-186, Hub Industrial Trading Estate,
Hub Chowki, District Lasbela,
Balochistan.
Phone : 0853-363443 - 44
Fax : 0853-363422

Legal Advisors

Zaki & Co.,
Advocates
21-A, Wahab Arcade,
M.A.Jinnah Road,
Karachi.
Phone : 32628998 / 32628999

Share Registrars

Central Depository Co. of Pakistan Ltd.
Share Registrar Department
CDC House, 99-B, Block B, S.M.C.H.S.,
Karachi.
Phone : 111-111-500
Fax : 34326027

Website for financial data - <http://www.sana-industries.com/>

"DIRECTORS' REPORT

The Directors take pleasure in submitting the un-audited accounts, for the First Quarter ended 30th September, 2018, as required by the Securities and Exchange Commission of Pakistan, vide Circular No.2(52)SE/2001 dated 5/11/2001.

Alhamdo-Lillah, the results of the First quarter have shown improvement as compared to the 1st quarter of last year, due to prevailing market conditions and the Net Profit after tax of Rs.11.58 million for the previous corresponding quarter has enhanced to Rs.15.19 million. During the period under review, the 'consolidated' Net Loss, before tax, during the corresponding period of last year, amounting to Rs.6.53 million has been converted to a Net Profit of Rs.30.47 million.

In order to facilitate our Shareholders, following comparisons of operating and financial data are annexed:

- | | |
|--|---------|
| (a) Comparison with previous quarter | Annex-A |
| (b) Comparison with corresponding quarter of last year | Annex-B |

FUTURE PROSPECTS

The Management is optimistic about the future profitability of the Company, due to present market conditions.

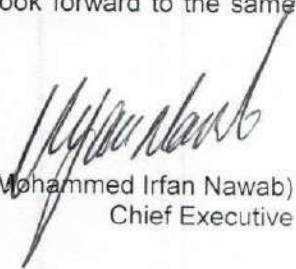
DIVIDEND

The Directors have decided to skip payment of any interim dividend for consolidation with the final dividend.

PERSONNEL

I would like to place on record my sincere appreciation for the devotion and loyalty of the staff and workers without whose efforts this success could not have been achieved. I look forward to the same devotion and cooperation in the years to come.

Karachi: 29th October, 2018.


(Mohammed Irfan Nawab)
Chief Executive

ڈائریکٹرز رپورٹ

سیکورٹیز ریٹریڈ اینڈ ایکسچینج کمیشن آف پاکستان کے سرکلر نمبر ۲ (۵۲) سی ای ر ۲۰۰۱ء بتاریخ ۰۵/۱۱/۲۰۰۱ کے مطابق ۳۰ ستمبر ۲۰۱۸ء کو ختم ہونے والی سہ ماہی کے لئے ڈائریکٹرز غیر پڑتال شدہ اکاؤنٹس جمع کرنے میں خوشی رکھتے ہیں۔

الحمد للہ پہلی سہ ماہی کے نتائج گزشتہ سال کی پہلی سہ ماہی کے مقابلے میں بہتر ہوئے ہیں موجودہ مارکیٹ کے حالات کی وجہ سے کل جامع آمدنی 11.58 بلین روپے سے بڑھ کر زیر جائزہ مدت کے دوران 15.19 بلین روپے ہوئی ہے، گزشتہ سال کے پہلے تین مہینوں کے دوران جمع شدہ خالص نقصان قبل از ٹیکس 6.53 بلین سے اس سہ ماہی میں قبل از ٹیکس منافع 30.47 بلین روپے ہو گیا ہے۔

ہمارے حصص داران کی سہولت کے لئے مندرجہ ذیل آپریٹنگ اور فنانشیل ڈیٹا ساتھ منسلک ہے۔

Annex-A (ا) گزشتہ سہ ماہی سے موازنہ:

Annex-B (ب) گزشتہ سال کی اسی سہ ماہی سے موازنہ

مستقبل کے مسائل:

کمپنی کے مستقبل کے منافع کے بارے میں انتظامیہ زیادہ پر امید ہے اگر مارکیٹ کے حالات ایسے ہی رہے۔

ڈیوڈنڈ:

ڈائریکٹرز نے فیصلہ کیا ہے کہ حتمی فیصلہ تک کسی بھی طرح کے عبوری ڈیوڈنڈ کی ادائیگی کو روک دیا جائے۔

اظہار تشکر:

میں اپنے تمام اسٹاف و اراکین کا ان کی لگن اور وفاداری پر شکریہ ادا کرتا ہوں، کمپنی کی کامیابی اس کے ورکرز کی کوششوں کے بغیر ممکن نہیں ہے میں امید رکھتا ہوں کہ آپ آئندہ آنے والے سالوں میں بھی اسی لگن و جذبے کا مظاہرہ کریں گے۔

(محمد عرفان نواب)

