

**THIRD QUARTER REPORT
FOR THE PERIOD ENDED
MARCH 31, 2016
(Un-Audited)**



PROSPERITY WEAVING MILLS LTD.



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PROSPERITY WEAVING MILLS LTD.

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. Shaikh Enam Ellahi Mr. Hasan Ahmed Mr. Javaid Bashir Sheikh Mr. Shahzada Ellahi Shaikh Mr. Shafqat Ellahi Shaikh Mr. Haroon Shahzada Ellahi Shaikh Mr. Shaukat Ellahi Shaikh Mr. Tariq Zafar Bajwa	Non-Executive Director / Chairman Independent Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Non-Executive Director Executive Director Executive Director
MANAGING DIRECTOR (Chief Executive)	Mr. Shaukat Ellahi Shaikh	
AUDIT COMMITTEE	Mr. Hasan Ahmed Mr. Shaikh Enam Ellahi Mr. Haroon Shahzada Ellahi Shaikh Mr. Syed Mohsin Gilani	Chairman Member Member Secretary
HUMAN RESOURCE & REMUNERATION (HR & R) COMMITTEE	Mr. Haroon Shahzada Ellahi Shaikh Mr. Shafqat Ellahi Shaikh Mr. Tariq Zafar Bajwa Mr. Muhammad Azam	Chairman Member Member Secretary
EXECUTIVE COMMITTEE	Mr. Shaikh Enam Ellahi Mr. Shahzada Ellahi Shaikh Mr. Shaukat Ellahi Shaikh Mr. Shafqat Ellahi Shaikh Mr. Muhammad Azam	Chairman Member Member Member Secretary
CORPORATE SECRETARY	Mr. Syed Mohsin Gilani	
CHIEF FINANCIAL OFFICER (CFO)	Mr. Muhammad Tariq Sheikh	
AUDITORS	Messrs Deloitte Yousuf Adil Chartered Accountants	
CORPORATE ADVISORS	Bandial & Associates	
LEAD BANKERS	Albaraka Bank (Pakistan) Ltd. Allied Bank Ltd. Askari Bank Ltd. Bank Alfalah Ltd. Faysal Bank Ltd. Habib Bank Ltd. Meezan Bank Ltd. MCB Bank Ltd. National Bank of Pakistan Samba Bank Ltd. Standard Chartered Bank (Pakistan) Ltd. The Bank of Punjab United Bank Ltd.	
REGISTERED OFFICE	Nagina House 91-B-1, M.M. Alam Road Gulberg-III, Lahore-54660	
WEB REFERENCE	www.nagina.com	
SHARES REGISTRAR	M/s Hameed Majeed Associates (Pvt.) Ltd. 1 st Floor, H.M. House 7-Bank Square, Lahore Phone # 042-37235081-2 Fax # 042-37358817 13.5 K.M	
MILLS	Sheikhupura Sharaqpur Road Sheikhupura	



DIRECTORS' REPORT TO THE MEMBERS

*IN THE NAME OF ALLAH THE MOST GRACIOUS
THE MOST BENEVOLENT THE MOST MERCIFUL*

The Directors are pleased to present the un-audited condensed interim financial information of the company for the third quarter ended on March 31, 2016. The comparative figures for the corresponding quarter ended on March 31, 2015 are included for comparison, except in balance sheet where figures are for the year ended on June 30, 2015.

Company Performance

Alhamdulillah, profit after tax for the third quarter is Rs.39,079,021 compared to Rs.11,986,699 for the corresponding period of last year. The improved profits has made the company profitable for the period of nine months under review and after tax profit stands at Rs.21,923,170. Earning per share (EPS) for the quarter under review is Rs.2.11 compared to Rs.0.65 during the corresponding period of last year. Profitable results have been possible due to better margins in fabric sales, improvement in the finished product mix, tight cost controls and lower energy costs due to lower global crude oil prices. Gross Profit (GP) increased from 6.95 % of sales to 8.38% of sales as compared to corresponding period of last year.

Distribution cost for the quarter stood at Rs.27,213,642 (2.03% of sales) compared to Rs.33,492,659 (2.27% of sales). Administrative expenses were Rs.15,755,063 (1.18% of sales) compared to Rs.17,923,949 (1.21% of sales). Due to better borrowing patterns and cash flow management finance costs decreased by 7.22% over the corresponding period of last year.

