



HIRA TEXTILE MILLS LIMITED.

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

M/s Rahman Sarfaraz Rahim Iqbal Rafiq.
(Chartered Accountant).

Member of Russell Bedford International.

House # 72-A , Faisal Town, 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 36283096 - 97, Fax: 92 42 36312550

REGISTERED OFFICE

44-E-1, Gulberg III, Lahore

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

W: www.hiratex.com.pk

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 2015. The Company's sales are Rs. 2,989.801 million as compared to Rs. 3,548.314 million during the corresponding period of last year, which shows a decrease of 15.74%. The current quarter sales decrease by Rs.153.534 million as compared to last year's corresponding quarter. Gross Profit for the period is Rs.368.421 million showing a decrease of 2.04 % over the gross profit of Rs. 376.087 million in the corresponding period in 2014. The decrease in GP is mainly due to low sale rate in national & International market.

Profit from operations is Rs. 57.641 million as compared to profit of Rs. 46.091 million in the corresponding period. Profit after tax is Rs. 83.438 million as compared to profit of Rs.75.096 million in the corresponding period. M/s Hira Terry Mills Limited has contributed its share of profit Rs.40.746 million. Earning per share is Rs. 1.06 per share as compared to Rs. 0.95 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

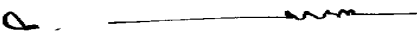
April 27, 2015

**HIRA TEXTILE MILLS LIMITED
BALANCE SHEET AS AT 31 MARCH , 2015**

	Un-Audited March 31, 2015	Audited June 30, 2014
	Rupees	Rupees
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment-note 3	2,101,046,905	1,948,545,364
Long term investment-note 4	534,122,228	493,376,313
Long term deposits	26,868,948	26,695,548
	2,662,038,081	2,468,617,225
CURRENT ASSETS		
Stores, spares and loose tools	135,702,251	167,360,507
Stock in trade	2,110,514,094	1,509,707,315
Trade debts	162,709,414	142,892,979
Deposits and Short term Prepayments	66,236,201	51,554,709
Advance Income Tax - net of Provision for tax	164,017,580	131,890,597
Sales tax refundable	36,568,489	27,083,525
Cash and bank balances	9,110,448	15,933,539
	2,684,858,476	2,046,423,171
TOTAL ASSETS	5,346,896,557	4,515,040,396
EQUITY AND LIABILITIES		
CAPITAL AND RESERVES		
Authorised capital		
80,000,000 ordinary shares of Rs. 10 each	800,000,000	800,000,000
Issued , subscribed and paid-up capital		
78,707,200 ordinary shares of Rs. 10 each	787,072,000	787,072,000
Reserves	82,500,000	82,500,000
Unappropriated profit	976,050,434	892,612,468
Shares Holders' Equity	1,845,622,434	1,762,184,468
Surplus on revaluation of property, plant and equipment	65,892,542	65,892,542
NON CURRENT LIABILITIES		
Long term loans	303,702,449	328,914,284
Liabilities against assets subject to finance Lease	51,068,086	1,645,771
Deferred Liabilities	57,007,108	55,984,217
CURRENT LIABILITIES		
Trade and other payables	681,527,824	404,640,979
Mark-up accrued	129,683,154	1,706,400,436
Short term borrowings	2,090,477,763	84,895,356
Current maturity of long term liabilities	121,915,197	104,482,343
	3,023,603,938	2,300,419,114
CONTINGENCIES AND COMMITMENTS -note 5	-	-
TOTAL EQUITY AND LIABILITIES	5,346,896,557	4,515,040,396

The annexed notes form an integral part of these financial statements

Lahore
April 27, 2015


Muhammad Umar Virk
Chairman / Director


Nadeem Aslam Butt
Chief Executive Officer

HIRA TEXTILE MILLS LIMITED
PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED MARCH 31, 2015

