

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**COMPANY INFORMATION**

**BOARD OF DIRECTORS**

**CHAIRMAN AND CHIEF EXECUTIVE**

**: M. WAQAR MONNOO**

MR. SIRAJ SADIQ MONNOO  
MR. SYED EJAZUDDIN  
MR IMRAN MONNOO  
MR. SYED AYAZUDDIN  
MR. MUHAMMAD ANWAR SAIGAL

**AUDIT COMMITTEE MEMBERS**

**CHAIRMAN (EXECUTIVE)**

**: M. WAQAR MONNOO**

**MEMBER (NON-EXECUTIVE)**

MR IMRAN MONNOO

**MEMBER (NON-EXECUTIVE)**

MRS.GHAZALA WAQAR

**CHIEF FINANCIAL OFFICER**

**: MR. ASIM JAFFERY**

**COMPANY SECRETARY**

**: MR. MUHAMMAD ANWAR SAIGAL**

**LEGAL ADVISOR**

**: M/S. A.K. BROHI & CO. ADVOCATE**

**AUDITORS**

**: MUSHTAQ & COMPANY**  
CHARTERED ACCOUNTANTS  
HASRAT MOHANI ROAD, KARACHI.

**BANKERS**

**: UNITED BANK LTD**  
ASKARI BANK LTD  
SONERI BANK LTD  
HABIB BANK LTD  
ALLIED BANK OF PAKISTAN  
BANK AL-FALAH LTD.

**PRINCIPAL/REGISTERED OFFICE**

**: E/3, FARZANA BUILDING, 1ST FLOOR,**  
BLOCK 7 & 8, K.C.H.S. UNION LTD.,  
SHAHEED-E-MILLAT ROAD,  
KARACHI-75350

**MILLS AT**

**: PLOT NO. H/23/3, LANDHI INDUSTRIAL AREA,**  
LANDHI, KARACHI.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**DIRECTORS REPORT**

The Directors have pleasure in presenting their un-audited accounts of the Company for three months ended September 30, 2012. During the period under review the amount of sales (net) were Rs.608,908,513/- as compared to previous corresponding period sales of Rs.391,161,731/- which shows an increase of 55.66 % over previous periods sales. Financial results for three months period ended September 30<sup>th</sup> 2012 are as under:

	<b>September-2012</b>	<b>September-2011</b>
	<b>Rupees</b>	<b>Rupees</b>
Sales (net)	608,908,513	391,161,731
Cost of goods sold	(537,145,305)	403,171,482
Gross profit/(loss)	71,763,208	(12,009,751)
Distribution cost	(9,027,817)	(3,831,869)
Administrative expenses	(10,668,622)	(10,547,831)
Other income	3,788,160	648,197
	(15,908,280)	(13,731,502)
Operating profit/(loss)	55,854,928	(25,741,253)
Finance cost	(39,586,500)	(40,577,672)
Net loss before taxation	16,268,428	(66,318,926)
Taxation:	6,089,085	(3,911,617)
Net Profit/(loss) for the period after taxation	10,179,343	(70,230,543)
Earning per share	0.85	(5.85)

**FINANCIAL RESULTS:**

The financial results for three months period ended September 30, 2012 have resulted in net profit after tax of Rs. 10,179,343/-. Gross profit percentage has increase from (3.07) % to 11.78 % as compared with the previous corresponding period. The company also curtails its production to the extent of available yarn orders. The profit may be much higher due to unavailability of working capital, continuous rising prices of energy, increasing dollar rate and due to double digit general inflation which increases cost of other inputs.

**FUTURE PROSPECTS:**

To overcome the negative financial effects of wide fluctuations in material prices, liquidity crunch and continuous increase in the financial cost and input prices, the management is very cautiously operating its activities. There is no change in contingencies since the date of last balance sheet date. We have in principal settled our litigation with Bank Alfalah. Currently the paper work for approvals and filling of consent decree is under progress.

I would like to place on record the Co-operation shown by our Bankers for their support and without their co-operation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factors for achieving the present results.