Future Outlook

Overall textile business is still facing difficult times. Conventional fabric prices are still under pressure. However some signs of demand recovery are visible. Specialized fabrics are fetching better margins and management effort is to focus on such fabrics. It is hoped that unit prices will improve as a result of better demand for fabrics. Pak Rupee has been resilient against USD. We expect the stable exchange rate trend would continue in the short term. Lower interest rates and lower energy rates are helping to contain costs. However, huge refunds from the FBR under sales tax and income tax are still pending. The government should take immediate corrective measures to speed up the refund process as these delays are badly affecting cash flows of the entire industrial community. Management is committed to sustaining aggressive measures to control costs, improve mill performance, diversify products and achieve better margins to enable the company to report profits for the full year.



PROSPERITY WEAVING MILLS LTD.

Acknowledgement

The profitable results have been possible due to continued diligence and devotion of the staff and workers of the Company and good human relations at all levels deserve acknowledgement. The Directors also wish to place on record their gratitude to the bankers for their continued support to the Company.

On behalf of the Board.

A handwritten signature in black ink, appearing to read "Shaukat Ellahi Shaikh".

Shaukat Ellahi Shaikh
Mg. Director (Chief Executive)

Lahore: April 26, 2016



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2016

	Un-Audited March, 31 2016	Audited June 30 2015
Note	-----Rupees-----	
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital 20,000,000 (June 30, 2015: 20,000,000) Ordinary shares of Rs. 10 each	<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid up capital	184,800,000	184,800,000
Capital reserves	10,456,689	16,600,000
Accumulated profit	686,168,837	691,965,667
Total equity	<u>881,425,526</u>	<u>893,365,667</u>
SURPLUS ON REVALUATION OF LAND	55,564,634	55,564,634
LIABILITIES		
NON-CURRENT LIABILITIES		
Long term finances	4 1,175,363,830	1,273,602,342
Employees retirement benefits	63,966,301	55,949,255
	<u>1,239,330,131</u>	<u>1,329,551,597</u>
CURRENT LIABILITIES		
Trade and other payables	299,386,272	291,312,143
Accrued interest / mark-up	25,425,486	26,848,333
Short term borrowings	159,520,118	106,182,503
Current portion of long term finances	130,007,727	86,294,048
	<u>614,339,603</u>	<u>510,637,027</u>
TOTAL LIABILITIES	<u>1,853,669,734</u>	<u>1,840,188,624</u>
CONTINGENCIES AND COMMITMENTS	5 -	-
TOTAL EQUITY AND LIABILITIES	<u>2,790,659,894</u>	<u>2,789,118,925</u>

The annexed explanatory notes from 1 to 14 form part of the condensed interim financial information.

Lahore: April 26, 2016


Shahzada Ellahi Shaikh
Director



PROSPERITY WEAVING MILLS LTD.

		Un-Audited March, 31 2016	Audited June 30 2015
	Note	-----Rupees-----	
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	1,778,841,485	1,892,452,485
Long term deposits		15,039,000	15,039,000
Deferred taxation		5,710,887	5,710,887
		1,799,591,372	1,913,202,372
CURRENT ASSETS			
Stores, spare parts and loose tools		59,154,697	52,058,961
Stock-in-trade		389,342,006	344,042,970
Trade debts		232,771,142	172,615,197
Advances		27,359,764	27,310,202
Short term prepayments		4,687,301	1,664,010
Other receivables		1,472,152	2,168,649
Sales tax refundable		110,774,423	90,705,240
Advance income tax		123,723,398	93,155,383
Short term Investments	7	40,529,000	86,251,500
Cash and bank balances		1,254,639	5,944,441
		991,068,522	875,916,553
TOTAL ASSETS		2,790,659,894	2,789,118,925

The annexed explanatory notes from 1 to 14 form part of the condensed interim financial information.


