

COMPANY INFORMATION

CHAIRMAN

Mr. Muhammad Umar Virk

CHIEF EXECUTIVE

Mr. Nadeem Aslam Butt

BOARD OF DIRECTORS

Mr. Muhammad Umar Virk

Mr. Nadeem Aslam Butt

Mr. Umair Umar

Mrs. Shahnaz Umar

Mrs. Fatima Nadeem

Mrs. Sadiya Umair

Mr. Shaukat Nazir Malik (Independent Director)

AUDIT COMMITTEE

Mr. Shaukat Nazir Malik

Mr. Umair Umar

Mrs. Shahnaz Umar

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mrs. Sadiya Umair

Chairperson

Mr. Nadeem Aslam Butt

Member

Mrs. Fatima Nadeem

Member

COMPANY SECRETARY & CHIEF FINANCIAL OFFICER

Mr.Saeed Ahmad Khan

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq & Co.

Chartered Accountants - 3 - Shariff Colony,

Iftikhar Malik Road, Canal Park, Gulberg II, Lahore

LEGAL ADVISER

Salman Akram Raja.

Raja Mohammad Akram & Co., Advocates &

Legal Consultants , 33-C Main Gulberg Lahore.

REGISTRAR OF THE COMPANY

Vision Consulting Ltd.

3 - C , 1st floor, LDA Flats, Lawrance Road Lahore

Ph: + 92 42 3637 5531, 3637 5339

REGISTERED OFFICE

44-E-1,Gulberg III, Lahore

Ph: + 92 342 571 4191 - 95 , Fax: + 92 342 571 0048

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MILLS

8 KM Manga Raiwind Road Raiwind District Kasur

DIRECTOR'S REPORT

We hereby present the un-audited financial statements of Company for the nine months ended 31 March 2014. The Company's sales are Rs. 3,548.314 million as compared to Rs. 2,836.973 million during the corresponding period of last year, which shows an increase of 25.07%. The current quarter sales increased by Rs.107.90 million as compared to last year's corresponding quarter. Gross Profit for the period is Rs.376.087 million showing an decrease of 6.42 % over the gross profit of Rs. 401.887 million in the corresponding period in 2013. The decrease in GP is mainly due to increase in fuel & power cost and low sale rates witness last month of the third quarter.

Profit from operations is Rs. 46.091 million as compared to profit of Rs. 66.011 million in the corresponding period. Profit after tax is Rs. 75.096 million as compared to profit of Rs. 86.458 million in the corresponding period. M/s Hira Terry Mills Limited has contributed its share of profit Rs.54.680 million. Earning per share is Rs. 0.95 per share as compared to Rs. 1.10 per share in corresponding period. The management is putting its best efforts to maximize company's profit for remaining period of the financial year and is positive of better results in the remaining three months to maximize the profitability of the company.

The Directors wish to express their appreciation to the staff & workers of the Company for their dedication & devotion displayed in the growth of the Company.

On behalf of the Board



Nadeem Aslam Butt
(Chief Executive officer)

Lahore

April 26, 2014



**HIRA TEXTILE MILLS LIMITED
BALANCE SHEET AS AT 31 MARCH , 2014**

	Un-Audited March 31, 2014	Audited June 30, 2013
	Rupees	Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment-note 3	1,938,954,262	1,956,539,688
Long term investment-note 4	475,771,325	421,091,330
Long term deposits	26,488,248	32,041,918
	2,441,213,835	2,409,672,936
CURRENT ASSETS		
Stores, spares and loose tools	125,310,177	145,377,352
Stock in trade	2,190,485,391	1,545,710,707
Trade debts	161,103,666	131,419,342
Advances	58,998,234	60,524,146
Deposits and Short term Prepayments	8,736,486	8,152,908
Advance Income Tax - net of Provision for tax	87,961,632	90,234,324
Sales tax refundable	27,261,796	30,760,494
Cash and bank balances	17,487,928	21,411,012
	2,677,345,309	2,033,590,285
TOTAL ASSETS	5,118,559,144	4,443,263,221
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Authorised capital		
80,000,000 ordinary shares of Rs. 10 each	<u>800,000,000</u>	<u>750,000,000</u>
Issued , subscribed and paid-up capital		
78,707,200 ordinary shares of Rs. 10 each	<u>787,072,000</u>	<u>715,520,000</u>
Reserves	82,500,000	82,500,000
Unappropriated profit	834,637,149	831,093,349
Shares Holders' Equity	1,704,209,149	1,629,113,349
Surplus on revaluation of property, plant and equipment	65,892,542	65,892,542
NON CURRENT LIABILITIES		
Long term loans	345,485,713	428,757,142
Liabilities against assets subject to finance Lease	1,122,186	4,338,458
Deferred Liabilities	93,659,921	93,591,207
CURRENT LIABILITIES		
Trade and other payables	720,122,210	436,354,487
Mark-up accrued	107,042,862	89,954,068
Short term borrowings	1,957,631,758	1,553,671,851
Current maturity of long term liabilities	123,392,803	141,590,117
	2,908,189,633	2,221,570,523
CONTINGENCIES AND COMMITMENTS -note 5	-	-
TOTAL EQUITY AND LIABILITIES	5,118,559,144	4,443,263,221