کراچی: ۲۹ اکتوبر ۲۰۱۸ء

Comparison with previous quarter
Annexure A

Covering period FROM TO	01-July-2018 30-Sep-2018	01-Apr-2018 30-Jun-2018	VARIATION	
			Amount	Percentage
Turnover - net	592.90	524.38	68.52	13.07%
Cost of Sales	528.85	437.53	91.31	20.87%
Gross Profit	64.05	86.85	(22.80)	-26.25%
G.P.Rate to Sales	10.80%	16.56%		-5.76%
Administrative, Selling, Financial & Other expenses	37.74	37.81	(0.07)	-0.19%
Other income	4.15	40.15	(36.00)	-89.65%
Net Profit before taxation	30.47	89.19	(58.72)	-65.84%
Net Profit Rate to Sales	5.14%	17.01%		
Provision for Taxation	6.10	40.81	(34.71)	-85.05%
Profit after Taxation	24.37	48.38	(24.01)	-49.63%
Attributable to:				
- Shareholders of the Holding Company	21.85	46.98	(25.13)	-53.50%
- Non - controlling interest	2.52	1.40	1.12	80.07%
	<u>24.37</u>	<u>48.38</u>		
Earning per share (before tax)	3.55	10.38	(6.83)	-65.80%
Earning per share (after tax)	2.54	5.47	(2.93)	-53.56%

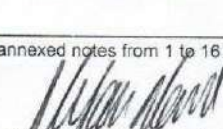
Comparison with corresponding quarter of last year
Annexure B

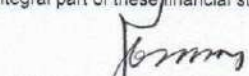
Covering period FROM TO	01-July-2018 30-Sep-2018	01-July-2017 30-Sep-2017	VARIATION	
			Amount	Percentage
Turnover - net	592.90	476.86	116.03	24.33%
Cost of Sales	528.85	452.45	76.40	16.89%
Gross Profit	64.05	24.41	39.64	162.35%
G.P.Rate to Sales	10.80%	5.12%		
Administrative, Selling, Financial & Other expenses	37.74	31.45	6.29	19.99%
Other income	4.15	0.50	3.65	724.72%
Net Profit / (Loss) before taxation	30.47	(6.53)	37.00	-566.42%
Net Profit / (Loss) Rate to Sales	5.14%	-1.37%		
Provision for Taxation	6.10	24.50	(18.40)	-75.10%
Profit after Taxation	24.37	17.97	6.40	35.59%
Attributable to:				
- Shareholders of the Holding Company	21.85	15.53	6.32	40.66%
- Non - controlling interest	2.52	2.44	0.08	3.30%
	<u>24.37</u>	<u>17.97</u>		
Earning per share (before tax)	3.55	(0.76)	4.31	-567.11%
Earning per share (after tax)	2.54	1.81	0.73	40.33%


SANA INDUSTRIES LIMITED
INTERIM CONDENSED BALANCE SHEET
AS AT 30 SEPTEMBER 2018 (UN-AUDITED)

	NOTE	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
----- (Rupees) -----			
ASSETS			
NON CURRENT ASSETS			
Tangible fixed assets	4	403,114,514	414,126,767
Investment property		80,449,231	83,217,171
Long-term deposits		2,796,051	2,836,051
Investments	5	35,000,000	35,000,000
		-----	-----
		521,359,796	535,179,989
CURRENT ASSETS			
Stock-in-trade	6	150,049,715	176,173,177
Trade debts- unsecured, considered good		286,768,130	201,099,321
Advances		12,752,149	26,506,976
Deposits and pre-payments		6,335,455	1,565,908
Other receivables		52,795,675	41,843,910
Taxation - net	7	42,977,913	44,711,863
Cash and bank balances		10,019,374	42,264,953
		-----	-----
		561,698,411	534,166,108
TOTAL ASSETS			
		-----	-----
		1,083,058,207	1,069,346,096
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital			
10,000,000 Ordinary shares of Rs. 10/- each		100,000,000	100,000,000
Issued, subscribed and paid-up capital			
8,593,750 (30-6-2018: 8,593,750) Ordinary shares of Rs. 10/- each		85,937,500	85,937,500
Reserves		259,824,907	244,631,845
		-----	-----
Shareholder's equity		345,762,407	330,569,345
NON CURRENT LIABILITIES			
Diminishing Mushareka	8	84,266,556	70,975,725
Deferred liabilities	9	41,462,444	45,776,132
		-----	-----
		105,729,000	116,751,858
CURRENT LIABILITIES			
Trade and other payables		131,486,494	120,971,787
Accrued profit on Murabaha/Mushareka arrangements		9,494,872	8,720,734
Borrowings from Directors and family members		4,260,000	3,760,000
Current portion of long term mushareka arrangement	8	47,534,702	55,453,527
Unclaimed dividend		1,650,116	1,850,116
Murabaha Arrangements	10	437,140,616	431,468,730
Taxation - net	7	-	-
		-----	-----
		631,566,800	622,024,894
CONTINGENCIES AND COMMITMENTS			
	11	-	-
TOTAL EQUITY AND LIABILITIES			
		-----	-----
		1,083,058,207	1,069,346,096

