

Company profile

Board of Directors

1	Mian Mohammad Ahmed	Chairman
2	Mr. Shahzad Ahmed	Chief Executive
3	Mian Riaz Ahmed	
4	Mr. Naveed Ahmed	
5	Mr. Kashif Riaz	
6	Mr. Irfan Ahmed	
7	Mr. Shafqat Masood	
8	Mr. Shahwaiz Ahmed	
9	Sheikh Nishat Ahmed	
10	Mr. Farooq Hassan	Nominee N.I.T.

Audit committee

1	Mian Riaz Ahmed	Chairman
2	Mr. Kashif Riaz	Member
3	Mr. Irfan Ahmed	Member

Human resource and remuneration committee

1	Sheikh Nishat Ahmed	Chairman
2	Mr. Irfan Ahmed	Member
3	Mr. Shahwaiz Ahmed	Member

Company secretary

Mr. Ahmed Faheem Niazi

Chief financial officer

Mr. Arif Abdul Majeed

Chief Internal auditor

Mr. Yaseen Hamidia

Legal Advisor

Mr. M. Yousuf Naseem (Advocates & Solicitors)

Registered office

Office # 508, Tel. 111 - 404 - 404
5th floor, Beaumont Plaza, Fax. 35693593 - 94
Civil Lines Quarters, Karachi.

Symbol of the company IDYM

Website

www.indus-group.com/web/download.htm

Auditors

M/s Yousuf Adil Saleem & Co.
Chartered Accountants

Registrar & Share Transfer Office

Evolution Factor (Pvt) Ltd.
(Formerly Corporate Support Services (Pvt) Ltd.)
407-408, AI - Ameera Centre, Tel. 35662023 - 24
Shahrah-e-Iqbal, Saddar, Karachi. Fax. 35221192

Factory location

- 1 P 1 S.I.T.E. Tel. 0223 - 880219 & 252
Hyderabad, Sindh.
- 2 Plot # 3 & 7, Sector - 25, Tel. 021- 35061577 - 9
Korangi Industrial Area, Karachi.
- 3 Muzaffergarh, Bagga Sher, Tel. 0662 - 490202 - 205
District Multan.
- 4 Indus Lyallpur Limited. Tel. 041 - 4689235 - 6
38th Kilometre, Shaikhupura Road,
District Faisalabad.

Directors' Report

Dear Shareholders,

We are pleased to present the half yearly consolidated condensed accounts (un-audited) for the period ended December 31, 2013. Your company earned pre-tax profit of **Rs. 1,669.866 million** and after tax profit **Rs. 1,694.581 million**. Earning per share is **Rs. 93.76** (par value Rs. 10/= per share)

By the grace of God your Company earned handsome profits during the period in spite of increase in manufacturing expenses and shortage of power supply especially in Punjab, but better cost control measures and timely procurement of raw material helped the company to achieve these good results.

Keeping in view the good profits the management is pleased to announce 100% cash dividend i.e., Rs. 10.00 per share.

As mentioned in our last annual report, our Muzaffargarh Unit 2 has started production.

The Board of Directors of the Company has approved the acquisition of entire shareholding of West Point Pakistan LLC in Indus Home Limited comprising of 75,000,000 ordinary shares of Rs. 10.00 each representing 50% of total issued shares capital of Indus Home Limited, at a price of USD 12.000 millions.

China is one of the world's largest buyer of cotton yarn. Presently, there is some slowdown in Chinese market, which resulted in a decline in the export prices of yarn. We expect the next six months results will not be as good as these.

We further state that :

- a The financial statements prepared by the management, present fairly its state of affairs, the result of its operations, cash flow & 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 these 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 labour 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 behalf of Board
Shahzad Ahmed
Chief Executive Officer

Karachi : the 28th February, 2014

DRAFT REVIEW REPORT ON UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION TO THE MEMBERS

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of **INDUS DYEING & MANUFACTURING COMPANY LIMITED (“the Company”)** as at December 31, 2013, the related unconsolidated condensed interim profit and loss account, condensed interim other comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes to the accounts for the half year then ended [here-in-after referred to as “unconsolidated condensed interim financial information”]. Management is responsible for the preparation and presentation of this unconsolidated condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this unconsolidated condensed interim financial information based on our review. The figures of the unconsolidated condensed interim profit and loss account for the quarter ended December 31, 2013 has not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2013.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial information as of and for the half year ended December 31, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants

