



Half Yearly Accounts December 31, 2014
(Un-Audited)



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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

Chairman

Mr. Umair Umar

Member

Mrs. Shahnaz Umar

Member

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 - 72-A, Faisal Town, Lahore.

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LEGAL ADVISER

Salman Akram Raja.

Raja Mohammad Akram & Co., Advocates &

Legal Consultants , 33-C Main Gulberg Lahore.

REGISTRAR OF THE COMPANY

Vision Consulting Ltd.

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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 the Company for the half-year ended 31 December 2014. The Company's sales are Rs. 1,996.270 million as compared to Rs. 2,401.862 million during the corresponding period of last year showing a decrease of 16.89%. Gross Profit for the period is Rs.255.349 million showing an increase of 02.14 % over the gross profit of Rs. 249.996 million in the corresponding period. The increase in GP is mainly due to decrease in cotton prices.

Profit from operations is Rs. 39.951 million as compared to Rs. 37.967 million in the corresponding period. Increase in profit is attributed to increase in G.P. Profit after tax is Rs. 54.374 million as compared to profit of Rs. 67.065 million in the corresponding period. M/s Hira Terry Mills Limited has contributed profit of Rs. 24.120 million showing a decrease of Rs. 22.991 million over the last corresponding period. The profit of Hira Terry has decreased due to decrease in margins for value added products. Earning per share for the six month period is Rs.0.76 as compared to Rs. 0.94 during the corresponding period of last year.

The company could not attain its required profitability levels because of severe energy crisis prevailing in the Country during first and second quarters of the year. Management is concerned about the profitability of the company for the remaining period of the year due to ever increasing load shedding in Gas & Power and double digit inflation. However the management is hopeful, with the summer approaching that the energy crisis will be arrested, and 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 six months and hope 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
February 24, 2015



Auditors' report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Hira Textile Mills Limited ("the Company") as at December 31, 2014 and the related condensed interim profit and loss account/statement of other comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the condensed interim financial statements for the six months period then ended (here-in-after referred to as ("the condensed interim financial information")). Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review. The figures for the quarter ended December 31, 2014 of the condensed interim profit and loss account/statement of other comprehensive income have not been reviewed as we are required to review only cumulative figures for the six months period ended on that date.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial information consist of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

RAHMAN SARFARAZ RAHIM IQBAL RAFIQ
Chartered Accountants

Engagement Partner: ZUBAIR IRFAN MALIK

Date: FEBRUARY 24, 2015

Place: LAHORE





Condensed Interim Balance Sheet

as at December 31, 2014

	Note	December 31, 2014	June 30, 2014
		Rupees (Un-audited)	Rupees (Audited)
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
<i>Authorized capital</i>			
80,000,000 (June 30, 2014: 80,000,000) ordinary shares of Rs. 10 each		<u>800,000,000</u>	<u>800,000,000</u>
Issued, subscribed and paid-up capital	4	787,072,000	787,072,000
Capital reserve		82,500,000	82,500,000
Accumulated profit		946,986,512	892,612,468
TOTAL EQUITY		<u>1,816,558,512</u>	<u>1,762,184,468</u>
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		65,892,542	65,892,542
NON-CURRENT LIABILITIES			
Long term finances	5	307,944,012	328,914,284
Liabilities against assets subject to finance lease	6	54,739,032	1,645,771
Deferred liabilities	7	57,419,352	55,984,217
		<u>420,102,396</u>	<u>386,544,272</u>
CURRENT LIABILITIES			
Trade and other payables		1,015,453,800	404,640,979
Accrued interest/mark-up		92,956,560	84,895,356
Short term borrowings	8	2,156,742,904	1,706,400,436
Current portion of non-current liabilities	9	125,849,393	104,482,343
		<u>3,391,002,657</u>	<u>2,300,419,114</u>
TOTAL LIABILITIES		<u>3,811,105,053</u>	<u>2,686,963,386</u>
CONTINGENCIES AND COMMITMENTS	10	-	-
TOTAL EQUITY AND LIABILITIES		<u>5,693,556,107</u>	<u>4,515,040,396</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