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive

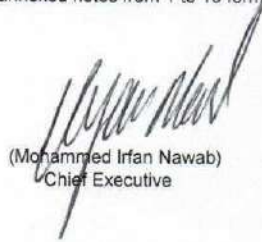

(Mohammed Younus Nawab)
Chairman

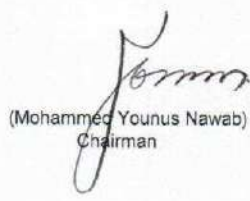

(Abdul Hussain Antaria)
Chief Financial Officer

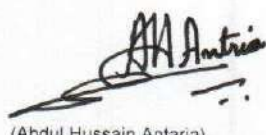
SANA INDUSTRIES LIMITED
INTERIM CONDENSED PROFIT AND LOSS ACCOUNT
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

		September 30, 2018	September 30, 2017
		----- Rupees -----	
Net turnover		498,689,974	406,372,441
Cost of sales	12	(462,673,817)	(401,408,477)
Gross profit		36,016,157	4,963,964
Selling and distribution expenses		(3,056,278)	(2,915,048)
Administrative expenses		(13,136,821)	(12,252,194)
Other operating expenses		(1,603,865)	(129,600)
Other operating income		13,690,420	10,343,265
Operating profit		31,909,613	10,387
Finance cost		(14,152,987)	(13,087,655)
Profit/(Loss) for the period before taxation		17,756,626	(13,077,288)
Provision for taxation		(5,891,928)	(4,883,076)
- current		3,328,364	29,539,761
- deferred (current)		(2,563,564)	24,656,685
Profit after taxation		15,193,062	11,579,417
Earning per share	13	1.77	1.35

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive


(Mohammed Younus Nawab)
Chairman

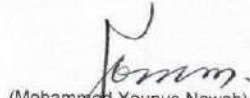

(Abdul Hussain Antaria)
Chief Financial Officer


SANA INDUSTRIES LIMITED
INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	September 30, 2018	September 30, 2017
	----- Rupees -----	
Net profit for the period	15,193,062	11,579,417
Other comprehensive income	-	-
	15,193,062	11,579,417
	=====	=====

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive

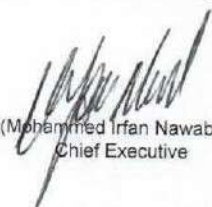

(Mohammed Younus Nawab)
Chairman

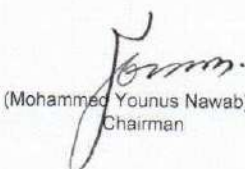

(Abdul Hussain Antaria)
Chief Financial Officer


SANA INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

	Issued, subscribed and paid-up capital	REVENUE RESERVES			Total
		General reserve	Un- appropriated profit	Sub Total	
Balance as at July 01, 2017	85,937,500	132,500,000	74,125,533	206,625,533	292,563,033
Profit after taxation for the first quarter ended September 30, 2017	-	-	11,579,417	11,579,417	11,579,417
Final dividend for the year ended June 30, 2017	-	-	-	-	-
Balance as at September 30, 2017	85,937,500	132,500,000	85,704,950	218,204,950	304,142,450
Balance as at July 01, 2018	85,937,500	132,500,000	112,131,845	244,631,845	330,569,345
Profit after taxation for the first quarter ended September 30, 2018	-	-	15,193,062	15,193,062	15,193,062
Final dividend for the year ended June 30, 2018	-	-	-	-	-
Balance as at September 30, 2018	85,937,500	132,500,000	127,324,907	259,824,907	345,762,407

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive


(Mohammed Younus Nawab)
Chairman

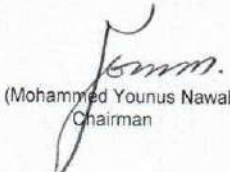

(Abdul Hussain Antaria)
Chief Financial Officer


SANA INDUSTRIES LIMITED
INTERIM CONDENSED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Note	September 30, 2018	September 30, 2017
----- Rupees -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/(loss) before taxation		17,756,626	(13,077,268)
Add/(Less): Adjustments for:			
Depreciation		18,601,296	19,734,013
Loss/(Gain) on disposal of fixed assets		-	(495,410)
Profit on PLS account		(42,975)	(32,228)
Workers' welfare fund		-	-
Finance cost		14,152,987	13,087,655
Cash provided by operating activities before working capital changes		50,467,934	19,216,782
(Increase)/decrease in current assets	14	(61,511,832)	48,154,842
Increase/(decrease) in current liabilities	14	10,514,708	42,161,127
		(529,190)	109,532,731
Finance cost		(13,378,849)	(1,393,236)
Staff benefits		(985,324)	(451,095)
Long term Deposit		40,000	40,000
Taxes paid		(4,157,980)	(4,384,472)
Net cash inflow from operating activities		(19,011,343)	91,363,928
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(4,821,103)	(3,316,742)
Profits received on bank accounts		42,975	32,228
Investment		-	(30,100,000)
Proceeds from sale of fixed assets		-	495,410
Net cash used in investing activities		(4,778,128)	(32,889,104)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts / (Re-payment) of Morabaha arrangement		5,671,886	17,422,202
Receipts / (Re-payment) of Diminishing Mushareqa		(14,627,994)	(22,058,343)
Loan re-payment to related parties		500,000	(41,300,000)
Dividends paid		-	-
Net cash inflow from/(used in) financing activities		(8,456,108)	(45,936,141)
Net (decrease)/increase in cash and cash equivalents		(32,245,579)	12,538,682
Cash and cash equivalents at beginning of the period		42,264,953	8,283,975
Cash and cash equivalents at end of the period		10,019,374	20,822,658