Shaukat Ellahi Shaikh
Mg. Director (Chief Executive)



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months Ended		Quarter Ended	
	March 31 2016	March 31 2015	March 31 2016	March 31 2015
NoteRupees.....	Rupees.....	
Sales-net	3,878,846,073	4,604,641,870	1,340,775,010	1,476,120,090
Cost of sales	8 (3,641,276,741)	(4,363,869,741)	(1,228,378,834)	(1,373,531,192)
Gross profit	237,569,332	240,772,129	112,396,176	102,588,898
Distribution cost	(77,254,050)	(84,528,808)	(27,213,642)	(33,492,659)
Administrative expenses	(47,309,431)	(50,906,692)	(15,755,063)	(17,923,949)
Other expenses	(5,061,720)	(5,335,547)	(1,838,478)	(3,886,662)
	(129,625,201)	(140,771,047)	(44,807,183)	(55,303,270)
	107,944,131	100,001,082	67,588,993	47,285,628
Other income	1,247,304	898,506	35,878	849,613
Operating profit	109,191,435	100,899,588	67,624,871	48,135,241
Finance cost	(87,268,265)	(78,371,255)	(28,545,850)	(30,766,712)
Profit before taxation	21,923,170	22,528,333	39,079,021	17,368,529
Provision for taxation	9 -	(5,553,317)	-	(5,381,830)
Profit after taxation	21,923,170	16,975,016	39,079,021	11,986,699
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss account				
Actuarial loss on remeasurement of post retirement benefits	-	(1,416,120)	-	-
Items that may be reclassified subsequently to profit or loss account				
Unrealized (loss) / gain on remeasurement of available for sale investments	(6,143,311)	-	(40,337)	-
Total comprehensive income for the period	15,779,859	15,558,896	39,038,685	11,986,699
Earnings per share - basic and diluted	1.19	0.92	2.11	0.65

The annexed explanatory notes from 1 to 14 form part of the condensed interim financial information.

Shahzada Ellahi Shaikh
Director

Lahore: April 26, 2016

Shaukat Ellahi Shaikh
Mg. Director (Chief Executive)



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months Ended	
	March 31 2016	March 31 2015
Rupees.....	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	21,923,170	22,528,333
Adjustments for:		
Depreciation on property, plant and equipment	138,989,372	108,252,806
Provision for employees retirement benefits	15,088,212	15,640,227
Loss on disposal of property, plant and equipment	1,886,849	3,482,590
Gain on disposal of short term investments	(173,829)	(109,605)
Un-realized gain on re-measurement of short term investment	-	(788,901)
Interest income	(98,475)	-
Dividend income	(975,000)	-
Finance cost	87,268,265	78,371,255
	<u>241,985,394</u>	<u>204,848,372</u>
	263,908,564	227,376,705
Working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(7,095,736)	(9,845,126)
Stock-in-trade	(45,299,036)	(30,459,626)
Trade debts	(60,155,945)	(11,225,873)
Advances	(49,562)	(2,060,871)
Short term prepayments	(3,023,291)	(3,303,617)
Other receivables	696,496	(710,709)
Sales tax refundable	(20,069,183)	19,780,411
	<u>(134,996,257)</u>	<u>(37,825,411)</u>
Increase in current liabilities		
Trade and other payables	7,892,197	79,477,336
	<u>(127,104,060)</u>	<u>41,651,925</u>
Cash generated from operations	136,804,504	269,028,630
Finance cost paid	(88,691,112)	(68,493,187)
Employee retirement benefits paid	(7,071,166)	(8,742,051)
Income taxes paid	(30,568,015)	(39,130,201)
Net cash generated from operating activities	10,474,211	152,663,191
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(45,758,721)	(421,369,782)
Proceeds from disposal of property, plant and equipment	18,493,500	8,968,000
Purchase of short term investment	(86,672,310)	(335,000,000)
Proceeds from disposal of short term investment	126,425,329	90,048,893
Dividend received	975,000	-
Interest received	98,475	-
Net cash from/(used in) investing activities	13,561,273	(657,352,889)



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine Months Ended	
	March 31 2016	March 31 2015
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	-	659,360,938
Repayment of long term finances	(54,524,833)	(145,750,034)
Increase in short term borrowings	53,337,615	58,835,591
Dividends paid	(27,538,068)	(91,774,241)
Net cash (used in) / from financing activities	(28,725,286)	480,672,254
Net decrease in cash and cash equivalents	(4,689,802)	(24,017,444)
Cash and cash equivalents at beginning of the period	5,944,441	31,039,252
Cash and cash equivalents at end of the period	1,254,639	7,021,808

The annexed explanatory notes from 1 to 14 form part of the condensed interim financial information.

