



**INDUS DYEING & MANUFACTURING  
COMPANY LIMITED**

**Consolidated Condensed Interim Financial Information  
Half Year Ended December 31, 2014**

## **INDUS DYEING & MANUFACTURING COMPANY LIMITED**

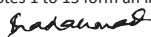
**CONSOLIDATED CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2014**

**December 31,  
2014  
(Unaudited)**

**June 30,  
2014  
(Audited)**

	Notes	.....Rupees in '000' .....	
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised 45,000,000 Ordinary shares of Rs. 10 each		<u>450,000</u>	<u>450,000</u>
Issued, subscribed and paid up		<u>180,737</u>	180,737
Reserves		<u>5,022,595</u>	5,022,400
Unappropriated profit		<u>5,812,056</u>	5,443,438
		<u>11,015,388</u>	10,646,575
<b>SHARE OF ASSOCIATE'S SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - net of tax</b>			
		<u>2,610</u>	2,610
<b>NON CURRENT LIABILITIES</b>			
Long-term financing		<u>1,912,262</u>	<u>2,162,009</u>
Deferred liabilities		<u>266,322</u>	<u>233,167</u>
		<u>2,178,584</u>	2,395,176
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<u>1,869,772</u>	<u>1,350,904</u>
Interest / mark-up payable		<u>95,176</u>	<u>124,960</u>
Short-term borrowings		<u>6,533,595</u>	<u>5,011,046</u>
Current portion of: long-term financing		<u>581,922</u>	<u>740,765</u>
		<u>9,080,465</u>	<u>7,227,675</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	7		
	8		
		<u>22,277,047</u>	<u>20,272,036</u>
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	9	<u>10,964,580</u>	10,916,339
Long-term investments	10	<u>25,180</u>	24,198
Long-term deposits		<u>14,725</u>	<u>15,338</u>
		<u>11,004,485</u>	10,955,875
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		<u>548,129</u>	<u>586,753</u>
Stock-in-trade		<u>8,446,947</u>	<u>5,712,763</u>
Trade debts		<u>1,354,893</u>	<u>1,954,394</u>
Loans and advances		<u>293,627</u>	<u>285,637</u>
Trade deposits and short-term prepayments		<u>31,291</u>	<u>4,786</u>
Other receivables		<u>128,173</u>	<u>93,702</u>
Other financial assets		<u>40,944</u>	<u>164,223</u>
Tax refundable		<u>282,792</u>	<u>429,263</u>
Cash and bank balances		<u>145,766</u>	<u>84,640</u>
		<u>11,272,562</u>	<u>9,316,161</u>
		<u>22,277,047</u>	<u>20,272,036</u>

The annexed notes 1 to 15 form an integral part of these consolidated condensed interim financial information.

  
**SHAHZAD AHMED**  
Chief Executive

  
**NAVEED AHMED**  
Director

## INDUS DYEING & MANUFACTURING COMPANY LIMITED

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014

	Notes	Half year ended		Quarter ended	
		Dec 31,		Dec 31,	
		2014 ( July - Dec )	2013	2014 ( Oct - Dec )	2013
		.....Rupees in '000'.....		.....Rupees in '000'.....	
<b>Sales</b>		<b>14,710,301</b>	10,753,127	<b>7,480,939</b>	5,551,145
Cost of goods sold	11	<b>(13,149,222)</b>	(9,146,145)	<b>(6,543,972)</b>	(4,842,535)
Gross profit		<b>1,561,079</b>	1,606,982	<b>936,967</b>	708,610
Other operating income		<b>21,090</b>	39,548	<b>49,387</b>	35,877
Gain on Bargain purchase on fair value measurement of net assets and consideration transferred as on the acquisition date		-	338,930	-	-
Gain on revaluation of previously held interest		-	389,056	-	-
		<b>1,582,169</b>	2,374,516	<b>986,354</b>	744,487
Distribution cost		<b>(417,026)</b>	(239,656)	<b>(218,035)</b>	(137,814)
Administrative expenses		<b>(174,019)</b>	(144,160)	<b>(88,985)</b>	(77,146)
Other operating expenses		<b>(131,263)</b>	(75,463)	<b>(112,581)</b>	(29,380)
Financial cost		<b>(272,746)</b>	(206,031)	<b>(177,370)</b>	(127,059)
		<b>(995,054)</b>	(665,310)	<b>(596,971)</b>	(371,399)
Share of (loss) / profit from joint venture		-	(41,525)	-	(8,682)
Share of profit from Associate	10.1	<b>822</b>	2,185	<b>531</b>	840
Profit before taxation		<b>587,937</b>	1,669,866	<b>389,914</b>	365,246
Taxation	6	<b>(129,110)</b>	24,715	<b>(59,564)</b>	24,715
Profit after taxation		<b>458,827</b>	1,694,581	<b>330,350</b>	389,961
Earnings per share - Basic and diluted		<b>25.39</b>	93.76	<b>18.28</b>	22.01