Lahore
Date : February 24, 2015


 Chief Executive


 Director



Condensed Interim Balance Sheet

as at December 31, 2014

	Note	December 31, 2014	June 30, 2014
		Rupees (Un-audited)	Rupees (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	11	2,068,240,465	1,948,545,364
Long term investments	12	517,497,046	493,376,313
Long term deposits - <i>Unsecured, Considered good</i>		26,695,548	26,695,548
		2,612,433,059	2,468,617,225
CURRENT ASSETS			
Stores, spares and loose tools		174,991,434	167,360,507
Stock in trade		2,377,613,151	1,509,707,315
Trade debts		71,137,916	142,892,979
Advances, prepayments and other receivables		224,083,984	51,554,709
Advance income tax/income tax refundable		131,842,544	131,890,597
Sales tax refundable		27,329,136	27,083,525
Cash and Bank balances		74,124,883	15,933,539
		3,081,123,048	2,046,423,171
TOTAL ASSETS		<u>5,693,556,107</u>	<u>4,515,040,396</u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.



Condensed Interim Profit and Loss Account/Statement of Other Comprehensive Income (Un-audited)

for six months ended December 31, 2014

	Note	Six months ended		Three months ended	
		December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
		Rupees	Rupees	Rupees	Rupees
Turnover - net	13	1,996,270,054	2,401,862,147	1,045,536,933	1,166,267,876
Cost of sales	14	(1,740,920,128)	(2,151,866,068)	(904,963,663)	(1,057,238,457)
Gross profit		255,349,926	249,996,079	140,573,270	109,029,419
Distribution cost		(28,183,001)	(28,412,386)	(15,096,510)	(5,295,538)
Administrative expenses		(41,028,382)	(39,804,101)	(20,395,718)	(19,360,255)
		(69,211,383)	(68,216,487)	(35,492,228)	(24,655,793)
Other income		553,504	2,565,466	553,504	2,565,466
Operating profit		186,692,047	184,345,058	105,634,546	86,939,092
Other charges		(5,207,284)	(2,795,609)	(3,662,813)	(944,456)
Finance cost		(141,533,602)	(143,582,055)	(82,859,737)	(73,004,392)
		39,951,161	37,967,394	19,111,996	12,990,244
Share of profit of jointly controlled entity	12.1.1	24,120,733	47,111,861	13,487,513	23,613,615
Profit before taxation		64,071,894	85,079,255	32,599,509	36,603,859
Taxation	15	(9,697,850)	(18,013,966)	(3,993,451)	(5,658,023)
Profit after taxation		54,374,044	67,065,289	28,606,058	30,945,836
Other comprehensive income		-	-	-	-
Total comprehensive income		54,374,044	67,065,289	28,606,058	30,945,836
Earnings per share - basic and diluted	16	0.69	0.85	0.36	0.39

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

Lahore
Date : February 24, 2015


Chief Executive


Director



Condensed Interim Cash Flow Statement (Un-audited)

for six months ended December 31, 2014

	December 31, 2014	December 31, 2013
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	64,071,894	85,079,255
Adjustments for non-cash items		
Depreciation	53,367,033	52,216,592
Provision for employees retirement benefits	5,600,000	6,250,000
(Gain)/loss on disposal of property, plant and equipment	(553,504)	2,538,482
Foreign exchange loss	2,176,349	26,984
Share of profit of jointly controlled entity	(24,120,733)	(47,111,861)
Interest/mark-up on borrowings	141,533,602	143,582,055
	178,002,747	157,502,252
Operating profit before changes in working capital	242,074,641	242,581,507
Changes in working capital		
Stores, spares and loose tools	(7,630,927)	(2,111,824)
Stock in trade	(867,905,836)	(745,089,642)
Trade debts	69,578,714	(21,866,868)
Sales tax refundable	(245,611)	-
Advances, prepayments and other receivables	(172,529,275)	(99,489,408)
Trade and other payables	610,817,321	301,840,296
	(367,915,614)	(566,717,446)
Cash used in operations	(125,840,973)	(324,135,939)
Payments for		
Interest/mark-up on borrowings	(133,472,398)	(132,071,957)
Income tax	(9,649,797)	(18,211,455)
Employees retirement benefits	(4,164,865)	(6,038,091)
Net cash used in operating activities	(273,128,033)	(480,457,442)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(107,881,420)	(48,543,097)
Proceeds from disposal of property, plant and equipment	610,000	4,700,000
Long term deposits	-	5,553,670
Net cash used in investing activities	(107,271,420)	(38,289,427)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term finances obtained	34,919,190	-
Repayment of long term finances	(44,889,048)	(73,133,903)
Repayment of liabilities against assets subject to finance lease	(1,777,313)	(1,585,925)
Dividend paid	(4,500)	-
Net increase in short term borrowings	450,342,468	598,645,923
Net cash generated from financing activities	438,590,797	523,926,095
NET INCREASE IN CASH AND CASH EQUIVALENTS	58,191,344	5,179,226
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	74,124,883	26,590,238