Lahore: April 26, 2016

Shazada Ellahi Shaikh
Director

Shaukat Ellahi Shaikh
Mg. Director (Chief Executive)



PROSPERITY WEAVING MILLS LTD.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Issued, Subscribed and paid up share capital	Capital reserve		Revenue reserve	Total
		Amalgamation reserve	Fair value reserve	Accumulated profit	
-----Rupees-----					
Balance as at June 30, 2014 - Audited	184,800,000	16,600,000	-	724,536,909	925,936,909
Comprehensive income					
Profit after taxation	-	-	-	16,975,016	16,975,016
Other comprehensive loss	-	-	-	(1,416,120)	(1,416,120)
Total comprehensive income	-	-	-	15,558,896	15,558,896
Transactions with owners					
Final dividend for the year ended June 30, 2014 @ 50% i.e. Rs. 5.00 per ordinary share	-	-	-	(92,400,000)	(92,400,000)
Balance as at March 31, 2015 - Un-Audited	184,800,000	16,600,000	-	647,695,805	849,095,805
Comprehensive income					
Profit after taxation	-	-	-	43,855,713	43,855,713
Other comprehensive income-net of tax	-	-	-	414,149	414,149
Total comprehensive income	-	-	-	44,269,862	44,269,862
Balance as at June 30, 2015 - Audited	184,800,000	16,600,000	-	691,965,667	893,365,667
Comprehensive income					
Profit after taxation	-	-	-	21,923,170	21,923,170
Other comprehensive loss	-	-	(6,143,311)	-	(6,143,311)
Total comprehensive Income	-	-	(6,143,311)	21,923,170	15,779,860
Transactions with owners					
Final dividend for the year ended June 30, 2015 @ 15% i.e. Rs. 1.50 per ordinary share	-	-	-	(27,720,000)	(27,720,000)
Balance as at March 31, 2016 - Un-Audited	184,800,000	16,600,000	(6,143,311)	686,168,837	881,425,526

The annexed explanatory notes from 1 to 14 form part of the condensed interim financial information.

Shahzada Ellahi Shaikh
Director

Lahore: April 26, 2016

Shaukat Ellahi Shaikh
Mg. Director (Chief Executive)



NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTHS ENDED MARCH 31, 2016

1 LEGAL STATUS AND OPERATIONS

- 1.1 Prosperity Weaving Mills Limited "the Company" was incorporated in Pakistan on November 20, 1991 as a public limited company under the Companies Ordinance, 1984. The registered office of the Company is situated at Nagina House, 91-B-1, M.M. Alam Road, Gulberg-III, Lahore. The Company is currently listed on Pakistan Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of woven cloth. The Mill is located at District Sheikhpura in the Province of Punjab.
- 1.2 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

2 BASIS OF PREPARATION

- 2.1 This condensed interim financial information of the Company for the nine months ended March 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2 The condensed interim financial information should be read in conjunction with annual audited financial statement for the year ended June 30, 2015. Comparative balance sheet is extracted from annual audited financial statement for the year ended June 30, 2015, whereas comparative profit and loss account, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited condensed interim financial information for the nine months ended March 31, 2015.

3 ACCOUNTING POLICIES AND ESTIMATES

- 3.1 The accounting policies and methods of computation adopted for preparation of the condensed interim financial information are the same as those applied in preparation of the annual audited financial statements for the year ended June 30, 2015 except as disclosed in hereunder.

3.2 Investments

Available for sale

Investments intended to be held for an indefinite period of time, which may be sold in response to need for liquidity, or changes to interest rates or equity prices are classified as available for sale. After initial recognition, investments which are classified as available for sale are measured at fair value. Gains or losses on available for sale investments are recognized directly in other comprehensive income until the investment is sold, derecognized or is determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income is included in profit and loss account. These are sub-categorized as follows:

Quoted

For investments that are actively traded in organized capital markets, fair value is determined by reference to stock exchange quoted market bids at the close of business on the balance sheet date.

Un-quoted

Investments in unquoted equity instruments are stated at cost less any identified impairment losses.

Held-to-maturity

Held-to-maturity investments are initially recognized at acquisition cost, which includes transaction cost associated with the investment. Subsequently these are measured at amortized cost using the effective interest rate method, less any impairment loss recognized to reflect irrevocable amounts.