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive


(Mohammed Younus Nawab)
Chairman


(Abdul Hussain Antaria)
Chief Financial Officer

SANA INDUSTRIES LIMITED
NOTES TO THE ACCOUNTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

1. NATURE OF BUSINESS

The Company was incorporated in Pakistan as a public limited Company under the Companies Ordinance, 1984. The shares of the Company are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The Company is principally engaged in the manufacturing and sale of man-made blended yarn at Hub Industrial Trading Estate, Hub Chowki, and a "compartmentalized cold store" located at Karachi. The registered office of the Company is located at 32-D-2, block -8, P.E.C.H.S Karachi, Pakistan.

2. BASIS FOR PREPARATION OF THE ACCOUNTS

These financial statements are unaudited and are being 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. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2018.

Expenses are shared amongst the segments on the basis of allocation methods as deemed appropriate by the management.

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
	----- (Rupees) -----	
4. TANGIBLE FIXED ASSETS		
Net book value (NBV) at the beginning of the period	409,427,793	505,015,757
Add: Additions to tangible fixed assets	4.1 4,821,103	31,317,934
Less: Disposals during the period (NBV)	-	58,709,276
Depreciation charged during the period	15,833,356	68,196,622
	15,833,356	126,905,898
Net book value (NBV) at the closing of the period	398,415,540	409,427,793
Capital work-in-progress	4,698,974	4,698,974
	403,114,514	414,126,767
	=====	=====
4.1 ADDITIONS		
Land and Building on leasehold land	-	4,255,043.00
Office premises - SF/96	108,274	-
Plant and machinery	3,416,969	24,472,302
Electrification - Factory building	1,167,860	1,948,296
Handling equipments	-	-
Furniture, fixtures and office equipments	128,000	553,382
Vehicles	-	54,411
Computers	-	34,500
Plastic Crates	-	-
	4,821,103	31,317,934
	=====	=====

5. INVESTMENTS

Investment of Rs. 35 million represents equity investment in new formed company SANA LOGISTICS (Pvt.) Ltd.

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
	----- (Rupees) -----	
6. STOCK-IN-TRADE		
Raw and packing material		
- in hand	59,018,951	70,455,680
- in transit	2,815,246	1,588,498
	-----	-----
	61,834,198	72,044,178
Work-in-process	22,250,508	28,598,494
Finished goods	65,240,500	74,876,334
Waste stock	724,510	654,170
	-----	-----
	150,049,715	176,173,176
	=====	=====
7. TAXATION - NET		
Advance income tax	20,905,396	16,747,418
Provision for Taxation	(26,256,509)	(20,384,581)
Income Tax Refundable	48,329,026	48,329,026
	-----	-----
	42,977,913	44,711,863
	=====	=====
8. NON CURRENT LIABILITY - secured		
Diminishing Mushreka from a commercial bank	126,429,252	201,155,513
Add: Fresh borrowings (net of repayments)	(14,627,994)	(74,726,261)
	-----	-----
	111,801,258	126,429,252
Less: Current portion	(47,534,702)	(55,453,527)
	-----	-----
	64,266,556	70,975,725
	=====	=====
9. DEFERRED LIABILITIES		
Provision for compensated absences	9.1 925,608	1,910,932
Deferred taxation	9.2 41,461,950	44,790,314
Staff retirement benefits	9.3 (925,114)	(925,114)
	-----	-----
	41,462,444	45,776,132
	=====	=====
9.1 Provision for compensated absences		
Balance at beginning of the year	1,910,932	1,591,927
Charge for the year	-	825,559
Benefits paid during the year	(985,324)	(506,554)
	-----	-----
Balance at end of the year	925,608	1,910,932
	=====	=====
9.2 Deferred taxation		
Deferred tax (asset) / liability on account of:		
- accelerated depreciation	38,163,144	41,491,508
-unused tax losses and credits	(1,205,984)	(1,205,984)
Remeasurement of defined benefit plans - O.C.I component	-	4,504,791
	-----	-----
	36,957,160	44,790,314
	=====	=====
9.3 Staff retirement benefits		
Balance sheet Reconciliation		
Present value of defined benefit obligation	(59,800,160)	(59,800,160)
Fair value of plan assets	60,725,274	60,725,274
	-----	-----
	925,114	925,114
	=====	=====

