

## ***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 30<sup>th</sup> September 2015.

During the period under review the company produced 1,243,357Kgs. of blended yarn as compared to 1,248,082Kgs. 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:-

<b>Particular</b>	<b>Quarter Ended 30-09-2015 Rupees</b>	<b>Quarter Ended 30-09-2014 Rupees</b>
SALES	290,330,797	342,173,104
COST OF SALES	(296,993,941)	(323,164,605)
GROSS PROFIT / (LOSS)	(6,663,144)	19,008,499
OTHER OPERATING INCOME	564	-
DISTRIBUTION COST	(83,600)	(273,788)
ADMINISTRATIVE COST	(4,642,703)	(5,364,262)
OTHER OPERATING EXP.	(9,550)	(12,100)
FINANCIAL COST	(6,923,117)	(6,703,234)
PROFIT / (LOSS) BEFORE TAXATION	(18,321,550)	6,655,115

During the period under review, sales of the company have been decreased from Rs.342.173 million to Rs.290.330 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-controllable 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 30, 2015

( NAUMAN ALMAS )  
Chief Executive