

## **DIRECTOR'S REPORT**

### **Dear Share Holders,**

The reviewed accounts for the half year ended December 31, 2012 are being presented. Your company earned pretax profit of Rs.275.890 (M) during the period under review. These encouraging financial results were possible with well-focused raw material procurement planning and healthy yarn demand in international market. Interrupted gas and electric supply has significantly affected production efficiencies resulting increase in per unit production cost. Despite all odds, your company earned hand some profit during the period under review and we hope INSHA-ALLAH this trend will be maintained. your management is closely monitoring the current market situation and taking all possible measures for smooth operations of the mill.

The earning per share is Rs.36.79(Par value Rs.10/=per share)

We further state that:

- a) The Financial Statements prepared by the Management, present fairly its state of affairs, the result of its operations, Cash Flows and changes in equity;
- b) Proper books of Accounts have been maintained;
- c) Appropriate accounting policies have been consistently applied in preparation of Financial Statements and accounting estimates are based on reasonable and prudent judgment.
- d) International Accounting Standards, as applicable in Pakistan have been followed in preparation of Financial Statements.
- e) There are no significant doubts upon the company's ability to continue as a going concern.
- f) Internal auditor is continuously reviewing the existing system of internal control and other procedures. The process of review will continue and any weakness in controls will have immediate attention of the Management.
- g) There has been no material departure from the best practices of corporate governance, as detailed in the listing regulations.

The labor management relations remained cordial and we would like to thanks to the employees of the company for their hard work and Company's Bankers for their co-operation.

**FOR AND ON BEHALF OF THE BOARD**

**Kashif Riaz**

**CHIEF EXECUTIVE OFFICER**

Dated: February 28, 2013