The annexed notes 1 to 15 form an integral part of these consolidated condensed interim financial information.

  
**SHAHZAD AHMED**  
Chief Executive

  
**NAVEED AHMED**  
Director

## INDUS DYEING & MANUFACTURING COMPANY LIMITED

### CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	.....Rupees in '000'.....			
Profit after taxation	458,827	1,694,581	330,350	389,961
Other comprehensive income Items that may be reclassified subsequently to profit and loss account				
Exchange gain / (loss) on translation of foreign subsidiary	195	-	(52)	-
Items that will not be reclassified subsequently to profit and loss account	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>459,022</b>	<b>1,694,581</b>	<b>330,298</b>	<b>389,961</b>

The annexed notes 1 to 15 form an integral part of these consolidated condensed interim financial information.


  
SHAHZAD AHMED  
Chief Executive


  
NAVEED AHMED  
Director

**CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2014**

	Half year ended	
	December 31, 2014	December 31, 2013
	.....Rupees in '000'.....	
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	587,937	1,669,866
<b>Adjustments for:</b>		
Depreciation of property, plant and equipment	505,548	288,161
Provision for gratuity	57,211	35,805
Share of profit from associate	(822)	(2,185)
Share of loss from Joint venture	-	41,525
Unrealised gain on revaluation of foreign currency loans	-	(36,084)
Exchange gain on revaluation of foreign subsidiary	195	-
Gain on disposal of property, plant and equipment	(806)	(1,018)
Gain on revaluation/ disposal of other financial assets	(386)	(2,684)
Gain on Bargain purchase on fair value measurement of net assets and consideration transferred as on the acquisition date	-	(338,930)
Gain on revaluation of long term investment	-	(389,056)
Finance cost	272,746	206,031
Dividend income	(905)	(843)
<b>Operating profit before working capital changes</b>	<b>1,420,718</b>	<b>1,470,588</b>
Working capital changes (Increase) / decrease in current assets		
Stores, spares and loose tools	38,624	(84,342)
Stock in trade	(2,734,184)	(3,038,967)
Trade debts	599,501	(103,040)
Loans and advances	(56,357)	(47,938)
Trade deposits and short-term prepayments	(26,505)	(31,490)
Other receivables	(34,471)	(48,834)
Other financial assets	-	(2,684)
Tax refundable	146,471	23,675
Increase in current liabilities		
Trade and other payables	512,818	217,641
	(1,554,103)	(3,115,979)
Cash used in operations	(133,385)	(1,645,391)
Income taxes paid	(80,743)	(78,341)
Finance cost paid	(302,530)	(126,586)
Gratuity paid	(24,056)	(12,727)
<b>Net cash used in operating activities</b>	<b>(540,714)</b>	<b>(1,863,045)</b>
<b>B. CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(566,767)	(1,772,581)
Acquisition of subsidiary	-	(1,611,522)
Proceeds on disposal of property, plant and equipment	13,784	30,140
Proceeds on disposal of other financial assets	123,665	-
Long-term deposits	613	(96)
Dividend received	905	846
<b>Net cash used in investing activities</b>	<b>(427,800)</b>	<b>(3,353,213)</b>
Long-term financing obtained	400,200	1,287,535
Repayment of long-term financing	(808,790)	(141,972)
Repayment of loans to directors - net	-	(9,490)
Repayment of liabilities against assets subject to finance lease	-	(2,222)
Dividend paid	(84,319)	(98,101)
<b>Net cash (used in) / generated from financing activities</b>	<b>(492,909)</b>	<b>1,035,750</b>
<b>Net decrease in cash and cash equivalent</b>	<b>(1,461,423)</b>	<b>(4,180,508)</b>
<b>Cash and cash equivalent at beginning of the period</b>	<b>(4,926,406)</b>	<b>(1,693,783)</b>
<b>Cash and cash equivalent at end of the period</b>	<b>(6,387,829)</b>	<b>(5,874,291)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	145,766	173,157
Short-term running finance	(6,533,595)	(6,047,448)
	(6,387,829)	(5,874,291)