10. SHORT-TERM MURABAHA ARRANGEMENT - secured		
From commercial banks	437,140,616	431,468,730
	=====	=====
11 CONTINGENCIES AND COMMITMENTS		
11.1 Contingencies		
There were no major changes in the contingencies as reported in the financial statements for the year ended June 30, 2018.		
11.2 Commitments		
Custom duty and income tax on stock in transit	-	129,550
	=====	=====
Letter of guarantee issued by a commercial bank	22,861,098	22,861,098
	=====	=====
Irrevocable letter of credits	80,467,570	76,107,960
	=====	=====
	September 30, 2018	September 30, 2017
	----- Rupees -----	
12 COST OF SALES		
Opening stock finished goods and waste	75,530,504	169,088,328
Cost of goods manufactured	453,108,323	348,545,332
Closing stock finished goods and waste	(65,965,010)	(116,225,183)
	=====	=====
	462,673,817	401,408,477
	=====	=====
13 EARNING PER SHARE - BASIC AND DILUTED		
Profit after taxation	Rupees 15,193,062	11,579,417
Issued ordinary shares	8,593,750	8,593,750
Basic and diluted earnings per share	Rupees 1.77	1.35
	=====	=====
14 WORKING CAPITAL CHANGES		
Decrease/(Increase) in current assets		
Stock-in-trade	26,123,462	41,605,292
Trade debts	(85,668,809)	(28,697,500)
Advances	13,754,827	(2,284,335)
Deposits and pre-payments	(4,769,547)	(5,638,110)
Other receivables	(10,951,765)	43,269,495
	=====	=====
	(61,511,832)	48,154,842
	=====	=====
Increase/(decrease) in current liabilities		
Trade and other payables	10,514,708	42,161,127
	=====	=====

15 TRANSACTIONS WITH RELATED PARTIES

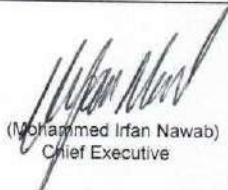
The related parties comprise associated companies, staff benefit funds, directors and key management personnel. The transactions with related parties are as follows:

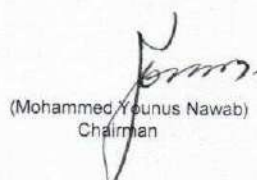
Relationship	Nature of transaction		
Key management personnel	Remuneration and benefits	6,031,986	5,406,432
Broowings from Directors and family member		8,200,000	51,700,000
Repayment of broowings from Directors and family member		7,700,000	93,000,000
Rent paid to director's family members		1,062,000	-
Receivable from Sana Logistics Pvt Ltd (Subsidiary)		15,967,203	10,422,815
		=====	=====

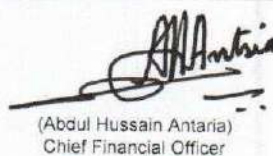
16. GENERAL

16.1 These financial statements were authorised for issue by the Board of Directors on 29th October, 2018.

16.2 Certain corresponding figures have been re-arranged wherever necessary for the purpose of comparison.


(Mohammed Ifan Nawab)
Chief Executive


(Mohammed Younus Nawab)
Chairman


(Abdul Hussain Antaria)
Chief Financial Officer

SANA INDUSTRIES LIMITED
CONSOLIDATED CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT 30 SEPTEMBER 2018 (UN-AUDITED)

	NOTE	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
----- (Rupees) -----			
ASSETS			
NON CURRENT ASSETS			
Tangible fixed assets	4	654,250,416	872,751,364
Long-term deposits		6,403,551	8,443,551
		660,653,967	679,194,915
CURRENT ASSETS			
Stock-in-trade			176,173,176
Trade debts- unsecured, considered good	5	150,049,715	289,710,095
Advances		371,944,095	28,750,976
Deposits and pre-payments		19,301,566	6,230,978
Other receivables		6,335,455	33,042,245
Taxation - net		38,674,350	63,139,974
Cash and bank balances	6	66,314,527	43,690,361
		16,397,257	638,737,805
		669,016,965	638,737,805
TOTAL ASSETS		1,329,670,933	1,317,932,720
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorized share capital			
10,000,000 Ordinary shares of Rs. 10/- each		100,000,000	100,000,000
Issued, subscribed and paid-up capital		85,937,500	85,937,500
8,593,750 (30-6-2018: 8,593,750) Ordinary shares of Rs. 10/- each		269,618,111	247,772,329
Reserves		355,555,611	333,709,829
Equity attributable to the shareholders of holding company			
Non controlling interest	7	29,992,607	27,472,072
Total equity		385,548,218	361,181,901
NON CURRENT LIABILITIES			
Diminishing Mushareka	8	123,761,773	135,879,598
Long-term liability		33,484,836	40,029,608
Deferred taxation	9	40,209,973	43,777,581
		197,456,582	219,686,787
CURRENT LIABILITIES			
Trade and other payables		156,012,309	167,622,028
Accrued profit on Murabaha/Mushareka arrangements		9,494,872	8,720,734
Borrowings from Directors and family members		72,386,000	84,960,000
Current portion of long term mushareka arrangement	8	52,943,358	55,453,527
Current portion of long-term liability		17,039,862	17,188,897
Unclaimed dividend		1,650,116	1,650,116
Murabaha Arrangements	10	437,140,616	431,468,730
Taxation - net	6	-	-
		746,666,133	737,064,031
CONTINGENCIES AND COMMITMENTS	11	-	-
TOTAL EQUITY AND LIABILITIES		1,329,670,933	1,317,932,720

The annexed notes from 1 to 16 form an integral part of these financial statements.