**For and on behalf of the Board**

**Karachi: 31<sup>th</sup> October, 2012**

**Director\***

**Director\***

**\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.**

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT SEPTEMBER 30, 2012**

	<b>Un-Audited</b>	<b>Audited</b>
	<b>SEPTEMBER</b>	<b>JUNE</b>
	<b>30, 2012</b>	<b>30, 2012</b>
	<b>RUPEES</b>	<b>RUPEES</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized capital 13,000,000 (2012: 13,000,000) Ordinary shares of Rs.10 each.	130,000,000	130,000,000
Issued, subscribed and paid up capital	120,000,000	120,000,000
Reserves	(802,644,863)	(815,734,718)
	(682,644,863)	(695,734,718)
Surplus on revaluation of property, plant and equipment	1,128,962,945	1,131,873,456
<b>NON CURRENT LIABILITIES</b>		
Long term financing	1,060,098,532	1,076,768,387
Liability against assets subject to finance lease	1,647,028	1,996,828
Deferred liabilities	5,656,619	5,068,896
<b>CURRENT LIABILITIES</b>		
Trade and other payables	693,965,874	647,608,278
Accrued Markup	43,778,364	44,481,756
Short-term borrowings	385,815,569	290,776,301
Current portion of		
- long term financing	55,025,971	54,389,443
- liabilities against asset subject to finance lease	5,553,618	9,112,339
	1,184,139,395	1,046,368,117
<b>CONTINGENCIES AND COMMITMENTS</b>		
	<u>2,697,859,657</u>	<u>2,566,340,966</u>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	1,981,814,767	1,995,496,847
Long term deposit	5,058,182	5,058,182
Long term investment in subsidiary	44,665,822	44,665,822
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	17,760,343	18,608,270
Stock in trade	335,961,812	231,616,695
Trade debts	85,863,516	71,023,203
Other financial assets	8,300,000	18,788,312
Loans and advances	139,139,815	86,595,424
Income tax and Sales tax Refundable	39,675,044	54,051,272
Other receivables	33,083,556	33,083,556
Cash and bank balances	6,536,800	7,353,383
	666,320,886	521,120,116
	<u>2,697,859,657</u>	<u>2,566,340,966</u>

The annexed notes form an integral part of these financial statements

**DIRECTOR\***

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance

The Chief Executive was out of Country for official visit.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	<b>September 2012</b>	<b>September 2011</b>
	<b>RUPEES</b>	<b>RUPEES</b>
Sales (net)	608,908,513	391,161,731
Cost of sales	<u>(537,145,305)</u>	<u>(403,171,482)</u>
Gross Profit / (Loss)	71,763,208	(12,009,751)
Distribution cost	<u>(9,027,817)</u>	<u>(3,831,869)</u>
Administrative expenses	<u>(10,668,622)</u>	<u>(10,547,831)</u>
Other operating income	<u>3,788,160</u>	<u>648,197</u>
Operating Profit / (Loss)	<u>(15,908,280)</u>	<u>(13,731,502)</u>
Finance cost	<u>(39,586,500)</u>	<u>(40,577,672)</u>
Net Profit / ( Loss )before taxation	16,268,428	(66,318,926)
Taxation	(6,089,085)	(3,911,617)
Net Profit / (Loss) for the year after taxation	<u>10,179,343</u>	<u>(70,230,543)</u>
Earning per share - Basic and diluted	<u>0.85</u>	<u>(5.85)</u>

The annexed notes form an integral part of these financial statements

**DIRECTOR\***

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance

The Chief Executive was out of Country for official visit.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	<b>September 2012</b>	<b>September 2011</b>
	<b>RUPEES</b>	<b>RUPEES</b>
<b>Loss for the period after taxation</b>	10,179,343	(70,230,543)
<b>Total comprehensive loss for the period</b>	<u><u>10,179,343</u></u>	<u><u>(70,230,543)</u></u>

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

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance

The Chief Executive was out of Country for official visit.