- 3.3 Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 01, 2015, which do not have any impact on this condensed interim financial information except for IFRS 13 "Fair Value Measurement".

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instruments and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances. The application of this standard does not have an impact on this condensed interim financial information except certain additional disclosures as given in note 11.

- 3.4 Judgments and estimates made by the management in the preparation of the condensed interim financial information are the same as those applied in preparation of annual published financial statements of the Company for the year ended June 30, 2015.



PROSPERITY WEAVING MILLS LTD.

	Note	Un-Audited March 31 2016	Audited June 30 2015
4 LONG TERM FINANCES			
From Banking Companies			
Opening balance		1,359,896,390	717,592,280
Obtained during the period / year		-	847,296,109
Repayments made during the period / year		(54,524,833)	(204,991,999)
		<u>1,305,371,557</u>	<u>1,359,896,390</u>
Less: Current portion shown under current liabilities		<u>130,007,727</u>	<u>86,294,048</u>
		<u>1,175,363,830</u>	<u>1,273,602,342</u>

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

There is no significant change in the status of contingencies as disclosed in the financial statement for the year ended June 30, 2015.

5.2 Commitments

Irrevocable letters of credit for import of

	Note	Un-Audited March 31 2016	Audited June 30 2015
Capital expenditures		527,681,000	-
Non-capital expenditures		68,713,175	66,477,200
		<u>596,394,175</u>	<u>66,477,200</u>

Operating Lease

Payable within one year		772,292	632,500
Payable later than one year but not later than five years		-	201,667
		<u>772,292</u>	<u>834,167</u>
		<u>597,166,467</u>	<u>67,311,367</u>

6 FIXED ASSETS

Operating fixed assets	6.1	1,756,166,447	1,885,505,011
Capital work in progress		17,920,795	2,193,231
Advance for intangible asset - computer software		4,754,243	4,754,243
		<u>1,778,841,485</u>	<u>1,892,452,485</u>

6.1 Operating fixed assets - Owned

Opening written down value		1,885,505,011	831,044,977
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Additions during the period / year

Revaluation of land	6.1.1	-	18,382,000
Factory building		871,209	100,785,511
Non factory building		18,340,345	33,979,087
Plant and machinery		4,082,825	1,054,796,058
Electric installation		-	7,253,658
Factory Equipment		750,000	-
Furniture and fittings		-	1,091,050
Office equipment		355,188	1,158,738
Vehicles		5,631,590	4,335,707
		<u>30,031,157</u>	<u>1,221,781,809</u>

Written down value of property, plant and equipment disposed off		(20,380,349)	(12,454,797)
Depreciation charged during the period/year		(138,989,372)	(154,866,978)

Written down value at end of the period/year		<u>1,756,166,447</u>	<u>1,885,505,011</u>
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6.1.1 The Company follows the revaluation model for its free hold land. The fair value measurement as at May 04, 2015 was performed by Hamid Mukhtar & Co. (Private) Limited, independent valuer not related to the Company. The fair value of the free hold land was determined using the comparable price method after performing detailed enquiries and verification.

Since the date of last revaluation, there has been no material change in the market factors that derive fair value of this land, therefore, management believes that the carrying value of 'free hold land' approximates its fair market value.



PROSPERITY WEAVING MILLS LTD.

	Note	Un-Audited March 31 2016	Audited June 30 2015
-----Rupees-----			
7 SHORT TERM INVESTMENTS			
At fair value through profit or loss	7.1	-	86,251,500
Available for sale	7.2	40,529,000	-
		40,529,000	86,251,500