(Mohammed Irfan Nawab)
Chief Executive

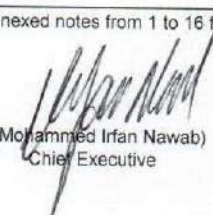
(Mohammed Younus Nawab)
Chairman

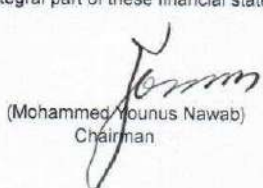
(Abdul Hussain Antaria)
Chief Financial Officer


SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM CONDENSED PROFIT AND LOSS ACCOUNT
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	September 30, 2018	September 30, 2017
	----- Rupees -----	
Net turnover	592,898,512	476,863,876
Cost of sales	12 (528,846,393)	(452,449,403)
Gross profit	64,052,119	24,414,473
Selling and distribution expenses	(4,979,338)	(4,352,604)
Administrative expenses	(14,530,870)	(13,746,808)
Other operating expenses	(1,635,115)	(263,170)
Other operating income / (loss)	4,154,466	503,743
Operating profit	47,061,262	6,555,634
Finance cost	(16,593,074)	(13,087,994)
Profit/(Loss) for the period before taxation	30,468,188	(6,532,360)
Provision for taxation - current	(8,684,155)	(6,764,849)
- deferred (current)	2,582,284	31,288,002
	(6,101,871)	24,503,153
Profit after taxation	24,366,317	17,970,793
Attributable to:		
- Shareholders of the Holding Company	21,845,782	15,530,767
- Non - controlling interest	2,520,535	2,440,026
	24,366,317	17,970,793
Earning per share	13 2.54	Restated 1.81

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive

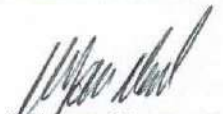

(Mohammed Mounus Nawab)
Chairman



(Abdul Hussain Antaria)
Chief Financial Officer


SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	September 30, 2018	September 30, 2017
	----- Rupees -----	
Net profit for the period	24,366,317	17,970,793
Other comprehensive income	-	-
Total comprehensive income for the period	24,366,317	17,970,793
Attributable to		
Owners Equity	21,845,782	15,530,767
Non-controlling interest	2,520,535	2,440,026
	24,366,317	17,970,793

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive

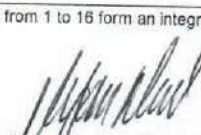

(Mohammed Younus Nawab)
Chairman



(Abdul Hussain Antaria)
Chief Financial Officer


SANA INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018

	Issued, subscribed and paid-up capital	REVENUE RESERVES			Total equity attributable to the shareholders of Holding Company	Non- controlling interest
		General reserve	Un- appropriated profit	Sub Total		
Balance as at July 01, 2017	85,937,500	132,500,000	66,715,945	199,215,945	285,153,445	3,830,797
Profit after taxation for the first quarter ended September 30, 2017	-	-	15,530,767	15,530,767	15,530,767	-
Final dividend for the year ended June 30, 2017	-	-	-	-	-	-
Acquisition in business investment	-	-	9,900,000	-	-	9,900,000
Non-controlling interest arising on a business combination	-	-	-	-	-	2,440,026
Total comprehensive income for the period						
Balance as at September 30, 2017	85,937,500	132,500,000	92,146,712	214,746,712	300,684,212	16,170,823
Balance as at July 01, 2018	85,937,500	132,500,000	115,272,329	247,772,329	333,709,829	27,472,072
Profit after taxation for the first quarter ended September 30, 2018	-	-	21,845,782	21,845,782	21,845,782	-
Final dividend for the year ended June 30, 2018	-	-	-	-	-	-
Acquisition in business investment	-	-	-	-	-	-
Non-controlling interest arising on a business combination	-	-	-	-	-	2,520,535
Balance as at September 30, 2018	85,937,500	132,500,000	137,118,111	269,618,111	355,555,611	29,992,607

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive

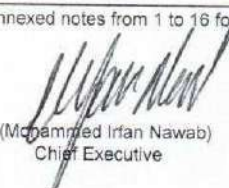

(Mohammed Younus Nawab)
Chairman

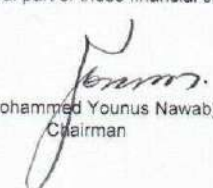

(Abdul Hussain Antaria)
Chief Financial Officer

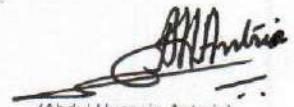
SANA INDUSTRIES LIMITED
CONSOLIDATED INTERIM CONDENSED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