**DIRECTOR\***

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	PAID UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	UN- APPROPRIATED LOSS	TOTAL
	←————— RUPEES —————→				
Balance as at 30-06-2011	120,000,000	3,580,053	44,665,822	(757,932,303)	(589,686,428)
Total comprehensive income for the quarter ended 30th September, 2011				(70,230,543)	(70,230,543)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				2,282,915	2,282,915
Balance as at 30-09-2011	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(825,879,931)</u>	<u>(657,634,056)</u>
Total comprehensive income for the Period from 01-10-2011 to 30-06-2012				(46,483,908)	(46,483,908)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				8,383,246	8,383,246
Balance as at 30-06-2012	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(863,980,593)</u>	<u>(695,734,718)</u>
Total comprehensive income for the quarter ended September 30, 2012	-	-	-	10,179,343	10,179,343
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation	-	-	-	2,910,512	2,910,512
Balance as at 30-09-2012	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(850,890,738)</u>	<u>(682,644,863)</u>

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

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**DIRECTOR\***

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED INTERIM STATEMENT CASH FLOW (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	<b>September 2012</b>	<b>September 2011</b>
	<b>RUPEES</b>	<b>RUPEES</b>
Profit / (Loss) before taxation	16,268,428	(66,318,926)
Adjustment for non cash charges and other items:		
Depreciation	15,236,074	14,374,544
Finance cost	39,586,500	40,577,672
Provision for gratuity	2,170,073	374,244
	<u>56,992,647</u>	<u>55,326,461</u>
Operating Profit before working capital changes	73,261,075	(10,992,465)
(Increase)/Decrease in current assets:		
Stocks, stores and spares	(103,497,190)	33,049,751
Trade debts	(14,840,313)	118,479,292
Loan and advances	(42,056,079)	(27,918,072)
Sales tax	14,913,896	(7,892,785)
Other Receivables	-	(388,492)
	<u>(145,479,685)</u>	<u>115,329,694</u>
Increase/(Decrease) in current liabilities:		
Trade and other payables	46,357,597	(46,429,324)
<b>Cash generated from operations</b>	<u>(25,861,013)</u>	<u>57,907,905</u>
Taxes paid	(6,626,754)	(3,662,070)
Finance Cost Paid	(40,289,892)	(34,800,471)
Gratuity-net	(1,582,350)	(1,569,600)
Long term deposits	-	2,220,000
	<u>(48,498,996)</u>	<u>(37,812,141)</u>
Net cash from operating activities	(74,360,010)	20,095,764
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(1,553,994)	(3,585,100)
Capital work in progress	-	(4,424,540)
Net cash (used in)/from investing activities	(1,553,994)	(8,009,640)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term finance	(16,033,327)	(9,869,578)
Short Term Finance	95,039,268	8,752,110
Repayment of lease liabilities	(3,908,521)	(6,473,565)
Net cash used in financing activities	75,097,420	(7,591,033)
Net increase / decrease in cash and cash equivalents	(816,584)	4,495,091
Cash and cash equivalents at the beginning of the year	<u>7,353,383</u>	<u>8,057,000</u>
Cash and cash equivalents at the end of the year	<u><u>6,536,800</u></u>	<u><u>12,552,091</u></u>

The annexed notes form an integral part of these financial statements

**DIRECTOR\***

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance

The Chief Executive was out of Country for official visit.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2012 (UN-AUDITED)**

**1. THE COMPANY AND ITS OPERATIONS**

- 1.1 The company was incorporated in Pakistan as a public limited company on October 28, 1960, and its shares are quoted on the Karachi Stock Exchange. The main business of the company is manufacturing and sale of yarn. The registered office of the company is situated at E-3 Farzana Building, 1st floor, Block 7 & 8, Shaheed-e-Millat Road Karachi.
- 1.2 The company has an accumulated loss of Rs. 850.890 million as at September 30, 2012. These conditions along with adverse key financial ratios and legal cases against the company indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. On the basis of five year plan for expansion and increase in sales volume and profitability, management is confident that with better manufacturing facilities and continuous support from directors, they would improve the financial position and restore its profitability. Banking facilities with Bank alfalah for rescheduling / restructuring is also at final stage. Directors of the company have committed that in case, the decision of the high court and banking court is against the company they will provide finance from their own resources to meet the obligation. Accordingly, these financial statements have been prepared on going concern assumption.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2012.