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

Lahore
Date : February 24, 2015


 Chief Executive


 Director



Condensed Interim Statement of Changes in Equity (Un-audited)

for six months ended December 31, 2014

	Issued subscribed and paid-up capital	Share Premium	Accumulated profit	Total equity
	Rupees	Rupees	Rupees	Rupees
Balance as at July 01, 2013 - Audited	715,520,000	82,500,000	831,093,349	1,629,113,349
Comprehensive income				
Profit after taxation	-	-	67,065,289	67,065,289
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	67,065,289	67,065,289
Transaction with owners				
Issue of bonus shares at @ 1 bonus share for ten ordinary shares held	71,552,000	-	(71,552,000)	-
Balance as at December 31, 2013 - Un-audited	<u>787,072,000</u>	<u>82,500,000</u>	<u>826,606,638</u>	<u>1,696,178,638</u>
Comprehensive income				
Profit after taxation	-	-	65,955,550	65,955,550
Other comprehensive income	-	-	50,280	50,280
Total comprehensive income	-	-	66,005,830	66,005,830
Transaction with owners	-	-	-	-
Balance as at June 30, 2014 - Audited	<u>787,072,000</u>	<u>82,500,000</u>	<u>892,612,468</u>	<u>1,762,184,468</u>
Comprehensive income				
Profit after taxation	-	-	54,374,044	54,374,044
Other comprehensive income	-	-	-	-
Total comprehensive income	-	-	54,374,044	54,374,044
Balance as at December 31, 2014 - Un-audited	<u><u>787,072,000</u></u>	<u><u>82,500,000</u></u>	<u><u>946,986,512</u></u>	<u><u>1,816,558,512</u></u>

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.

Lahore
Date : February 24, 2015


Chief Executive


Director



Notes to the Condensed Interim Financial Information (*Un-audited*) for six months ended December 31, 2014

1 REPORTING ENTITY

Hira Textile Mills Limited ("the Company") was incorporated in Pakistan on January 31, 1991 as a public limited company under the Companies Ordinance, 1984. The Company was listed on Karachi and Lahore Stock Exchanges of Pakistan on February 15, 2007 and February 16, 2007 respectively. The registered office of the Company is situated at 44-E/1, Gulberg III, Lahore. The principal activity of the Company is manufacturing and sale of yarn. The project is located at Manga Raiwind Road, Tehsil and District Kasur in the province of Punjab.

2 BASIS OF PREPARATION

This interim financial information is not audited and has been presented in condensed form and does not include all the information as is required to be provided in a full set of annual financial statements. This condensed interim financial information should be read in conjunction with the audited financial statements of the Company for the year ended June 30, 2014.

The comparative interim balance sheet as at June 30, 2014 and the related notes to the condensed interim financial information are based on audited financial statements. The comparative interim profit and loss account, interim statement of profit or loss and other comprehensive income, interim cash flow statement, interim statement of changes in equity and related notes to the condensed interim financial information for the half year ended December 31, 2013 are based on unaudited, reviewed interim financial information. The interim profit and loss account and interim statement of profit or loss and other comprehensive income for the quarters ended December 31, 2014 and December 31, 2013 are neither audited nor reviewed.

2.1 Statement of compliance

This condensed interim financial report has been prepared in accordance with the requirements of 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 and directives issued under the Companies Ordinance, 1984 have been followed.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain financial instruments at fair value, certain financial liabilities at amortized cost and employees retirement benefits at present value. In this financial information, except for the amounts reflected in the statement of cash flows, all transactions have been accounted for on accrual basis.

