

DIRECTORS REPORT TO THE SHAREHOLDERS

The Directors of your company have the pleasure to submit un audited accounts for the First quarter ended as on 30th September 2014.

During the period under review the company produced 1,248,082Kgs. of blended yarn as compared to 1,352,226Kgs. in the corresponding period of the last year.

The main reason of decreased in production is acute shortage of energy being faced by the company.

The Financial performance is as under:-

Particular	Quarter Ended 30-09-2014 Rupees	Quarter Ended 30-09-2013 Rupees
SALES	342,173,104	390,213,533
COST OF SALES	(323,164,605)	(366,222,830)
GROSS PROFIT	19,008,499	23,990,704
OTHER OPERATING INCOME	-	788,262
DISTRIBUTION COST	(273,788)	(125,896)
ADMINISTRATIVE COST	(5,364,262)	(4,808,327)
OTHER OPERATING EXP.	(12,100)	(9,105)
FINANCIAL COST	(6,703,234)	(11,268,209)
PROFIT BEFORE TAXATION	6,655,115	8,567,428

During the period under review, sales of the company have been decreased from Rs.390.214 million to Rs.342.173 million due to the decrease in production as well as decrease in yarn rates as compared to their cost. The textile sector is facing un-controlable challenges such as unavailability of energy and its rising cost, volatile yarn prices

The Directors acknowledge the devotion to duty of workers and are 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.
October 31, 2014.

(NAUMAN ALMAS)
Chief Executive