This condensed interim financial information is being submitted to the shareholders as required by the Listing Regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the preparation of the financial statements for the quarter ended September 30, 2012 on the same as those applied in the preparation for the annual audited statement for the year ended June 30, 2012.

**4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

- 4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.
- 4.2 Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June, 2012.
- 4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2012.

**5 CONTINGENCIES AND COMMITMENTS**

There have been no significant change in Contingencies & Commitment since the last audited financial statements.

**6 ACQUISITION AND DISPOSAL OF FIXED ASSETS**

	(UN-AUDITED)		(AUDITED)	
	September 30,2012		JUNE 30,2012	
	Acquisition	Disposal	Acquisition	Disposal
	Rupees		Rupees	
Factory building	237,854	-	28,485,760	-
Plant and machinery	1,217,640	-	52,411,261	3,496,500
Office equipment	44,500	-	322,580	-
Factory Tools & Equipment	-	-	3,281,997	-
Furniture and fixture	54,000	-	130,580	-
Motor vehicles	-	-	2,122,425	396,000
Electric and pipe fitting	-	-	1,476,799	-
<b>Total</b>	1,553,994	-	88,231,402	3,892,500

**7 TRANSACTIONS WITH SUBSIDIARY:**

	(UN-AUDITED) September-2012 RUPEES	(UN-AUDITED) September-2011 RUPEES
Electricity purchased	64,453,181	47,691,198

Transaction with subsidiary are made under normal commercial terms and conditions

**8 EVENT AFTER THE BALANCE SHEET DATE:**

There were no significant event since the balance sheet date.

**9 DATE OF AUTHORIZATION FOR ISSUE:**

These financial statements were authorized for issue on October 31, 2012 by the board of directors of the company.

**10 GENERAL**

Figure have been rounded off to the nearest rupee.

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**DIRECTOR\***



**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**DIRECTORS REPORT ON CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

The Directors have pleasure in presenting their Unaudited Condensed Consolidated Interim Report of the Group for three months ended September 30, 2012 for your consideration and approval. The Olympia Group comprises financial statement of Olympia Spinning & Weaving Mills Limited and Olympia Power Generation (Pvt) Limited.

The Directors report on the performance of Olympia Spinning & Weaving for the period ended 30 September, 2012 has been presented separately.

**GROUP RESULTS**

The operating results of the period under review has resulted in net profit before taxation of Rs.16,677,313/- with net sales of Rs.608,908,513/-

	<b>For period ended September 30, 2012 Rupees</b>	<b>For period ended September 30, 2011 Rupees</b>
<b>Gross Sales</b>	608,908,513	391,161,731
<b>Gross Profit</b>	75,947,723	2,442,892
<b>Profit/loss from Operation</b>	56,954,172	(14,565,912)
<b>EPS</b>	0.88	(4.93)

**OLYMPIA POWER GENERATION (PVT) LIMITED**

Olympia Power Generation (Pvt) Limited, groups subsidiary earns profit of Rs 0.408 million with sales of Rs 64.453 million and remain successful in achieving its target. The company is expecting continued inflationary pressure during the next year & plans to cope with it by considering alternative source of revenue and internal cost savings.

**ACKNOWLEDGEMENT:**

I would like to place on record the Co-operation shown by our Bankers for their support and without their co-operation, the present results could not have been achieved. The loyalty and devotion of the Staff members and the workers towards the Company is also one of the major factor for achieving the present results.