The annexed notes form an integral part of these financial statements

Lahore
April 26, 2014

Muhammad Umar Virk
Chairman / Director

Nadeem Aslam Butt
Chief Executive Officer



HIRA TEXTILE MILLS LIMITED.

HIRA TEXTILE MILLS LIMITED
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014

	For the 3rd quarter		Cumulative	
	Jan-March 2014	Jan-March 2013	July-March 2014	July-March 2013
	----- Rupees -----			
Sales - net	1,147,065,945	1,039,162,909	3,548,314,553	2,836,972,946
Cost of goods sold	<u>1,020,361,084</u>	<u>889,917,003</u>	<u>3,172,227,152</u>	<u>2,435,086,287</u>
Gross profit	126,704,860	149,245,906	376,087,400	401,886,659
Other operating income	135,701	-	135,701	-
	<u>126,840,561</u>	<u>149,245,906</u>	<u>376,223,101</u>	<u>401,886,659</u>
Distribution cost	12,650,653	20,360,059	41,063,039	62,686,390
Administrative expenses	19,871,563	14,959,347	59,675,664	44,546,857
Other operating expenses	673,611	2,590,339	3,469,220	6,185,853
Finance cost	82,342,053	76,385,354	225,924,108	222,456,427
Total Operating Exp.	<u>115,537,881</u>	<u>114,295,099</u>	<u>330,132,032</u>	<u>335,875,527</u>
	11,302,680	34,950,807	46,091,069	66,011,131
Share of Profit of Jointly Controlled Company	19,481,669	13,233,181	54,679,995	48,431,507
Profit / (Loss) before tax	<u>30,784,349</u>	<u>48,183,988</u>	<u>100,771,064</u>	<u>114,442,638</u>
Provision for taxation	7,697,164	10,005,712	25,675,264	27,983,812
Profit / (Loss) after tax	<u>23,087,185</u>	<u>38,178,276</u>	<u>75,095,800</u>	<u>86,458,826</u>
Earnings / (Loss) per share - basic and diluted	0.29	0.49	0.95	1.10

The annexed notes form an integral part of these financial statements

Lahore
April 26, 2014

Muhammad Umar Virk
Chairman / Director

Nadeem Aslam Butt
Chief Executive Officer



HIRA TEXTILE MILLS LIMITED
CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2013