Engagement Partner:
Nadeem Yousuf Adil

Dated: 28th February, 2014.
Place: Karachi

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2013

		December 31, 2013 (Unaudited)	June 30, 2013 (Audited)			December 31, 2013 (Unaudited)	June 30, 2013 (Audited)
	Note	----- Rupees in '000' -----			Note	----- Rupees in '000' -----	
SHARE CAPITAL AND RESERVES				NON-CURRENT ASSETS			
Authorised 45,000,000 ordinary shares of Rs. 10 each		<u>450,000</u>	<u>450,000</u>	Property, plant and equipment	8	5,712,180	4,260,265
Issued, subscribed and paid up				Long-term investments	9	3,494,680	2,201,560
18,073,732 ordinary shares of Rs. 10 each		180,737	180,737	Long-term deposits		4,165	4,069
Reserves		5,022,432	5,022,432			9,211,025	6,465,894
Unappropriated profit		4,040,789	3,213,758				
		9,243,958	8,416,927				
NON-CURRENT LIABILITIES				CURRENT ASSETS			
Long-term financing		1,582,160	690,369	Stores, spares and loose tools		258,334	194,428
Deferred liabilities		133,411	112,239	Stock-in-trade		6,118,735	3,268,424
		1,715,571	802,608	Trade debts		1,007,126	1,016,143
CURRENT LIABILITIES				Loans and advances		138,871	83,539
Trade and other payables		867,824	739,152	Trade deposits and short-term prepayments		33,990	6,842
Interest / mark-up payable		84,384	25,707	Other receivables		9,539	24,946
Short-term borrowings		4,597,244	1,097,290	Other financial assets		16,148	13,464
Current portion of: long-term financing		533,528	231,345	Tax refundable		109,241	99,295
liabilities against assets subject to finance lease		-	2,222	Cash and bank balances		139,500	142,276
		6,082,980	2,095,716			7,831,484	4,849,357
CONTINGENCIES AND COMMITMENTS						17,042,509	11,315,251
	7	17,042,509	11,315,251			17,042,509	11,315,251

The annexed notes from 1 to 15 form an integral part of this unconsolidated condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013

	Note	Half year ended		Quarter ended	
		December 31, 2013	December 31, 2012	December 31, 2013	December 31, 2012
----- Rupees in '000' -----					
Sales		8,894,728	8,692,712	4,500,814	4,461,386
Cost of goods sold	10	(7,477,711)	(7,249,272)	(3,892,986)	(3,655,916)
Gross profit		1,417,017	1,443,440	607,828	805,470
Other operating income		39,953	27,017	36,403	22,357
		1,456,970	1,470,457	644,231	827,827
Distribution cost		(188,755)	(204,245)	(102,346)	(108,548)
Administrative expenses		(120,407)	(96,707)	(61,212)	(50,775)
Other operating expenses		(68,404)	(58,334)	(26,049)	(29,592)
Financial cost		(162,004)	(110,889)	(97,117)	(57,469)
Profit before taxation		917,400	1,000,282	357,507	581,443
Taxation	6	-	(64,478)	-	(29,527)
Profit after taxation		917,400	935,804	357,507	551,916
Earnings per share - Basic and diluted		50.76	51.78	19.78	30.54

The annexed notes from 1 to 15 form an integral part of this unconsolidated condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2013

	Half year ended		Quarter ended	
	December 31,	December 31,	December 31,	December 31,
	2013	2012	2013	2012
	Rupees in '000'			
Profit after taxation	917,400	935,804	357,507	551,916
Other comprehensive income				
Items that may be reclassified subsequently to profit and loss account	-	-	-	-
Items that will not be reclassified subsequently to profit and loss account				
Actuarial gain / loss - Net of tax	3.1.2 -	-	-	-
Total comprehensive income for the period	917,400	935,804	357,507	551,916

The annexed notes from 1 to 15 form an integral part of this unconsolidated condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2013

