

## DIRECTORS REPORT TO THE SHAREHOLDERS

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I being the Chief Executive of the company feel eminent pleasure to present annual report on behalf of the Board of Directors pertaining to the Nine month ending 31<sup>st</sup> March 2015.

### FINANCIAL HIGHLIGHTS

The Company showed a loss after tax RS.17,214,469 for the Quarter ending 31<sup>st</sup> March 2015, where as it was RS.20.248 Million for the same quarter period. The Financial results are summarized hereunder:-

	2015	2014
	Rupees	Rupees
SALES	290,445,284	342,617,144
GROSS PROFIT	(19,049,681)	1,174,529
FINANCIAL EXPENSES	(10,299,150)	(13,082,234)
TAXATION	18,089,510	(3,394,241)
NET LOSS AFTER TAX	(17,214,469)	(20,247,978)
LOSS PER SHARE	(3.85)	(4.53)

As result shows the spinning sector is still in depression cycle and trying to come out from this phase. The main factor is demand and supply of yarn and dumping of yarn by India in our country. The energy supply is better as compared to previous year but demand and rates of yarn are not viable due to availability of Indian yarn. Our Textile Association has informed the Government that the main reason of losses in spinning sector is due to arrival of huge quantity of Indian yarn and taken strong stance for ban on import of Indian yarn. Despite these circumstances the management has taken various steps to reduce cost of production by taking steps for reduction in Electricity units and change in spin plan. We have now diverted our 50% production from cotton yarn to Staple yarn, PV yarn and Acrylic Yarn and we are hopeful for better results in future.

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

The directors are also thankful to customers for their support and co-operation to the company.

FOR AND ON BEHALF OF THE BOARD

(NAUMAN ALMAS)

Chief Executive

Lahore:

Dated: April 30,2015