The annexed notes from 1 to 19 form an integral part of these consolidated interim financial statements.

  
**SHAHZAD AHMED**  
Chief Executive

  
**NAVEED AHMED**  
Director

# INDUS DYEING & MANUFACTURING COMPANY LIMITED

## CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF YEAR ENDED DECEMBER 31, 2014

	Reserves						Total
	Issued, subscribed and paid up capital	Capital			Revenue		
		Share premium	Merger reserve	General reserve	Exchange translation reserve	Unappropriated profit	
Rupees in '000'							
<b>Balance at July 01, 2013</b>	<b>180,737</b>	<b>10,920</b>	<b>11,512</b>	<b>5,000,000</b>	-	<b>3,733,735</b>	<b>8,936,904</b>
<b>Comprehensive income for the year;</b>							
Profit for the year	-	-	-	-	-	1,996,643	1,996,643
Exchange loss on translation of foreign subsidiary	-	-	-	-	(32)	-	(32)
Other comprehensive income for the year	-	-	-	-	-	(15,779)	(15,779)
<b>Total comprehensive income for the year</b>	-	-	-	-	(32)	1,980,864	1,980,832
Associate's share of surplus on revaluation of property, plant and equipment on account of incremental depreciation							
- net of deferred tax	-	-	-	-	-	246	246
<b>Transactions with owners recorded directly in equity:</b>							
Interim cash dividend for the period ended September 31, 2013 @ Rs. 5 per share	-	-	-	-	-	(90,369)	(90,369)
Interim cash dividend for the period ended December 31, 2013 @ Rs. 10 per share	-	-	-	-	-	(180,737)	(180,737)
Cost of issue of shares						(301)	(301)
<b>Balance at June 30, 2014</b>	<b>180,737</b>	<b>10,920</b>	<b>11,512</b>	<b>5,000,000</b>	<b>(32)</b>	<b>5,443,438</b>	<b>10,646,575</b>
<b>Comprehensive income for the half-year;</b>							
Profit for the half-year	-	-	-	-	-	458,827	458,827
Exchange loss on translation of foreign subsidiary	-	-	-	-	195	-	195
Other comprehensive income for the half-year	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	-	195	458,827	459,022
Associate's share of surplus on revaluation of property, plant and equipment on account of incremental depreciation							
- net of deferred tax	-	-	-	-	-	160	160
<b>Transactions with owners recorded directly in equity:</b>							
Interim cash dividend for the period ended September 31, 2014 @ Rs. 5 per share	-	-	-	-	-	(90,369)	(90,369)
<b>Balance at December 31, 2014</b>	<b>180,737</b>	<b>10,920</b>	<b>11,512</b>	<b>5,000,000</b>	<b>163</b>	<b>5,812,056</b>	<b>11,015,388</b>

The annexed notes 1 to 15 form an integral part of these consolidated condensed interim financial information.