	Nine Months Ended	
	March 31, 2014	March 31, 2013
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit / (Loss) before taxation	100,771,064	114,442,639
Add Depreciation of property, plant and equipment	76,128,601	64,017,273
Share of Profit of Jointly Controlled Company	(54,679,995)	(48,431,507)
Employee benefits- provision for the period	9,750,000	7,000,000
Finance cost	225,924,108	222,456,427
	<u>357,893,778</u>	<u>359,484,832</u>
(Increase)/ decrease in store, spare and loose tools	20,067,175	29,100,923
(Increase)/ decrease in stock in trade	(644,774,684)	(556,584,270)
(Increase)/ decrease in trade debts	(29,684,324)	(13,552,646)
(Increase)/ decrease in loans & advances	1,525,912	(46,774,991)
(Increase)/ decrease in deposits and short term prepayments	(583,578)	5,164,852
(Increase)/ decrease in other receivables	2,272,692	1,573,781
Increase/ (decrease) in trade & other payables	283,767,723	271,927,850
Cash generated from operations	(9,515,305)	50,340,332
Finance cost paid	(208,835,314)	(187,628,724)
Gratuity paid	(9,591,897)	(8,717,100)
Income taxes paid	(25,892,592)	(26,639,697)
Net cash used operating activities	(253,835,109)	(172,645,189)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(72,443,710)	(138,015,827)
Proceeds from sale of plant and equipment	4,700,000	-
Long term deposits	5,553,670	(1,256,853)
NET CASH USED IN INVESTING ACTIVITIES	(62,190,040)	(139,272,680)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long term Financing	-	262,614,000
Payment of long term financing	(98,271,429)	(62,777,236)
Payment of liabilities against assets subject to finance lease	6,413,586	5,545,717
Short term borrowings - secured	403,959,907	135,625,732
Dividends Paid	-	(26,626,207)
NET CASH FLOW FROM FINANCING ACTIVITIES	312,102,064	314,382,006
NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	(3,923,084)	2,464,138
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	21,411,012	36,295,330
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>17,487,928</u>	<u>38,759,468</u>

The annexed notes form an integral part of these financial statements

Lahore
 April 26, 2014

Muhammad Umar Virk
 Chairman / Director

Nadeem Aslam Butt
 Chief Executive Officer



HIRA TEXTILE MILLS LIMITED.

HIRA TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2014

	Share capital	Share premium	Unappropriated profits	Total
	----- Rupees -----			
Balance as at June 30, 2012	715,520,000	82,500,000	730,645,315	1,528,665,315
Final Dividend @ Rs. 1.00 per Share for year ended June 30, 2012			(71,552,000)	(71,552,000)
Profit for the period	-	-	86,458,827	86,458,827
Balance as at March 31, 2013	<u>715,520,000</u>	<u>82,500,000</u>	<u>745,552,142</u>	<u>1,543,572,142</u>
Profit for the period	-	-	85,541,207	85,541,207
Balance as at June 30, 2013	<u>715,520,000</u>	<u>82,500,000</u>	<u>831,093,349</u>	<u>1,629,113,349</u>
Final Dividend @ Rs. 1.00 per Share for year ended June 30, 2013	71,552,000	-	(71,552,000)	-
Profit for the period	-	-	75,095,800	75,095,800
Balance as at March 31, 2014	<u>787,072,000</u>	<u>82,500,000</u>	<u>834,637,149</u>	<u>1,704,209,149</u>

The annexed notes form an integral part of these financial statements

Lahore
April 26, 2014

Muhammad Umar Virk
Chairman / Director

Nadeem Aslam Butt
Chief Executive Officer

HIRA TEXTILE MILLS LIMITED NOTES TO THE FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH, 2014

1 CORPORATE INFORMATION

The Company was incorporated in Pakistan on January 31, 1991 as a Public Limited Company and its shares are quoted on Karachi and Lahore Stock Exchanges. The principal activity of the Company is to manufacture and sale of yarn. The registered office of the Company is located at 44-E/1 Gulberg III, Lahore and its mill is located at Raiwind Road Lahore.

2 BASIS OF PREPARATION

These financial statements have been prepared in accordance with the requirements of International Accounting Standard 34 (Interim Financial Reporting) and are being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984.

2.2

The accounting policies and methods of computation adopted in the preparation of these financial statements are the same as those applied in the preparation of the preceding published financial statements of the Company for the year ended June 30, 2013.

3 PROPERTY, PLANT AND EQUIPMENT

	Note	Un-Audited 31 March, 2014 Rupees	Audited 30-Jun-13 Rupees
Tangible fixed assets	3.1	1,935,342,130	1,946,354,316
Capital Work in progress		3,612,132	10,185,372
		1,938,954,262	1,956,539,688
3.1 Tangible fixed assets			
Opening book value		1,946,354,316	1,638,156,116
Additions/Adjustment during the period			
- Building on freeholdland		406,189	7,272,841
- plant and machinery		56,129,176	387,883,700
- electric installations		5,651,035	13,943,710
- Generator		-	1,964,694
- power house		5,487,926	7,352,107
- telephone installation		-	19,100
- computers		77,252	655,100
- furniture and fixtures		5,500	51,779
- vehicles		1,074,500	2,524,840
		68,831,578	421,667,871
Book value of assets disposed-off during the period		(2,161,518)	(23,968,649)
Depreciation charge for the period		(77,682,246)	(89,501,022)
Closing book value		1,935,342,130	1,946,354,316