	Note	September 30, 2018	September 30, 2017
----- Rupees -----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit/(loss) before taxation		30,468,188	(6,532,360)
Add/(Less): Adjustments for:			
Depreciation		23,367,050	20,937,929
Loss/(Gain) on disposal of fixed assets		-	(495,410)
Profit on PLS account		(61,280)	(52,706)
Finance cost		16,593,074	13,087,994
		-----	-----
Cash provided by operating activities before working capital changes		70,367,032	26,945,447
(Increase)/decrease in current assets	14	(59,609,405)	53,225,531
Increase/(decrease) in current liabilities	14	3,601,978	1,219,024
		-----	-----
		14,359,605	81,390,002
Finance cost		(15,257,070)	(13,393,575)
Staff benefits		(985,324)	(451,095)
Long term Deposit		40,000	40,000
Taxes paid		(11,858,711)	(9,832,831)
		-----	-----
Net cash inflow from operating activities		(13,701,500)	57,752,501
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure incurred		(4,866,103)	(3,533,804)
Profits received on bank accounts		61,280	52,706
Acquisition of Business		-	9,900,000
Proceeds from sale of fixed assets		-	495,410
Net cash used in investing activities		(4,804,823)	6,914,312
CASH FLOWS FROM FINANCING ACTIVITIES			
Issued, subscribed and paid up capital		-	40,000,000
Receipts / (Re-payment) of Morabaha arrangement		5,671,886	17,422,202
Receipts / (Re-payment) of Diminishing Mushareqa		(14,627,994)	(22,058,343)
Payments of long-term liability		(7,265,673)	-
Loan re-payment to related parties		7,425,000	(41,750,000)
Net cash inflow from/(used in) financing activities		(8,786,781)	(46,386,141)
		-----	-----
Net (decrease)/increase in cash and cash equivalents		(27,293,104)	18,280,672
Cash and cash equivalents at beginning of the period		43,690,361	9,018,917
		-----	-----
Cash and cash equivalents at end of the period		16,397,257	27,299,589
		=====	=====

The annexed notes from 1 to 16 form an integral part of these financial statements.


(Mohammed Irfan Nawab)
Chief Executive


(Mohammed Younus Nawab)
Chairman


(Abdul Hussain Antaria)
Chief Financial Officer

SANA INDUSTRIES LIMITED
NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

1. THE GROUP AND ITS OPERATIONS

The group consist of Sana Industries Ltd. ("The Holding Company") and its subsidry company Sana Logistics Pvt Ltd. Brief profile of Holding company and Subsidiary Company are as follows;

Sana Industries Limited (The Holding Company)

Sana Industries Limited (the Company) was incorporated in Pakistan as a public limited Company under the Companies Ordinance, 1984. The shares of the Company are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The Company is engaged in the following activities:

- i) manufacturing and sale of man-made blended yarn;
- ii) providing services in respect of cold storage through "compartmentalized cold store project";
- iii) commercial trading of food products and other allied items.

The registered office of the Company is located at 33-D-2, BLOCK 6, P.E.C.H.S., Karachi, Pakistan.

Sana Logistics Private Limited (The Subsidiary Company)

Sana Logistics Private Limited (the subsidiary Company) was incorporated in Pakistan as a private limited Company under the Companies Ordinance, 1984. The principle activity of the subsidiary company is to provide services in respect of Dry Storage through "compartmentalized store project.

2. BASIS FOR PREPARATION OF THE ACCOUNTS

These financial statements are unaudited and are being 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. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2018.

Expenses are shared amongst the segments on the basis of allocation methods as deemed appropriate by the management.

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
	----- (Rupees) -----	
4. TANGIBLE FIXED ASSETS		
Net book value (NBV) at the beginning of the period	667,553,089	828,328,927
Add: Additions to tangible fixed assets	4,866,103	185,310,794
Less: Disposals during the period (NBV)	-	58,922,610
Depreciation charged during the period	23,367,050	87,164,022
	23,367,050	146,086,632
Net book value (NBV) at the closing of the period	649,052,142	687,553,089
Capital work-in-progress	5,198,274	5,198,274
	654,250,416	672,751,363
4.1 ADDITIONS		
Land and Building on leasehold land	-	7,375,043
Office premises - SF/96	108,274	-
Plant and machinery	3,416,969	66,888,088
Electrification - Factory building	1,167,860	1,948,296
Handling equipments	13,500	107,313,790
Furniture, fixtures and office equipments	128,000	1,189,489
Vehicles	-	103,961
Computers	31,500	492,126
Plastic Crates	-	-
	4,866,103	185,310,794