  
**SHAHZAD AHMED**  
Chief Executive

  
**NAVEED AHMED**  
Director

# **INDUS DYEING & MANUFACTURING COMPANY LIMITED**

## **SELECTED EXPLANATORY NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR HALF YEAR ENDED 31 DECEMBER 2014**

### **1. LEGAL STATUS AND NATURE OF BUSINESS**

#### **The " Group " consists of :**

##### **1.1 Holding Company - Indus Dyeing & Manufacturing Company Limited**

"Indus Dyeing & Manufacturing Co. Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited company under the Companies Act 1913 repealed by the Companies Ordinance, 1984. Registered office of the Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on the Karachi Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The Company is also operating two ginning units including one on leasing arrangements in District Multan. The Company has the following group entities :

- Indus Lyallpur Limited - Wholly owned subsidiary
- Indus Home Limited - Wholly owned subsidiary
- Indus Home USA Inc. - Wholly owned subsidiary of Indus Home Limited
- Sunrays Textile Mills Limited - Associated undertaking

### **1.2 Subsidiary Companies**

#### **1.2.1 Indus Lyallpur Limited - 100% owned**

Indus Lyallpur Limited (the Subsidiary Company) is an unlisted public company limited by shares, incorporated in Pakistan on April 25, 1992 under the Companies Ordinance, 1984. Principal business of the Subsidiary Company is manufacturing and sale of yarn. Mill is located at 38th kilometer, Shaikhupura road, District Faisalabad in the province of Punjab. Registered office of the Subsidiary Company is situated at Office No. 508, 5th floor, Beaumont Plaza, Civil Lines, Karachi. The Holding Company acquired 71,540,000 ordinary shares representing hundred percent of paid up capital of the Subsidiary Company @ 6.85 per share for aggregate consideration of Rs. 490 million on January 31, 2012.

#### **1.2.2 Indus Home Limited - 100% owned**

Indus Home Limited (the Subsidiary Company) was incorporated in Pakistan as a public limited Company on May 18, 2006 under the Companies Ordinance 1984. The registered office of the Company is located at 174 Abu Bakar Block, New Garden Town, Lahore. Principal business activities of the Subsidiary Company are to manufacture and export the greige and finished terry cloth and other textile products. The manufacturing facility of the Company is located at Manga Mandi, Lahore. On November 21, 2013, the Holding Company acquired 75 million shares of Indus Home Limited from West Point Pakistan LLC for an aggregate purchase consideration of USD 12 million. As a result of the acquisition, the Holding Company acquired controlling interest in Indus Home Limited by way of 100% ownership.

#### **1.2.3 Indus Home USA Inc. (100% owned by Indus Home Limited)**

Indus Home USA Inc. was established in the prior year. The principal business activities of the Company is to act as commission agent to generate sales order in textile sector.

### **1.3 Associated Undertaking**

Sunrays Textile Mills Limited was incorporated in Pakistan on August 27, 1987 as a public limited company under the Companies Ordinance, 1984 and its shares are quoted on the Karachi Stock Exchange. The Company is principally engaged in trade, manufacture and sale of yarn. The Company is also operating a ginning unit and an ice factory on leasing arrangements. The registered office of the Company is situated at Karachi. The mill is located at District Muzaffargarh, Dera Ghazi Khan Division, in the province of Punjab. The Holding Company has 0.99% voting rights in the Company and it is regarded associate due to common directorship.

### **2. BASIS OF CONSOLIDATION :**

- This consolidated condensed interim financial information include the financial information of the Company and its Subsidiary Companies together - " the Group ".

## **INDUS DYEING & MANUFACTURING COMPANY LIMITED**

- Subsidiary Companies are fully consolidated from the date on which more than 50% of voting rights are transferred to the Group or power to control the company is established and excluded from consolidation from the date of disposal or when the control is lost.
- The condensed interim financial information of the Subsidiary Companies are prepared for the same reporting period as of the Company for the purpose of consolidation, using consistent accounting policies.
- The assets, liabilities, income and expenses of the Subsidiary Companies have been consolidated on a line by line basis.
- Material intra-group balances and transactions have been eliminated.

### **3. STATEMENT OF COMPLIANCE :**

This consolidated condensed interim financial information are unaudited and have been prepared in accordance with the approved Accounting Standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards ( IFRS ) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under Companies Ordinance, 1984. In case requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.