HIRA TEXTILE MILLS LIMITED NOTES TO THE FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH, 2014

		Un-Audited 31-Mar-14 Rupees	Audited 30-Jun-13 Rupees
4	LONG-TERM INVESTMENTS		
	Investment in related party - equity method		
	Jointly controlled entity - (Hira Terry Mills Limited)		
	Cost of investment	184,500,000	184,500,000
	18,450,000 (June 30, 2012 : 18,450,000) fully paid ordinary shares of Rs.10 each	<u>291,271,325</u>	<u>236,591,330</u>
	Share of profit for the period / year	<u>475,771,325</u>	<u>421,091,330</u>
5	CONTINGENCIES AND COMMITMENTS		
	Guarantees		
	Habib Bank Limited to Sui Northren Gas Pipelines Limited	27,979,420	27,979,420
		<u>27,979,420</u>	<u>27,979,420</u>
	Commitments		
	Letters of credit for import of machinery	59,788,210	-
	Letters of credit for import of raw material	8,060,863	17,397,290
	Letters of credit for import of stores and spares	<u>10,297,245</u>	<u>9,793,069</u>
		<u>78,146,318</u>	<u>27,190,359</u>
6	COST OF SALES		
		For the 3rd quarter	Cumulative
		January - March	July - March
		2014	2014
		January - March	July - March
		2013	2013
		-----Rupees-----	
	Stock - opening	350,698,270	206,244,596
	Cost of goods manufactured	<u>1,023,678,346</u>	<u>888,090,507</u>
		<u>1,374,376,616</u>	<u>1,094,335,103</u>
	Stocks - closing	354,015,532	204,418,100
		<u>1,020,361,084</u>	<u>889,917,003</u>
		<u>3,172,227,152</u>	<u>2,435,086,287</u>

HIRA TEXTILE MILLS LIMITED NOTES TO THE FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH, 2014

	For the 3rd quarter		Cumulative	
	January - March 2014	January - March 2013	July - March 2014	July - March 2013
-----Rupees-----				
6.1 Cost of goods manufactured				
Work in process - opening	31,680,597	26,763,835	29,624,791	22,344,450
Raw materials consumed	777,105,009	678,471,796	2,422,786,308	1,858,081,681
Overheads	287,399,729	212,570,373	884,977,507	636,188,299
	<u>1,064,504,738</u>	<u>891,042,169</u>	<u>3,307,763,815</u>	<u>2,494,269,980</u>
	1,096,185,335	917,806,004	3,337,388,606	2,516,614,430
Work in process - closing	72,506,989	29,715,497	72,506,989	29,715,497
	<u>1,023,678,346</u>	<u>888,090,507</u>	<u>3,264,881,617</u>	<u>2,486,898,933</u>

7 RELATED PARTY TRANSACTIONS

The Related parties comprise holding company, subsidiaries and associated undertakings, other related group companies, directors of the company, key management personnel and post employment benefit plans. The company in the normal course of business carries out transactions with various related parties

	Un-Audited 31 March, 2014 Rupees	Un-Audited 31 March, 2013 Rupees
Transactions with Associated undertaking - Hira Terry Mills Limited (H.T.L.)		
Sale of yarn and store etc	114,793,414	608,314,072
Purchase of towels / Dyes	7,972,983	4,934,836
Expenses charged / Recoverable	16,699,552	14,003,411
Mark-up charged / (Income) on balance due	3,141,983	5,775,715
Other Transaction in ordinary course of business - Net	107,843,000	417,265,958
Transactions with Other related parties		
Remuneration paid to directors and chief executive of the Company	4,275,000	4,161,294
Payment to Employees' Provident Fund Trust	1,557,156	1,221,691
	<u>256,283,088</u>	<u>1,055,676,977</u>

8 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 26th April, 2014 by the Board of Directors of the Company.

9 PRESENTATION

- Figures in the financial statements have been rounded-off to the nearest Rupee.



Lahore
April 26, 2014

Muhammad Umar Virk
Chairman / Director



Nadeem Aslam Butt
Chief Executive Officer