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COMPANY PROFILE **BOARD OF DIRECTORS**

1. Mian Riaz Ahmed (Chairman)
2. Mr. Kashif Riaz (Chief Executive)
3. Mian Mohammad Ahmad
4. Mr. Shahzad Ahmad
5. Mr. Naveed Ahmad
6. Mr. Irfan Ahmed
7. Mr. Shahwaiz Ahmed
8. Mr. Shafqat Masood
9. Sheikh Nishat Ahmed

AUDIT COMMITTEE

1. Mr. Sheikh Nishat Ahmed (Chairman)
2. Mr. Naveed Ahmed (Member)
3. Mr. Shafqat Masood (Member)

HUMAN RESOURCES AND REMUNERATION COMMITTEE

1. Mian Mohammad Ahmad (Chairman)
2. Mr. Irfan Ahmed (Member)
3. Mr. Shahwaiz Ahmed (Member)

CHIEF FINANCIAL OFFICER

Mr. Shabbir Kausar

CHIEF INTERNAL AUDITOR

Mr. Imran Iftikhar

COMPANY SECRETARY

Mr. Ahmed Faheem Niazi

LEGAL ADVISOR

Mr. Yousuf Naseem

Advocates & Solicitors

REGISTERED OFFICE

5th floor, Office # 508, Beaumont Plaza,
Beaumont Road, Civil Lines Quarters, Karachi

SYMBOL OF THE COMPANY

SUTM

WEBSITE

<http://www.Indus-group.com/web/download.htm>

REGISTRAR & SHARE TRANSFER OFFICE

Evolution factor (private) limited
(Formerly Corporate Support Services (Pvt) Ltd.)

407 -408, Al – Ameera Center,
Shahrah-e-Iraq, Saddar Karachi.

Tel. 35662023 – 24

Fax. 35221192

FACTORY LOCATION

Khanpur Shomali Bagga Sher M.M. Road Muzaffar Garh

BANKERS

Muslim Commercial Bank Limited
Allied Bank Limited
Soneri Bank Limited
United Bank Limited
Meezan Bank Limited
Habib Bank Limited

AUDITORS

M/s Deloitte Yousuf Adil
Chartered Accountants Karachi.

DIRECTOR'S REPORT

Dear Share Holders,

Your Directors are pleased to present the first quarterly(un-audited)accounts for the period ended September 30, 2015.Your company earned pretax profit of Rs.24.125 (M)during the period under review. Continuous market depression, energy crises and slow economic indicators prevailed during the period under review which causes decrease in profitability as compared to previous period.The recession like fever persists however the management would be putting its best efforts to ensure continued growth, operational efficiency and optimum results for the Company.

The earning per share is Rs.1.51(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 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 ON BEHALF OF THE BOARD

Kashif Riaz

Kashif Riaz
CHIEF EXECUTIVE

Dated October 30, 2015

**CONDENSED INTERIM BALANCE SHEET
AS AT SEPTEMBER 30, 2015**

Note	Sep. 30, 2015 <u>Rupees</u> (000)	June. 30, 2015 <u>Rupees</u> (000)
ASSETS		
Non-current assets		
Property, plant and equipment	1,224,674	1,072,488
Investment property	2,342	2,342
Long term deposits	6,991	6,991
	1,234,007	1,081,821
CURRENT ASSETS		
Stores and spares	87,236	75,811
Stock in trade	577,981	832,152
Trade debts	308,944	407,735
Loans and advances	62,612	87,555
Trade deposits and short term prepayments	4,319	4,246
Sales tax Refundable	42,071	64,025
Income tax refundable	1,006	12,348
Other Receivables	93	3,332
Other financial assets	420,025	222,588
Cash and bank balances	39,291	44,052
	1,543,578	1,753,844
Total assets	2,777,585	2,835,665
EQUITY AND LIABILITIES		
Share capital and reserves		
Share capital	69,000	69,000
Reserves	753,600	753,600
Unappropriated profit	1,182,787	1,165,075
	2,005,387	1,987,675
Surplus on revaluation of property, plant and equipment-net of tax	374,498	381,788
Non-current liabilities		
Long term financing	-	-
Deferred liabilities	43,693	43,035
	43,693	43,035
Current liabilities		
Trade and other payables	319,682	273,639
Accrued markup	789	1,134
Short term borrowings	19,834	105,016
Provision for taxation	13,702	43,378
	354,007	423,167
Contingencies and commitments	4	-
Total equity and liabilities	2,777,585	2,835,665

Muhammad Ali
CHAIRMAN

I L Ashraf
CHIEF EXECUTIVE

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
For The First Quarter Ended September 30, 2015

		Sep. 30, 2015	Sep. 30, 2014
		Rupees (000)	Rupees (000)
	Note		
Sales -net		928,005	1,099,830
Cost Of sales	7	(862,438)	(1,023,408)
Gross Profit		65,567	76,422
Profit from other operation		846	-
		66,413	76,422
Distribution cost		(15,432)	(19,631)
Administrative expenses		(26,163)	(24,819)
Other expenses		(1,788)	(3,159)
Finance cost		(3,914)	(9,742)
Other income		5,009	23,159
		(42,288)	(34,192)
Profit before taxation		24,125	42,230
Taxation		(13,702)	(12,790)
Profit for the period		10,423	29,440
Other comprehensive income for the period-net of tax		-	-
Total comprehensive income for the period		10,423	29,440
Earning per share-basic and diluted		1.51	4.27

