

DIRECTORS REPORT

The Directors of your company have the pleasure to submit un audited accounts for the Half Year Ended as on 31st December 2014.

The Financial performance is as under:-

PARTICULAR	HALF YEAR ENDED 31-12-2014 RUPEES IN MILLION	HALF YEAR ENDED 31-12-2013 RUPEES IN MILLION
SALES	680.372	784.155
COST OF SALES	(697.784)	(739.221)
GROSS (LOSS) /PROFIT	(17.412)	44.934
OTHER OPERATING INCOME	0.041	0.981
DISTRIBUTION COST	(0.517)	(0.328)
ADMINISTRATIVE COST	(11.408)	(10.784)
OTHER OPERATING EXP.	(0.017)	(0.804)
FINANCIAL COST	(23.778)	(23.339)
(LOSS)/PROFITBEFORE TAXATION	(53.091)	10.660

During the period under review raw material prices were decreased at the same time yarn prices were also sharply decreased and did not commensurate with raw material prices. This un commensurate decrease coupled with held stocks, negatively affected our financial results.

The future outlook of the company looks very positive. The price of raw material are now stable as compared with the previous period. The company has started manufacturing staple yarn. The demand of staple is expected to increase locally and prices of staple yarn should be stable or in upward trend.

The future of spinning industry in Textile sectors seems bright as the energy crises have been somehow resolved by the authorities therefore it is expected that textile industry will be in a very good phase.

Directors of the company would like to place on record their appreciations of the hard work and dedication shown by executive, staff members and workers of the company in the performance of their duties.

The Directors acknowledge the devotion to duty of workers and appreciate the hard working of employees and also thankful to customers for their support and co-operation to the company.

FOR AND ON BEHALF OF THE BOARD

Lahore.
February 28, 2015.

(NAUMAN ALMAS)
Chief Executive