### **4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, ESTIMATES AND RISK MANAGEMENT POLICIES**

- 4.1** The accounting policies applied in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the annual audited consolidated financial statements of the Company for the year ended June 30, 2014.
- 4.2** The financial risk management policies and objectives adopted by the Company are consistent with those disclosed in the annual audited consolidated financial statements for the year ended June 30, 2014.

### **5. BASIS OF PREPARATION :**

- 5.1** This consolidated condensed interim financial information has been prepared under the historical cost convention modified by:-
- recognition of certain employee retirement benefits at present value.
  - certain financial instruments at fair value.
- 5.2** This consolidated condensed interim financial information does not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual consolidated financial statements of the Company for the year ended June 30, 2014.
- 5.3** This consolidated condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.
- 5.4** The comparative consolidated balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2014, whereas comparative consolidated condensed interim profit and loss account, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are stated from the unaudited consolidated condensed interim financial information for the half year ended December 31, 2013.

### **6. TAXATION**

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemptions available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime. In this consolidated condensed interim financial information tax expense for the period has been determined on provisional basis. Final liability will be determined on the basis of annual results.



## INDUS DYEING & MANUFACTURING COMPANY LIMITED

	December 31, 2014 (Unaudited)	June 30, 2014 (Audited)
	.....Rupees in '000'.....	
<b>7. CONTINGENCIES</b>		
Claim of arrears of social security contribution not acknowledged. Appeal is pending in Honourable High Court of Sindh. The management is hopeful for favourable outcome.	<u>453</u>	<u>453</u>
Guarantees issued by banks on behalf of the Group	<u>44,010</u>	<u>49,820</u>
Guarantees issued by banks in favour of gas distribution companies	<u>37,586</u>	<u>114,227</u>
Bank guarantees against payment of infrastructure cess	<u>140,042</u>	<u>144,695</u>
<b>8. COMMITMENTS</b>		
Letters of credit against property, plant and equipment, stores and spares and raw cotton purchases	<u>1,568,647</u>	<u>753,013</u>
Civil work contracts	<u>1,000</u>	<u>70,000</u>
Foreign currency forward contracts	<u>-</u>	<u>803,586</u>
<b>9. ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT</b>		
During the period, following additions and disposals were made: -		

	.....(Un-audited).....			
	December 31, 2014		December 31, 2013	
	Additions / Transfers	Disposal at Carrying value	Additions / Transfers	Disposal at Carrying value
	.....Rupees in '000'.....			
<b>Assets</b>				
Land	-	-	1,664	
Office building	-	-	15,026	-
Factory building	28,876	-	18,660	-
Non factory building	23,241	-	-	-
Plant and machinery	252,524	(8,409)	1,229,646	(33,122)
Mills equipment	-	-	93	-
Electric installations	1,008	-	24,304	-
Power generator	-	-	81,353	-
Office equipment	1,001	(124)	1,348	-
Furniture and fixtures	636	-	75	-
Vehicles	26,362	(1,384)	14,723	-
<b>Capital work in - progress</b>	<u>272,101</u>	<u>(42,043)</u>	<u>367,167</u>	<u>(33,122)</u>
	<u>605,749</u>	<u>(51,960)</u>	<u>1,754,059</u>	<u>(33,122)</u>