7.1 This represent investment in mutual funds units.

7.2 This represent investment in listed equity shares.

	Nine Months Ended (Un-audited)		Quarter Ended (Un-audited)	
	March 31 2016	March 31 2015	March 31 2016	March 31 2015
-----Rupees-----				
8 COST OF SALES				
Raw material consumed	2,866,154,003	3,445,221,874	967,192,695	1,057,130,740
Fuel and power	251,425,940	433,261,749	63,394,917	98,518,588
Salaries, wages and benefits	220,456,175	229,648,557	75,630,211	81,142,093
Stores and spares consumed	47,175,735	42,865,051	17,083,785	17,213,763
Sizing material consumed	79,842,073	83,708,723	28,699,576	25,862,526
Depreciation	133,981,073	102,857,723	44,609,245	41,000,433
Packing material consumed	16,740,996	17,295,175	5,073,417	5,775,067
Insurance	6,713,236	5,923,021	2,203,753	1,719,758
Repairs and maintenance	2,768,501	6,016,738	571,165	1,119,682
Electricity duty	2,091,316	1,735,689	711,826	754,734
Vehicles running and maintenance	3,699,230	3,671,546	1,253,707	1,031,317
Traveling and conveyance	366,798	414,124	125,723	143,580
Lease rentals-land	226,880	208,544	75,632	71,048
Fee and subscription	186,500	236,118	108,500	44,500
Entertainment	700,303	744,052	255,781	242,873
Others	2,812,302	3,835,698	1,127,836	1,018,668
	3,635,341,061	4,377,644,382	1,208,117,769	1,332,789,370
Work-in-process:				
At beginning of period	67,507,067	75,367,952	71,044,388	96,587,318
At end of period	(71,739,368)	(75,258,595)	(71,739,368)	(75,258,595)
	(4,232,301)	109,357	(694,980)	21,328,723
	3,631,108,760	4,377,753,739	1,207,422,789	1,354,118,093
Finished stocks:				
At beginning of period	170,422,416	196,906,966	181,414,610	231,689,676
Cloth purchased	235,741	1,684,626	31,611	199,013
At end of period	(160,490,176)	(212,475,590)	(160,490,176)	(212,475,590)
	10,167,981	(13,883,998)	20,956,045	19,413,099
	3,641,276,741	4,363,869,741	1,228,378,834	1,373,531,192

9 PROVISION FOR TAXATION

Provision for taxation has not been recorded due to adjustment of tax credit available u/s 65B of the Income Tax Ordinance, 2001.

10 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies, directors of the company and key management personnel. The Company in the normal course of business enters into transactions with various related parties. The transactions with related parties during the period generally consist of sales and purchases.



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Nature and description of related party transactions during the period along with monetary values are as follows:

Nature of Relationship	Nature of Transaction	Nine Months Ended (Un-audited)	
		March 31	March 31
		2016	2015
	Rupees.....	
Associated companies	Purchase of goods and services	792,593,707	1,168,398,313
	Sale of goods and services	116,126	202,077
	Dividend paid	8,368,925	27,896,415
Key Management Personnel	Remuneration and other benefits	15,829,761	13,898,016
	Dividend paid to directors and their close family members	15,913,594	53,045,315

The transactions between the Company and the related parties are carried out as per agreed terms. The consideration is settled on commercial terms and conditions.

There is no balance outstanding to or from associated undertakings as at reporting date.

11 FAIR VALUE OF FINANCIAL INSTRUMENTS

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities

Level 2 - Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 - Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Company's financial assets which are carried at fair value:

	March 31, 2016			Total
	Level 1	Level 2	Level 3	
	----- Rupees -----			
Fair value through profit or loss	-	-	-	-
Financial assets - at fair value				
Available for sale				
- Listed equity securities	40,529,000	-	-	40,529,000
	<u>40,529,000</u>	<u>-</u>	<u>-</u>	<u>40,529,000</u>
	June 30, 2015			Total
	Level 1	Level 2	Level 3	
	----- Rupees -----			
Fair value through profit or loss	86,251,500	-	-	86,251,500
Financial assets - at fair value				
Available for sale				
- Listed equity securities	-	-	-	-
	<u>86,251,500</u>	<u>-</u>	<u>-</u>	<u>86,251,500</u>

The company has not disclosed the fair value of all other financial assets and liabilities as their carrying value approximates their fair value.

12 OTHERS

There are no other significant activities since June 30, 2015 affecting the interim financial information.

13 CORRESPONDING FIGURES

Corresponding figures have been rearranged and regrouped where ever necessary for the purpose of comparison. However no significant changes have been made.

Figures have been rounded off to the nearest rupee.

14 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements have been approved by the board of directors of the Company and authorized for issue on April 26, 2016.

Shahzad Ellahi Shaikh
Director

Shaukat Ellahi Shaikh
Mg. Director (Chief Executive)

Lahore: April 26, 2016

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