**For and on behalf of the Board**

**Karachi: 31<sup>th</sup> October, 2012**

**Director\***

**Director\***

**\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.**

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM BALANCE SHEET (UN-AUDITED)**  
**AS AT SEPTEMBER 30, 2012**

	<b>Un-Audited</b>	<b>Audited</b>
	<b>SEPTEMBER</b>	<b>JUNE</b>
	<b>30, 2012</b>	<b>30, 2012</b>
	<b>RUPEES</b>	<b>RUPEES</b>
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorized capital 13,000,000 (2012: 13,000,000) Ordinary shares of Rs.10 each.	130,000,000	130,000,000
Issued, subscribed and paid up capital	120,000,000	120,000,000
Reserves	(759,231,366)	(772,566,550)
	(639,231,366)	(652,566,550)
Non Controlling Interest	58,719,546	58,555,989
Surplus on revaluation of property, plant and equipment	1,128,962,945	1,131,873,456
<b>NON CURRENT LIABILITIES</b>		
Long term financing	1,081,367,284	1,078,037,139
Liability against assets subject to finance lease	1,647,028	1,996,828
Deferred liabilities	5,780,803	5,193,080
<b>CURRENT LIABILITIES</b>		
Trade and other payables	689,716,065	658,084,884
Accrued Markup	43,778,364	44,481,756
Short-term borrowings	390,798,115	291,457,854
Current portion of		
- long term financing	55,025,971	54,389,443
- liabilities against asset subject to finance lease	5,553,618	9,112,339
	1,184,872,132	1,057,526,276
<b>CONTINGENCIES AND COMMITMENTS</b>		
	<u>2,822,118,373</u>	<u>2,680,616,218</u>
<b>ASSETS</b>		
<b>NON CURRENT ASSETS</b>		
Property, plant and equipment	2,146,365,230	2,150,640,520
Long term deposit	5,058,182	5,058,182
<b>CURRENT ASSETS</b>		
Stores, spare parts and loose tools	18,518,436	19,762,228
Stock in trade	335,961,812	231,616,695
Trade debts	86,007,366	71,854,893
Other financial assets	8,300,000	18,788,312
Loans and advances	140,985,812	87,375,326
Income tax and Sales tax Refundable	39,885,418	54,846,391
Other receivables	33,083,556	33,083,556
Cash and bank balances	7,952,561	7,590,114
	670,694,961	524,917,516
	<u>2,822,118,373</u>	<u>2,680,616,218</u>

The annexed notes form an integral part of these financial statements

**DIRECTOR\***

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	September 2012	September 2011
	RUPEES	RUPEES
Sales (net)	608,908,513	391,161,731
Cost of sales	(532,960,790)	(388,718,839)
Gross Profit / (Loss)	<u>75,947,723</u>	<u>2,442,892</u>
Distribution cost	(9,027,817)	(3,831,869)
Administrative expenses	(12,657,838)	(13,825,133)
Other operating income	2,692,105	648,197
Operating Profit / (Loss)	<u>(18,993,551)</u>	<u>(17,008,805)</u>
Finance cost	(40,276,859)	(40,732,144)
Net Profit / ( Loss )before taxation	<u>16,677,313</u>	<u>(55,298,057)</u>
Taxation	(6,089,085)	(3,911,617)
Net Profit / (Loss) for the year after taxation	<u>10,588,228</u>	<u>(59,209,674)</u>
Attributable to:		
Equity holders of the parent	10,424,673	(63,618,021)
Non-Controlling Interest	163,555	4,408,347
	<u>10,588,228</u>	<u>(59,209,674)</u>
Earning per share - Basic and diluted	<u>0.88</u>	<u>(4.93)</u>

The annexed notes form an integral part of these financial statements

**DIRECTOR\***

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance

The Chief Executive was out of Country for official visit.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	<b>September 2012</b>	<b>September 2011</b>
	<b>RUPEES</b>	<b>RUPEES</b>
<b>Loss for the period after taxation</b>	10,424,673	(63,618,021)
<b>Total comprehensive loss for the period</b>	<u><u>10,424,673</u></u>	<u><u>(63,618,021)</u></u>