	Reserves					Total
	Share Capital	Capital		Revenue		
		Share Premium	Merger Reserve	General Reserve	Unappropriated Profit	
----- Rupees in '000' -----						
Balance at July 01, 2012 (audited)	180,737	10,920	11,512	5,000,000	1,861,555	7,064,724
Comprehensive Income						
Profit for the period ended December 31, 2012	-	-	-	-	935,804	935,804
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	935,804	935,804
Transactions with owners:						
Final cash dividend for the year ended June 30, 2012 @ Rs. 20 per share	-	-	-	-	(361,475)	(361,475)
Balance at December 31, 2012 (unaudited)	180,737	10,920	11,512	5,000,000	2,435,884	7,639,053
Comprehensive Income						
Profit for the period ended June 30, 2013	-	-	-	-	1,397,802	1,397,802
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	1,397,802	1,397,802
Transfer to general reserve	-	-	-	-	-	-
Transaction with owners:						
Interim dividend in specie for the period ended December 31, 2012 in 100:09 ratio	-	-	-	-	(439,191)	(439,191)
Interim cash dividend for the year ended March 31, 2013 @ Rs. 10 per share	-	-	-	-	(180,737)	(180,737)
Balance at June 30, 2013 (audited)	180,737	10,920	11,512	5,000,000	3,213,758	8,416,927
Comprehensive Income						
Profit for the period ended December 31, 2013	-	-	-	-	917,400	917,400
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	917,400	917,400
Transaction with owners:						
Interim cash dividend for the period ended September 31, 2013 @ Rs. 5 per share.	-	-	-	-	(90,369)	(90,369)
Balance at December 31, 2013 (unaudited)	180,737	10,920	11,512	5,000,000	4,040,789	9,243,958

The annexed notes from 1 to 15 form an integral part of this unconsolidated condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2013

	Half year ended	
	December 31, 2013	December 31, 2012
Note	-----Rupees in '000'-----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	917,400	1,000,282
Adjustments for:		
Depreciation of property, plant and equipment	209,354	188,432
Provision for gratuity	30,125	31,050
Unrealised (gain) / loss on revaluation of foreign currency loans	(31,435)	8,016
Gain on disposal of property, plant and equipment	(910)	(243)
Gain on revaluation/ disposal of other financial assets	(2,684)	(37)
Finance cost	162,004	110,889
Dividend income	(846)	(17,459)
Operating profit before working capital changes	1,283,008	1,320,930
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(63,906)	(5,820)
Stock in trade	(2,850,311)	(1,383,357)
Trade debts	5,091	(223,383)
Loans and advances	1,202	(27,432)
Trade deposits and short-term prepayments	(27,148)	(10,888)
Other receivables	15,407	(10,867)
Other financial assets	-	943
Tax refundable	(9,946)	(18,221)
Increase in current liabilities		
Trade and other payables	155,516	123,599
	(2,774,095)	(1,555,426)
Cash used in operations	(1,491,087)	(234,496)
Income taxes paid	(75,631)	(149,220)
Finance cost paid	(103,327)	(104,537)
Gratuity paid	(8,953)	(7,906)
Net cash used in operating activities	(1,678,998)	(496,159)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase made for acquisition of property, plant and equipment	(1,683,189)	(241,453)
Payment made for acquisition of subsidiary	9.1 (1,293,120)	-
Proceeds on disposal of property, plant and equipment	22,825	971
Proceeds on disposal of other financial assets	-	34,510
Long-term deposits	(96)	979
Dividend received	846	17,459
Net cash used in investing activities	(2,952,734)	(187,534)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Long-term financing obtained	1,287,535	78,000
Repayment of long-term financing	(93,561)	(32,528)
Loans from directors obtained / (repaid) - net	(9,490)	(2,356)
Repayment of liabilities against assets subject to finance lease	(2,222)	(2,252)
Short term borrowings - net	-	(508,563)
Dividend paid	(98,101)	(369,116)
Net cash generated / (used in) from financing activities	1,084,161	(836,815)
Net decrease in cash and cash equivalent	(3,547,571)	(1,520,508)
Cash and cash equivalent at beginning of the period	(945,534)	(531,536)
Cash and cash equivalent at end of the period	(4,493,105)	(2,052,044)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	139,500	76,761
Short-term running finance	(4,632,605)	(2,128,805)
	(4,493,105)	(2,052,044)

The annexed notes from 1 to 15 form an integral part of this unconsolidated condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
SELECTED EXPLANATORY NOTES
TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE HALF YEAR ENDED DECEMBER 31, 2013

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Indus Dyeing & Manufacturing Company Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited Company under the Companies Act 1913 since repealed and replaced 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 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
- Sun Rays Textile Mills Limited - Associated undertaking

2 STATEMENT OF COMPLIANCE

2.1 This unconsolidated condensed interim financial information is unaudited but subject to limited scope review by external auditors of the Company in accordance with the requirements of clause (xxi) of the Code of Corporate Governance and they have issued their review report thereon and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and also presented in accordance with the listing regulations of Karachi Stock Exchange. This unconsolidated condensed interim financial information has been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan.