## INDUS DYEING & MANUFACTURING COMPANY LIMITED

		December 31, 2014 (Unaudited)	June 30, 2014 (Audited)
		.....Rupees in '000'.....	
<b>10. LONG TERM INVESTMENTS</b>	<b>Notes</b>		
Investment in an associate	10.1	<b>25,180</b>	24,198
		<b>25,180</b>	24,198
<b>10.1 Investment in an associate</b>			
Cost		<b>1,716</b>	1,716
Opening		<b>22,482</b>	20,465
Dividend received		-	(1,025)
Associate's share of transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation - net of deferred tax.		<b>160</b>	246
Share of profit from associate		<b>822</b>	2,796
		<b>23,464</b>	22,482
		<b>25,180</b>	24,198
Number of shares held		<b>68,654</b>	68,654
Cost of investment ( in "000" )		<b>1,716</b>	1,716
Ownership interest		<b>0.9950%</b>	0.9950%
Market value ( in "000" )		<b>14,074</b>	16,651
		.....(Un-audited).....	
		Half year ended	Quarter ended
		December 31, 2014	December 31, 2013
		December 31, 2014	December 31, 2013
		.....Rupees in '000'.....	
<b>11. COST OF GOODS SOLD</b>	<b>Notes</b>		
Raw material consumed		<b>7,859,057</b>	7,266,408
Manufacturing expenses	11.1	<b>3,489,835</b>	2,038,335
Outside purchase-yarn		<b>1,534,029</b>	158,836
		<b>12,882,921</b>	9,463,579
Work in process			
Opening stock		<b>789,693</b>	646,539
Closing stock		<b>(691,179)</b>	(670,520)
		<b>98,514</b>	(23,981)
Cost of goods manufactured		<b>12,981,435</b>	9,439,598
Finished Goods			
Opening stock		<b>1,108,755</b>	515,957
Closing stock		<b>(940,968)</b>	(809,410)
		<b>167,787</b>	(293,453)
		<b>13,149,222</b>	9,146,145
<b>11.1 Manufacturing expenses</b>			
Salaries, wages and benefits		<b>799,277</b>	522,491
Fuel, water and power		<b>1,308,677</b>	753,807
Stores and spares consumed		<b>303,335</b>	250,608
Packing material consumed		<b>308,486</b>	163,268
Insurance		<b>31,391</b>	22,692
Repairs and maintenance		<b>30,126</b>	20,010
Rent, rate and taxes		<b>1,492</b>	1,408
Depreciation		<b>493,959</b>	287,879
Rebate		<b>(37,298)</b>	(5,724)
Others		<b>250,390</b>	21,896
		<b>3,489,835</b>	2,038,335
		<b>1,869,576</b>	1,182,526

## **INDUS DYEING & MANUFACTURING COMPANY LIMITED**

### **12. AGGREGATE TRANSACTION WITH RELATED PARTIES**

The related parties comprise of associate (Sunrays Textiles Mills Limited) and entities where directors held interest (Riaz Cotton Factory, Silver Seeds (Private) Limited, MB Industries (Private) Limited, Gailawala Cotton Company, Indus Heartland Limited, Lyallpur Properties) and key management personnel and post employment benefit schemes. The group carries out transactions with related parties on agreed terms. Transactions with related parties during the period and balances with them at period end are as follows: -

	<b>December 31, 2014 (Unaudited)</b>	<b>June 30, 2014 (Audited)</b>
.....Rupees in '000'.....		
<b>12.1 Transactions during the period</b>		
<b>Relationship with Company</b>		
<b>Associate</b>		
Purchase of yarn / cotton & machinery	44,048	87
Conversion cost	3,925	2,791
<b>Key management personnel</b>		
Short term borrowing repaid	-	51,926
Short term borrowing received	-	42,436
Remuneration paid	25,786	23,020
<b>Other related parties</b>		
Expenses paid on behalf of entities where directors are common	-	5
	<b>December 31, 2014 (Unaudited)</b>	<b>June 30, 2014 (Audited)</b>
	.....Rupees in '000'.....	
<b>12.2 Balances with related parties</b>		
Associate		
- Payable	994	137
Directors and spouses		
- Receivable	-	5,376
Other related parties		
- Payable	3,170	3,170

### **13. SUBSEQUENT EVENTS**

In respect of the current period, the directors proposed second interim cash dividend of Rs. 180.737 million @ Rs. 10 per ordinary share of Rs. 10 each. The proposed dividend has not been included as a liability in these financial statements.

### **14. DATE OF AUTHORIZATION FOR ISSUE**

This condensed interim financial information was authorised for issue on 27th February 2015 by the Board of Directors of the Company.

### **15. GENERAL**

Figures have been rounded off to the nearest thousand of Rupee.

  
**SHAHZAD AHMED**  
Chief Executive

  
**NAVEED AHMED**  
Director