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

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**DIRECTOR\***

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	PAID UP CAPITAL	REVENUE RESERVE	CAPITAL RESERVE	UN-APPROPRIATED LOSS	TOTAL	NON-CONTROLLING INTEREST	TOTAL EQUITY
	←————— RUPEES —————→						
Balance as at 30-06-2011	120,000,000	3,580,053	44,665,822	(730,098,448)	(561,852,573)	48,333,119	(513,519,454)
Total comprehensive income for the quarter ended 30th September, 2011				(63,618,021)	(63,618,021)	4,408,347	(59,209,674)
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				2,282,915	2,282,915	-	2,282,915
							-
							-
Balance as at 30-09-2011	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(791,433,554)</u>	<u>(623,187,679)</u>	<u>52,741,466</u>	<u>(570,446,213)</u>
							-
Total comprehensive income for the Period from 01-10-2011 to 30-06-2012				(37,762,118)	(37,762,118)	5,814,523	(31,947,595)
							-
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation				8,383,246	8,383,246		8,383,246
							-
Balance as at 30-06-2012	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(820,812,426)</u>	<u>(652,566,551)</u>	<u>58,555,989</u>	<u>(594,010,562)</u>
							-
Total comprehensive income for the quarter ended September 30, 2012	-	-	-	10,424,673	10,424,673	163,556	10,588,229
							-
Transfer from surplus on revaluation of property, plant & equipment on account of Incremental depreciation	-	-	-	2,910,512	2,910,512		2,910,512
							-
Balance as at 30-09-2012	<u>120,000,000</u>	<u>3,580,053</u>	<u>44,665,822</u>	<u>(807,477,241)</u>	<u>(639,231,366)</u>	<u>58,719,545</u>	<u>(580,511,821)</u>

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

**DIRECTOR\***

Karachi: 31 October 2012  
\* Statement Under Section 241 (2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**DIRECTOR\***

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**CONDENSED CONSOLIDATED INTERIM STATEMENT CASH FLOW (UN-AUDITED)**  
**FOR THE QUARTER ENDED SEPTEMBER 30, 2012**

	September 2012 <u>RUPEES</u>	September 2011 <u>RUPEES</u>
Profit / (Loss) before taxation	16,677,313	(66,318,926)
Adjustment for non cash charges and other items:		
Depreciation	17,507,592	14,374,544
Finance cost	40,276,859	40,577,672
Provision for gratuity	2,170,073	374,244
	<u>59,954,524</u>	<u>55,326,461</u>
Operating Profit before working capital changes	76,631,837	(10,992,465)
(Increase)/Decrease in current assets:		
Stocks, stores and spares	(103,101,325)	33,049,751
Trade debts	(14,152,473)	118,479,292
Loan and advances	(43,122,174)	(27,918,072)
Sales tax	15,535,625	(7,892,785)
Other Receivables	-	(388,492)
	<u>(144,840,347)</u>	<u>115,329,694</u>
Increase/(Decrease) in current liabilities:		
Trade and other payables	31,631,182	(46,429,324)
<b>Cash generated from operations</b>	<u>(36,577,327)</u>	<u>57,907,905</u>
Taxes paid	(6,663,738)	(3,662,070)
Finance Cost Paid	(40,980,251)	(34,800,471)
Gratuity-net	(1,582,350)	(1,569,600)
Long term deposits	-	2,220,000
	<u>(49,226,339)</u>	<u>(37,812,141)</u>
Net cash from operating activities	(85,803,666)	20,095,764
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure	(13,232,299)	(3,585,100)
Capital work in progress	-	(4,424,540)
Net cash (used in)/from investing activities	(13,232,299)	(8,009,640)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term finance	3,966,673	(9,869,578)
Short Term Finance	99,340,261	8,752,110
Repayment of lease liabilities	(3,908,521)	(6,473,565)
Net cash used in financing activities	<u>99,398,413</u>	<u>(7,591,033)</u>
Net increase / decrease in cash and cash equivalents	362,447	4,495,091
Cash and cash equivalents at the beginning of the year	<u>7,590,114</u>	<u>8,057,000</u>
Cash and cash equivalents at the end of the year	<u><u>7,952,561</u></u>	<u><u>12,552,091</u></u>