2.2 The 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.

2.3 This unconsolidated 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 unconsolidated financial statements of the Company for the year ended June 30, 2013.

2.4 The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2013, whereas comparative condensed profit and loss account, condensed cash flow statement and condensed statement of changes in equity are stated from the unaudited condensed interim financial information for the half year ended December 31, 2012.

3 ACCOUNTING POLICIES

The accounting policies, applied in the preparation of this condensed interim financial information are the same as those applied in the preparation of the annual audited financial statements of the Company for the year ended June 30, 2013 except as disclosed in note 3.1.

3.1 Change in accounting policy

3.1.1 IAS 1 - Presentation of Financial Statements – Presentation of items of Other Comprehensive Income

The amendments to IAS 1 change the grouping of items presented in other comprehensive income (OCI). Items that could be reclassified (or recycled) to profit or loss at a future point in time (for example, net gains on hedges of net investments, exchange differences on translation of foreign operations, net movements on cash flow hedges and net losses or gains on available-for-sale financial assets) would be presented separately from items that will never be reclassified (for example, actuarial gains and losses on defined benefit plans). Income tax on items of other comprehensive income is required to be allocated on the same basis i.e. the amendments do not change the option to present items of other comprehensive income either before tax or net of tax. The amendments require retrospective application.

As a result of amendments in IAS 1, the Company modified the presentation of the item of OCI in its statements of Profit and Loss and Other Comprehensive Income, to present items that would be reclassified to profit and loss in the future separately from those that would never be. Comparative information has been re-presented on the same basis.

3.1.2 IAS 19 - Employee Benefits (as revised in 2011)

During the current period, the Company has changed its accounting policy in respect of post-retirement defined benefit plan as required under IAS 19, 'Employee Benefits' (Revised 2011). The amended IAS 19 require actuarial gains and losses to be recognized immediately in other comprehensive income; this change will remove the corridor method and eliminate the ability for entities to recognize all changes in the defined benefit obligation and in plan assets in profit or loss, which was allowed under IAS 19; and that the expected return on plan assets recognized in profit or loss is calculated based on the rate used to discount the defined benefit obligation. Previously, the Company was recognizing all actuarial gains / losses in the profit and loss account.

The effect of such changes as discussed in note 3.1.1 and 3.1.2 is considered immaterial to this condensed interim financial information as whole, so no impact has been taken.

4 ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan for interim financial reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2013.

5 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 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 exemption available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

December 31, June 30,
2013 2013
(Unaudited) (Audited)
-----Rupees in '000'-----

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 Claim of arrears of social security contribution not acknowledged, appeal is pending in Honorable High Court of Sindh. The management is hopeful for favorable outcome.

<u>453</u>	<u>453</u>
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7.1.2 Guarantees issued by banks on behalf of the Company

<u>177,168</u>	<u>167,168</u>
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December 31, June 30,
2013 2013
(Unaudited) (Audited)
-----Rupees in '000'-----

7.2 Commitments

Letters of credit for raw material

<u>1,949,621</u>	<u>54,524</u>
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Letters of credit for stores and spares

<u>39,917</u>	<u>58,045</u>
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Letters of credit for property, plant and equipment

<u>538,491</u>	<u>1,423,369</u>
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Civil work contracts

<u>51,725</u>	<u>176,350</u>
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US dollar forward contracts

<u>-</u>	<u>99,660</u>
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8 ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period, the following additions and disposals were made: -

	December 31, 2013		December 31, 2012	
	Additions / Transfers	Disposal at Carrying value	Additions / Transfers	Disposal at Carrying value
-----Rupees in '000'-----				
Assets				
Land	1,664	-	-	-
Office building	15,026	-	-	-
Factory building	3,369	-	5,743	-
Plant and machinery	1,229,646	(21,915)	191,485	(92)
Power generator	81,353	-	10,700	-
Electric Installation	24,304	-	-	-
Furniture and fixtures	75	-	6,050	(41)
Vehicles	10,614	-	41,904	(595)
Capital work in progress	360,960	-	66,576	-
	1,727,011	(21,915)	322,458	(728)