2.3 Judgments, estimates and assumptions

The preparation of financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions and judgments are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which forms the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

2.4 Functional currency

This financial information is prepared in Pak Rupees which is the Company's functional currency.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2014.

	December 31, 2014	June 30, 2014
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Audited)</i>
4 ISSUED, SUBSCRIBED AND PAID-UP CAPITAL		
Ordinary shares of Rs. 10 each		
48,000,000 (June 30, 2014: 48,000,000) shares issued for cash	480,000,000	480,000,000
30,707,200 (June 30, 2014: 30,707,200) issued as bonus shares	307,072,000	307,072,000
	<u>787,072,000</u>	<u>787,072,000</u>



Notes to the Condensed Interim Financial Information (*Un-audited*) for six months ended December 31, 2014

	Note	December 31, 2014	June 30, 2014
		Rupees	Rupees
		(Un-Audited)	(Audited)
5 LONG TERM FINANCES			
From banking companies - <i>secured</i>	5.1	256,176,332	264,528,155
From related parties - <i>unsecured</i>		163,381,965	165,000,000
		419,558,297	429,528,155
Current maturity presented under current liabilities	9	(111,614,285)	(100,613,871)
		<u>307,944,012</u>	<u>328,914,284</u>

5.1 The company has obtained a new demand finance amounting to Rs. 34,919,190 from The Bank of Punjab for capital expenditure and which is secured by charge over operating fixed assets of the Company and personal guarantees of the Company's Directors. The finance carries mark-up at three months KIBOR plus 3% per annum, payable quarterly. The finance is repayable in eight equal semi-annual installments with the first installment due in April 2015.

	Note	December 31, 2014	June 30, 2014
		Rupees	Rupees
		(Un-Audited)	(Audited)
6 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - SECURED			
Present value of minimum lease payments	6.1	68,974,140	5,514,243
Current maturity presented under current liabilities	9	(14,235,108)	(3,868,472)
		<u>54,739,032</u>	<u>1,645,771</u>

6.1 The Company has acquired vehicles and machinery under finance lease agreements amounting to Rs. 65,237,210. The leases are priced at three months KIBOR plus 2% per annum. The lease rentals are payable monthly over a tenor ranging from 4 to 5 years.

	Note	December 31, 2014	June 30, 2014
		Rupees	Rupees
		(Un-Audited)	(Audited)
7 DEFERRED LIABILITIES			
Employees retirement benefits		16,401,808	14,966,673
Deferred taxation	15.2	41,017,544	41,017,544
		<u>57,419,352</u>	<u>55,984,217</u>

8 SHORT TERM BORROWINGS

The aggregate available short term funded facilities amounts to Rs. 2,904 million (June 30, 2014: Rs. 2,289 million) out of which Rs. 747 million (June 30, 2014: Rs. 583 million) remained unveiled as at the reporting date.

	Note	December 31, 2014	June 30, 2014
		Rupees	Rupees
		(Un-Audited)	(Audited)
9 CURRENT MATURITY OF NON-CURRENT LIABILITIES			
Long term finances - <i>Secured</i>	5	111,614,285	100,613,871
Liabilities against assets subject to finance lease - <i>Secured</i>	6	14,235,108	3,868,472
		<u>125,849,393</u>	<u>104,482,343</u>

10 CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

10.1.1 Guarantees issued by banks on behalf of the Company

27,979,420

27,979,420



Notes to the Condensed Interim Financial Information (*Un-audited*) for six months ended December 31, 2014

	December 31, 2014	June 30, 2014
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Audited)</i>
10.2 Commitments		
10.2.1 Commitments under irrevocable letters of credit for:		
- purchase of raw material	49,988,324	10,310,647
- purchase of machinery	4,952,206	3,242,396
	<u>54,940,530</u>	<u>13,553,043</u>
10.2.2 The Company has rented office premises under operating lease arrangement with directors. Commitments for payments in future periods under the lease agreement are as follows:		

	<i>Note</i>	December 31, 2014	June 30, 2014
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
- payments not later than one year		4,200,000	4,200,000
- payments later than one year but not later than five years		4,200,000	6,300,000
		<u>8,400,000</u>	<u>10,500,000</u>

10.2.3 Commitments under ijarah financing

The aggregate amount of ujarah payments for ijarah financing and the period in which these payments will become due are as follows:

	<i>Note</i>	December 31, 2014	June 30, 2014
		<i>Rupees</i>	<i>Rupees</i>
		<i>(Un-Audited)</i>	<i>(Audited)</i>
- payments not later than one year		25,064,042	27,512,888
- payments later than one year but not later than five years		3,726,189	17,919,753
		<u>28,790,231</u>	<u>45,432,641</u>

II PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets

Operating fixed assets	<i>11.1</i>	1,920,514,836	1,948,545,364
Capital work in progress		147,725,629	-
		<u>2,068,240,465</u>	<u>1,948,545,364</u>

11.1 Operating fixed assets

Net book value at the beginning of the period/year	1,948,545,364	1,946,354,316
Additions during the period/year		
Building on freehold land	-	3,447,105
Plant and machinery	22,219,988	83,251,714
Electric installation	2,053,876	9,443,663
Generator	27,000	-
Power house	47,847	13,061,007
Telephone Installations	8,600	-
Computers	-	77,252
Furniture and fixture	19,500	5,500
Vehicles - Owned	81,090	-
Vehicles - Leased	935,100	-
	<u>25,393,001</u>	109,286,241
Net book value of assets disposed during the period/year	(56,496)	(104,929,980)
Depreciation for the period/year	(53,367,033)	(2,165,213)
Net book value at the end of the period/year	<u>1,920,514,836</u>	<u>1,948,545,364</u>



Notes to the Condensed Interim Financial Information (*Un-audited*) for six months ended December 31, 2014

12 LONG TERM INVESTMENTS

This represents investment in ordinary shares of jointly controlled entity. This investments has been accounted for by using equity method. Particulars of investment are as follows:

	December 31, 2014	June 30, 2014
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Audited)</i>
12.1 Hira Terry Mills Limited		
Percentage of ownership interest	46.90%	46.90%
Cost of investment		
18,450,000 (June 30, 2013: 18,450,000) fully paid ordinary shares of Rs. 10 each	184,500,000	184,500,000
Share of post acquisition profits	332,997,046	308,876,313
	517,497,046	493,376,313

12.1.1 Extracts of financial statements of jointly controlled entity

The assets and liabilities of Hira Terry Mills Limited as at the reporting date and related revenue and profit for the period/year then ended based on the un-audited financial statements are as follows:

	December 31, 2014		June 30, 2014	
	<i>Rupees</i>		<i>Rupees</i>	
Assets	3,350,682,129		3,383,092,412	
Liabilities	2,246,677,953		2,331,636,910	
Revenue	1,823,911,131		3,638,907,781	
Profit for the period/year	51,430,135		154,129,605	
Break-up value per share	28.06		26.73	
Share of profit	24,120,733		72,284,983	
	Six months ended		Three months ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>

13 TURNOVER - NET

Local				
Yarn	355,709,459	487,910,927	199,807,709	281,683,216
Waste	56,003,649	69,035,352	27,770,727	35,637,642
	411,713,108	556,946,279	227,578,436	317,320,858
Sales return	(31,751,371)	(8,402,091)	(30,486,182)	(2,178,000)
	379,961,737	548,544,188	197,092,254	315,142,858
Export				
Yarn - direct	794,118,752	955,832,718	415,464,376	372,344,523
Yarn - indirect	822,189,565	897,485,241	432,980,303	478,780,495
	1,616,308,317	1,853,317,959	848,444,679	851,125,018
	1,996,270,054	2,401,862,147	1,045,536,933	1,166,267,876



Notes to the Condensed Interim Financial Information (*Un-audited*) for six months ended December 31, 2014