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

**DIRECTOR\***

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**OLYMPIA SPINNING & WEAVING MILLS LIMITED**  
**NOTES TO AND FORMING PART OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2012 (UN-AUDITED)**

**1. THE GROUP AND ITS OPERATIONS**

The Group Comprises of :

**Olympia Spinning & Weaving Mills Limited - (the holding company)**

1.1 The company was incorporated in Pakistan as a public limited company on October 28, 1960, and its shares are quoted on the Karachi Stock Exchange. The main business of the company is manufacturing and sale of yarn. The registered office of the company is situated at E-3 Farzana Building, 1st floor, Block 7 & 8, Shaheed-e-Millat Road Karachi.

**1.2 Olympia Power Generation (Pvt) Ltd (the subsidiary company)**

The Company was incorporated in Pakistan as a private limited company on August 30, 1994. The main business of the company is power generation and sale of power.

1.3 The company has an accumulated loss of Rs. 807.477 million as at September 30, 2012. These conditions along with adverse key financial ratios and legal cases against the company indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. On the basis of five year plan for expansion and increase in sales volume and profitability, management is confident that with better manufacturing facilities and continuous support from directors, they would improve the financial position and restore its profitability. Banking facilities with Bank alfalrah for rescheduling / restructuring is also at final stage. Directors of the company have committed that in case, the decision of the high court and banking court is against the company they will provide finance from their own resources to meet the obligation. Accordingly, these financial statements have been prepared on going concern assumption.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Finance Reporting Standard (IFRS) IAS 34 Interim Financial Reporting as applicable in Pakistan. This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30th June, 2012.

This condensed interim financial information is being submitted to the shareholders as required by the Listing Regulations of Karachi, Lahore and Islamabad Stock Exchanges and section 245 of the Companies Ordinance, 1984.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted for the preparation of the financial statements for the quarter ended September 30, 2012 on the same as those applied in the preparation for the annual audited statement for the year ended June 30, 2012.

**4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

4.1 The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

4.2 Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended 30 June, 2012.

4.3 The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended 30 June 2012.

**5 CONTINGENCIES AND COMMITMENTS**

There have been no significant change in Contingencies & Commitment since the last audited financial statements.

**6 ACQUISITION AND DISPOSAL OF FIXED ASSETS**

	(UN-AUDITED)		(AUDITED)	
	September 30,2012		JUNE 30,2012	
	Acquisition	Disposal	Acquisition	Disposal
	Rupees		Rupees	
Factory building	237,854	-	28,485,760	-
Plant and machinery	12,895,945	-	52,411,261	3,496,500
Office equipment	44,500	-	322,580	-
Factory Tools & Equipment	-	-	3,281,997	-
Furniture and fixture	54,000	-	130,580	-
Motor vehicles	-	-	2,122,425	396,000
Electric and pipe fitting	-	-	1,476,799	-
<b>Total</b>	<b>13,232,299</b>	<b>-</b>	<b>88,231,402</b>	<b>3,892,500</b>

**7 TRANSACTIONS WITH SUBSIDIARY:**

	(UN-AUDITED) September-2012 RUPEES	(UN-AUDITED) September-2011 RUPEES
Electricity purchased	64,453,181	47,691,198

Transaction with subsidiary are made under normal commercial terms and conditions

**8 EVENT AFTER THE BALANCE SHEET DATE:**

There were no significant event since the balance sheet date.

**9 DATE OF AUTHORIZATION FOR ISSUE:**

These financial statements were authorized for issue on October 31, 2012 by the board of directors of the company.

**10 GENERAL**

Figure have been rounded off to the nearest rupee.

**DIRECTOR\***

Karachi: 31 October 2012

\* Statement Under Section 241(2) of Company Ordinance  
The Chief Executive was out of Country for official visit.

**DIRECTOR\***