	December 31,	June 30,
	2013	2013
	(Unaudited)	(Audited)
Note	-----Rupees in '000'-----	

9 LONG TERM INVESTMENTS

Investment in a joint venture	9.1.1	-	1,198,084
Investment in an associate		13,476	13,476
Investment in subsidiaries	9.1	3,481,204	990,000
		3,494,680	2,201,560

9.1 Subsidiaries

Indus Lyallpur Limited		990,000	990,000
Indus Home Limited	9.1.1	2,491,204	-
		3,481,204	990,000

9.1.1 During the year, the Company has acquired the remaining shareholding in Indus Home Limited - Joint Venture for consideration of Rupees. 1,293 million (USD 12 million), making it a wholly owned subsidiary. Previously the accumulated holding of the Company in Indus Home Limited was 49.99%. The transaction occurred on 21 November 2013.

	Note	Half year ended		Quarter ended	
		December 31,	December 31,	December 31,	December 31,
		2013	2012	2013	2012
-----Rupees in '000'-----					
10 COST OF GOODS SOLD					
Raw material consumed		6,157,201	5,795,574	3,164,726	2,902,825
Manufacturing expenses	10.1	1,515,728	1,283,345	815,330	660,480
Outside purchase-yarn		94,687	145,033	46,341	46,729
		7,767,616	7,223,952	4,026,396	3,610,034
Work in process					
Opening stock		216,135	198,325	270,393	217,052
Closing stock		(317,148)	(217,426)	(317,148)	(217,426)
		(101,013)	(19,101)	(46,755)	(374)
Cost of goods manufactured		7,666,603	7,204,851	3,979,641	3,609,660
Finished Goods					
Opening stock		272,232	290,016	374,468	291,851
Closing stock		(461,124)	(245,595)	(461,124)	(245,595)
		(188,892)	44,421	(86,656)	46,256
		7,477,711	7,249,272	3,892,986	3,655,916

10.1 Manufacturing expenses

Salaries, wages and benefits	407,988	337,717	232,482	161,096
Fuel, water and power	553,600	419,026	291,586	219,909
Stores and spares consumed	191,924	171,731	102,704	89,507
Packing material consumed	124,534	126,789	68,041	64,612
Insurance	18,110	10,405	10,555	4,702
Repairs and maintenance	14,201	7,785	8,120	3,657
Rent, rate and taxes	1,408	1,111	36	75
Depreciation	194,457	179,411	96,364	90,517
Others	9,506	29,370	5,444	26,405
	1,515,728	1,283,345	815,330	660,480

11 AGGREGATE TRANSACTION WITH RELATED PARTIES

The related parties comprise of subsidiaries (Indus Lyallpur Limited), (Indus Home Limited), associate (Sunrays Textiles Mills Limited) and entities where directors are common (Riaz Cotton Factory, Silver Seeds, MB Industries, Gailawala Cotton Company, Indus Heartland Limited, Lyallpur Properties) and key management personnel. The Company 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: -

	Unaudited	Unaudited
	December 31	December 31
	2013	2012
	-----Rupees in '000'-----	
11.1 Transactions during the period		
Relationship with Company	Nature of transaction	
Subsidiaries		
	143,749	1,460
	5,563	142,559
	3,680	-
	2,825	-
	-	20,223
	820	-
	109,466	1,454,137
	55,230	1,308,030
Associate		
	-	114
	24,603	33,608
	24,610	22,888
Joint venture		
	-	70,855
		1,359
	-	1,359
Key management personnel		
	51,926	109,455
	42,436	107,099
	18,120	22,320
Other related parties		
	5	234
	488	1,848
	December 31,	June 30,
	2013	2013
	(Unaudited)	(Audited)
	-----Rupees in '000'-----	

11.2 Balances with related parties

Subsidiaries	Receivable	18,902	9,090
(against normal business transactions)			
Associate	Payable	8	627
Joint Venture	Receivable	-	13,205
Key management personnel	Payable	-	9,490
Other related parties	Payable	3,124	2,641

12 SUBSEQUENT EVENTS

In respect of the current period, the directors proposed 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.

13 Allocation to taxation and WPPF is provisional. Final liability will be determined on the basis of annual results.

14 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 28th February, 2014 by the Board of Directors of the Company.

15 GENERAL

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

CHIEF EXECUTIVE OFFICER

DIRECTOR