	For the 3rd quarter		Cumulative	
	Jan-March 2015	Jan-March 2014	July-March 2015	July-March 2014
----- Rupees -----				
Sales - net	993,531,867	1,147,065,945	2,989,801,921	3,548,314,553
Cost of goods sold	880,435,696	1,020,361,084	2,621,380,817	3,172,227,152
Gross profit	113,096,171	126,704,860	368,421,104	376,087,400
Other operating income	553,504	135,701	553,504	135,701
	113,649,675	126,840,561	368,974,608	376,223,101
Distribution cost	9,606,512	12,650,653	37,789,513	41,063,039
Administrative expenses	19,526,829	19,871,563	62,801,559	59,675,664
Other operating expenses	1,379,364	673,611	4,338,574	3,469,220
Finance cost	64,870,302	82,342,053	206,403,902	225,924,108
Total Operating Exp.	95,383,007	115,537,881	311,333,548	330,132,032
	18,266,669	11,302,680	57,641,061	46,091,069
Share of Profit of Jointly Controlled Company	16,625,182	19,481,669	40,745,915	54,679,995
Profit / (Loss) before tax	34,891,851	30,784,349	98,386,976	100,771,064
Provision for taxation	5,251,160	7,697,164	14,949,010	25,675,264
Profit / (Loss) after tax	29,640,691	23,087,185	83,437,966	75,095,800
Earnings / (Loss) per share - basic and diluted	0.38	0.29	1.06	0.95

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Lahore
April 27, 2015



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, 2015

	Nine Months Ended	
	March 31, 2015	March 31, 2014
	----- Rupees -----	
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit / (Loss) before taxation	98,386,976	100,771,064
Add Depreciation of property, plant and equipment	76,952,408	76,128,601
Gain on disposal of property, plant and equipment	(553,504)	-
Share of Profit of Jointly Controlled Company	(40,745,915)	(54,679,995)
Employee benefits- provision for the period	9,100,000	9,750,000
Finance cost	206,403,902	225,924,108
	<u>349,543,867</u>	<u>357,893,778</u>
(Increase)/ decrease in store, spare and loose tools	31,658,256	20,067,175
(Increase)/ decrease in stock in trade	(533,806,779)	(644,774,684)
(Increase)/ decrease in trade debts	(19,816,435)	(29,684,324)
(Increase)/ decrease in deposits and short term prepayments	(14,681,492)	942,334
(Increase)/ decrease in other receivables	(32,126,983)	2,272,692
Increase/ (decrease) in trade & other payables	276,886,845	283,767,723
Cash generated from operations	57,657,279	(9,515,306)
Finance cost paid	(161,616,104)	(208,835,314)
Gratuity paid	(8,615,200)	(9,591,897)
Income taxes paid	(64,348,652)	(25,892,592)
Net cash used operating activities	<u>(176,922,676)</u>	<u>(253,835,109)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(231,080,904)	(72,443,710)
Proceeds from sale of plant and equipment	610,000	4,700,000
Long term deposits	(173,400)	5,553,670
NET CASH USED IN INVESTING ACTIVITIES	<u>(230,644,304)</u>	<u>(62,190,040)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from Long term Financing	100,156,400	-
Payment of long term financing	(20,923,252)	(98,271,429)
Payment of liabilities against assets subject to finance lease	(62,566,586)	6,413,586
Short term borrowings - secured	384,077,327	403,959,907
Dividends Paid	-	-
NET CASH FLOW FROM FINANCING ACTIVITIES	<u>400,743,889</u>	<u>312,102,064</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS DURING THE PERIOD	(6,823,091)	(3,923,085)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	15,933,539	21,411,012
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u><u>9,110,448</u></u>	<u><u>17,487,927</u></u>

The annexed notes form an integral part of these financial statements

Lahore
April 27, 2015


Muhammad Umar Virk
Chairman / Director

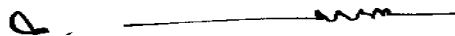

Nadeem Aslam Butt
Chief Executive Officer

HIRA TEXTILE MILLS LIMITED
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED MARCH 31, 2015

	Share capital	Share premium	Unappropriated profits	Total
	----- Rupees -----			
Balance as at June 30, 2013	715,520,000	82,500,000	831,093,349	1,629,113,349
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>
Profit for the period	-	-	57,975,319	57,975,319
Balance as at June 30, 2014	<u>787,072,000</u>	<u>82,500,000</u>	<u>892,612,468</u>	<u>1,762,184,468</u>
Profit for the period	-	-	83,437,966	83,437,966
Balance as at March 31, 2015	<u>787,072,000</u>	<u>82,500,000</u>	<u>976,050,434</u>	<u>1,845,622,434</u>

The annexed notes form an integral part of these financial statements

Lahore
April 27, 2015



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, 2015

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, 2014.