	September 30, 2018 (Un-audited)	June 30, 2018 (Audited)
	----- (Rupees) -----	
5. STOCK-IN-TRADE		
Raw and packing material		
- in hand	59,018,951	70,455,680
- in transit	2,815,246	1,588,498
	-----	-----
	61,834,198	72,044,178
Work-in-process	22,250,508	28,598,494
Finished goods	65,240,500	74,876,334
Waste stock	724,510	654,170
	-----	-----
	150,049,715	176,173,176
	=====	=====
6. TAXATION - NET		
Advance income tax	52,017,242	40,158,534
Provision for Taxation	(34,031,741)	(25,347,586)
Income Tax Refundable	48,329,026	48,329,026
	-----	-----
	66,314,527	63,139,974
	=====	=====
7. INVESTMENTS		
Net Assets (100%)	325,763,990	324,043,743
Non-Controlling Interest (30%)	(15,000,000)	(15,000,000)
	-----	-----
	310,763,990	309,043,743
	=====	=====
Non-Controlling Interest		
Share of NCI (opening)	27,472,072	3,830,797
Additon during the period	-	9,900,000
Share in Profit / (Loss)	2,520,535	13,741,275
	-----	-----
	29,992,607	27,472,072
	=====	=====
8. NON CURRENT LIABILITY - secured		
Diminishing Mushreka from a commercial bank	191,333,125	201,155,513
Add: Fresh borrowings (net of repayments)	(14,627,994)	(9,822,388)
	-----	-----
	176,705,131	191,333,125
Less: Current portion	(52,943,358)	(55,453,527)
	-----	-----
	123,761,773	135,879,598
	=====	=====
9 DEFERRED LIABILITIES		
Provision for compensated absences	9.1 925,608	1,910,932
Deferred taxation	9.2 40,209,479	42,791,763
Staff retirement benefits	9.3 (925,114)	(925,114)
	-----	-----
	40,209,973	43,777,581
	=====	=====

9.1 Provision for compensated absences		
Balance at beginning of the year		1,591,927
Charge for the year	1,910,932	825,559
Benefits paid during the year	(985,324)	(506,554)
Balance at end of the year	<u>925,608</u>	<u>1,910,932</u>
9.2 Deferred taxation		
Deferred tax (asset) / liability on account of:		
- accelerated depreciation	36,910,673	39,492,957
- unused tax losses and credits	(1,205,984)	(1,205,984)
Remeasurement of defined benefit plans - O.C.I component	4,504,791	4,504,791
	<u>40,209,479</u>	<u>42,791,763</u>
9.3 Staff retirement benefits		
Balance sheet Reconciliation		
Present value of defined benefit obligation	(59,800,160)	(59,800,160)
Fair value of plan assets	60,725,274	60,725,274
	<u>925,114</u>	<u>925,114</u>
10 SHORT-TERM MURABAHA ARRANGEMENT - secured		
From commercial banks	<u>437,140,616</u>	<u>431,468,730</u>
11. CONTINGENCIES AND COMMITMENTS		
11.1 Contingencies		
There were no major changes in the contingencies as reported in the financial statements for the year ended June 30, 2018.		
11.2 Commitments		
Custom duty and income tax on stock in transit	-	129,550
Letter of gurantee issued by a commercial bank	<u>22,861,098</u>	<u>22,861,098</u>
Irrevocable letter of credits	<u>80,467,570</u>	<u>76,107,960</u>
	September 30, 2018	September 30, 2017
	----- Rupees -----	
12. COST OF SALES		
Opening stock finished goods and waste	75,530,504	169,088,328
Cost of goods manufactured	519,280,899	399,586,258
Closing stock finished goods and waste	(65,965,010)	(118,225,183)
	<u>528,846,393</u>	<u>452,449,403</u>
13. EARNING PER SHARE - BASIC AND DILUTED		
Profit after taxation attributable to shareholders of the holding company	Rupees 21,845,782	15,530,767
Issued ordinary shares	8,593,750	8,593,750
Basic and diluted earnings per share	Rupees <u>2.54</u>	<u>1.81</u>

14. **WORKING CAPITAL CHANGES**

Decrease/(Increase) in current assets

Stock-in-trade	26,123,462	41,505,292
Trade debts	(82,234,000)	(28,697,500)
Advances	12,114,480	(2,294,335)
Deposits and pre-payments	(4,769,547)	(5,638,110)
Other receivables	(10,843,800)	43,269,495
	<u>(59,609,405)</u>	<u>48,154,842</u>

Increase/(decrease) in current liabilities

Trade and other payables	3,601,978	42,161,127
	<u>3,601,978</u>	<u>42,161,127</u>

15. **TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, staff benefit funds, directors and key management personnel. The transactions with related parties are as follows:

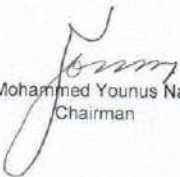
Relationship	Nature of transaction		
Key management personnel	Remuneration and benefits	10,081,986	8,706,432
Broowings from Directors and family member		39,568,514	70,000,000
Repayment of broowings from Directors and family member		32,143,514	110,850,000
Rent paid to director's family members		1,062,000	-
		<u>1,062,000</u>	<u>-</u>


16. **GENERAL**

16.1 These financial statements were authorised for issue by the Board of Directors on 29th October, 2016.

16.2 Certain corresponding figures have been re-arranged wherever necessary for the purpose of comparison.


(Mohammed Irfan Nawab)
Chief Executive


(Mohammed Younus Nawab)
Chairman


(Abdul Hussain Antaria)
Chief Financial Officer