	Six months ended		Three months ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>	<i>Rupees</i>
14 COST OF SALES				
Raw material consumed	1,352,842,902	1,645,681,299	689,298,019	814,483,962
Packing material consumed	31,009,755	32,023,674	17,782,211	16,558,660
Salaries, wages and benefits	134,338,386	133,431,161	65,994,439	68,322,926
Fuel and power	193,512,916	222,047,782	82,851,325	120,030,836
Stores, spares and loose tools consumed	20,868,406	19,649,526	10,517,157	8,513,665
Insurance	7,634,563	7,687,112	3,817,063	2,525,869
Dyes and chemicals	11,998,809	13,620,301	6,129,049	7,423,058
Depreciation	52,299,692	51,172,260	27,384,148	26,187,969
Other	10,014,784	9,796,295	3,721,324	5,014,051
	1,814,520,213	2,135,109,410	907,494,735	1,069,060,996
Work in process				
- at the beginning of the period	38,533,960	29,624,791	44,178,541	37,461,217
- at the end of the period	(39,667,007)	(31,680,597)	(39,667,007)	(31,680,597)
	(1,133,047)	(2,055,806)	4,511,534	5,780,620
	1,813,387,166	2,133,053,604	912,006,269	1,074,841,616
Finished goods				
- at the beginning of the period	337,411,890	261,361,067	407,579,380	277,802,091
- purchases during the period	54,412,533	108,149,667	49,763,055	55,293,020
- at the end of the period	(464,291,461)	(350,698,270)	(464,291,461)	(350,698,270)
	(72,467,038)	18,812,464	(6,949,026)	(17,603,159)
	1,740,920,128	2,151,866,068	905,057,243	1,057,238,457

15 PROVISION FOR TAXATION

15.1 Provision for current tax has been in accordance with the requirements of section 18 and section 154 of the Income Tax Ordinance, 2001.

15.2 No provision for deferred tax has been made as the impact of the same is considered immaterial.

	Six months ended	
	December 31, 2014	December 31, 2013
	<i>Rupees</i>	<i>Rupees</i>
	<i>(Un-Audited)</i>	<i>(Un-Audited)</i>
16 EARNINGS PER SHARE - BASIC AND DILUTED		
Profit attributable to ordinary shareholders	<i>Rupees</i>	
	54,374,044	67,065,289
Weighted average number of ordinary shares outstanding during the period	<i>No. of shares</i>	
	78,707,200	78,707,200
Earnings per share	<i>Rupees</i>	
	0.69	0.85

There is no diluting effect on the basic earnings per share of the Company.

17 TRANSACTIONS WITH RELATED PARTIES

Related parties from the Company's perspective comprise jointly controlled entity, directors, provident fund trust and key management personnel. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, and includes the Chief Executive and Directors of the Company.

Transactions with key management personnel are limited to payment of remuneration and other benefits only. Transactions with directors are limited to interest bearing borrowings obtained and payment of interest thereon. Transactions with provident fund trust are limited to the Company's contribution to the fund. The Company in the normal course of business carries out various transactions with jointly controlled entity and continues to have a policy whereby all such transactions are carried out on commercial terms and conditions which are equivalent to those prevailing in an arm's length transaction.



Notes to the Condensed Interim Financial Information (*Un-audited*) for six months ended December 31, 2014

Details of transactions with related parties is as follows:

Nature of relationship	Nature of transaction	Six months ended	
		December 31, 2014	December 31, 2013
		Rupees	Rupees
Jointly controlled entity	Sales of yarn, dyes and chemicals	591,548,058	740,683,131
	Purchase of towels, dyes, chemicals and stores	33,713,634	3,133,758
	Expenses charged	10,028,456	11,339,189
	Interest on balance due	3,545,387	1,418,816
	Other transactions - net	31,228,000	40,483,000
Directors	Interest on borrowings	-	9,410,500
		Six months ended	
		December 31, 2014	December 31, 2013
		Rupees	Rupees
Provident fund trust	Contribution for the period	1,013,378	990,775
Key management personnel	Remuneration and other benefits	3,252,066	3,138,000

18 EVENTS AFTER THE REPORTING PERIOD

There are no significant events after the reporting period that may require any adjustment or disclosure in this condensed interim financial report.

19 RECOVERABLE AMOUNTS AND IMPAIRMENT

As at the reporting date, recoverable amounts of all assets/cash generating units are equal to or exceed their carrying amounts, unless stated otherwise in these financial statements.

20 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information have been approved by the Board of Directors of the Company and authorized for issue on February 24, 2015.

21 GENERAL

- 21.1 There are no other significant activities since June 30, 2014 affecting the interim financial information.
- 21.2 Corresponding figures have been re-arranged where necessary to facilitate comparison. However, there are no significant reclassifications during the period.
- 21.3 Figures have been rounded off to the nearest Rupee.