3 PROPERTY, PLANT AND EQUIPMENT

	Un-Audited 31 March, 2015	Audited 30-Jun-14
Note	Rupees	Rupees
Tangible fixed assets	1,909,736,148	1,948,545,364
Capital Work in progress	191,310,757	-
	2,101,046,905	1,948,545,364
3.1 Tangible fixed assets		
Opening book value	1,948,545,364	1,946,354,316
Additions/Adjustment during the period		
- Building on freeholdland	-	3,447,105
- plant and machinery	33,481,215	83,251,714
- electric installations	4,985,444	9,443,663
- Generator	27,000	-
- power house	47,847	13,061,007
- telephone installation	8,600	-
- computers	125,224	77,252
- furniture and fixtures	78,627	5,500
- vehicles Owned	81,090	-
- vehicles - leased	935,100	-
	39,770,147	109,286,241
Book value of assets disposed-off during the period	(56,496)	(2,165,213)
Depreciation charge for the period	(78,522,867)	(104,929,980)
Closing book value	1,909,736,148	1,948,545,364

HIRA TEXTILE MILLS LIMITED NOTES TO THE FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH, 2015

	Un-Audited 31-Mar-15 Rupees	Audited 30-Jun-14 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, 2014 : 18,450,000) fully paid ordinary shares of Rs.10 each	<u>349,622,228</u>	<u>308,876,313</u>
Share of profit for the period / year	<u>534,122,228</u>	<u>493,376,313</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 raw material	226,954,590	10,310,647
Letters of credit for import of stores and spares	4,128,043	3,242,396
	<u>231,082,633</u>	<u>13,553,043</u>
6 COST OF SALES		
	For the 3rd quarter	Cumulative
	January - March	July - March
Note	2015	2015
	January - March	July - March
	2014	2014
	-----Rupees-----	
Stock - opening	464,266,467	337,411,890
Cost of goods manufactured	871,783,144	2,739,582,842
	<u>1,336,049,611</u>	<u>3,076,994,732</u>
Stocks - closing	455,613,916	455,613,916
	<u>880,435,696</u>	<u>2,621,380,817</u>
	<u>1,023,678,346</u>	<u>3,172,227,152</u>
	<u>1,374,376,616</u>	<u>3,526,242,684</u>
	<u>354,015,532</u>	<u>354,015,532</u>
	<u>1,020,361,084</u>	<u>3,172,227,152</u>

HIRA TEXTILE MILLS LIMITED
NOTES TO THE FINANCIAL STATEMENTS

FOR THE QUARTER ENDED 31 MARCH, 2015

	For the 3rd quarter		Cumulative	
	January - March 2015	January - March 2014	July - March 2015	July - March 2014
-----Rupees-----				
6.1 Cost of goods manufactured				
Work in process - opening	39,667,007	31,680,597	38,533,960	29,624,791
Raw materials consumed	640,594,950	777,105,009	1,993,437,852	2,422,786,308
Overheads	239,746,245	287,399,729	755,836,088	884,977,507
	880,341,195	1,064,504,738	2,749,273,940	3,307,763,815
	920,008,202	1,096,185,335	2,787,807,900	3,337,388,606
Work in process - closing	48,225,058	72,506,989	48,225,058	72,506,989
	871,783,144	1,023,678,346	2,739,582,842	3,264,881,617

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, 2015 Rupees	Un-Audited 31 March, 2014 Rupees
Transactions with Associated undertaking - Hira Terry Mills Limited (H.T.L)		
Sale of yarn and store etc	983,083,104	114,793,414
Purchase of cotton/ towels & Dyes	64,060,704	7,972,983
Expenses charged / Recoverable	15,263,617	16,699,552
Mark-up charged / (Income) on balance due	4,450,961	3,141,983
Other Transaction in ordinary course of business - Net	65,450,000	107,843,000
Transactions with Other related parties		
Remuneration paid to directors and chief executive of the Company	4,275,000	4,275,000
Payment to Employees' Provident Fund Trust	1,523,629	1,557,156
	1,138,107,015	256,283,088

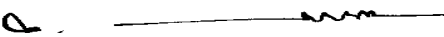
8 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on 27th April, 2015 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 27, 2015


Muhammad Umar Virk
Chairman / Director


Nadeem Aslam Butt
Chief Executive Officer