Munir Ahmad
CHAIRMAN

I L Ashraf
CHIEF EXECUTIVE

CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
For The First Quarter ended September 30, 2015

	Sep. 30, 2015	Sep. 30, 2014
	Rupees	Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	24,125	42,230
Adjustment for:		
Depreciation on property, plant and equipment	28,910	24,825
Unrealized gain on re-measurement of other financial assets	(1,903)	(18,162)
Realized gain on disposal of other financial assets	(3,077)	(4,997)
Provision for gratuity	3,299	2,429
Finance cost	(3,914)	(9,742)
Operating cash flows before movement in working capital	47,440	36,583
(Increase)/decrease in current assets		
Stores, spares and loose tools	(11,425)	4,663
Stock-in-trade	254,171	(9,616)
Trade debts	98,791	(206,942)
Loans and advances	36,285	18,662
Trade deposits and short term prepayments	(73)	-
Tax refund due from Government (excluding advance income tax)	21,954	(597)
Other receivables	3,239	3,799
Increase/(decrease) in current liabilities		
Trade and other payables	46,043	29,450
	448,985	(160,581)
Cash generated from operations	496,425	(123,998)
Finance cost paid	3,569	10,377
Gratuity paid	(2,642)	(576)
Income taxes paid/adjusted	(43,378)	(45,425)
Net cash generated from operating activities	453,974	(159,622)
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(181,096)	-
Payment for purchase of other financial assets	(451,360)	(956,300)
Proceeds from disposal of other financial assets	258,903	1,252,000
Net cash used in investing activities	(373,553)	295,700
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term financing	-	(9,522)
Increase/(decrease) in short term bank borrowings	(85,182)	(192,032)
Net cash from financing activities	(85,182)	(201,554)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(4,761)	(65,476)
Cash and cash equivalents at the beginning of the year	44,052	72,276
Cash and cash equivalents end of the period	39,291	6,800


CHAIRMAN


CHIEF EXECUTIVE

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
For The First Quarter Ended September 30, 2015

	Share Capital Rupees (000)	Share Premium Rupees (000)	General Reserve Rupees (000)	Un-Appropriated Profit/(Loss) Rupees (000)	Total Rupees (000)
Balance as at June :30,2014	69,000	3,600	750,000	1,204,053	2,026,653
Transaction with owners					
Interim dividend for the year ended june 30,2015 @ Rs.5 per share				(34,500)	(34,500)
Interim dividend for the year ended june 30,2015 @ Rs.15 per share				(103,500)	(103,500)
				(138,000)	(138,000)
Comprehensive income for the year					
Profit for the year	-	-	-	75,544	75,544
Other comprehensive income for the year- net of tax	-	-	-	-	-
Remeasurement of defined benefit obligation				(8,920)	(8,920)
Total comprehensive income for the year	-	-	-	66,624	66,624
Transferd to unappropriated profit on account of incremental depreciatin on surplus on Revaluation of property,plant and equipment-net of deferred tax				32,398	32,398
Balance as at June : 30,2015	69,000	3,600	750,000	1,165,075	1,987,675
Profit for the period	-	-	-	10,423	10,423
Other comprehensive income for the period- net of tax	-	-	-	-	-
Total comprehensive income for the period ended september,2015	-	-	-	10,423	10,423
Transferd to unappropriated profit from Revaluation surplus-net of deferred tax				7,289	7,289
Balance as at Sep. 30,2015	69,000	3,600	750,000	1,182,787	2,005,387


CHAIRMAN


CHIEF EXECUTIVE

**SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION
(UNAUDITED)
For The First Quarter Ended September 30, 2015**

1. STATUS AND ACTIVITIES

- 1.1** Sunrays Textile Mills Limited (the Company) was incorporated in Pakistan on August 27, 1987 under the Companies Ordinance, 1984 and its shares are quoted on Karachi Stock Exchange. The Company is principally engaged in manufacturing and sale of yarn. The company is also operating ginning units and ice factories on leasing arrangement. 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.
- 1.2** This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

2. BASIS OF PREPARATION

- 2.1** This condensed interim financial information of the Company for the ist quarter ended September 30, 2015 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.
- 2.2.** This condensed interim financial information does not include all information required for full annual financial statements and should be read in conjunction with annual audited financial statements for the year ended June 30, 2015. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2015 whereas comparative profit and loss account, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited condensed interim financial information for the ist quarter ended on September 30, 2015.

3. ACCOUNTING POLICIES AND ESTIMATES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of financial statements of the Company for the year ended June 30, 2015.

4- CONTINGENCIES AND COMMITMENTS

	Sep 30, 2015	Sep 30, 2014
	Rupees	Rupees
	(000)	(000)
CONTINGENCIES		
Bank/financial institution/insurance guarantees	319,320	857,676
COMMITMENTS		
Under letters of credit	4,359	103,928

5- AGGREGATE TRANSACTION WITH ASSOCIATED UNDERTAKING

Sales of goods and services	48,524	34,768
5.1 These transaction have been carried out on the commercial terms and conditions.		

6- ACQUISITION OF PROPERTY PLANT AND MACHINERY

Acquisition	181,096	-
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7- COST OF GOODS SOLD	Sep 30, 2015	Sep 30, 2014
	Rupees (000)	Rupees (000)
Raw Material	629,807	764,160
Stores and Spares	13,496	13,568
Packing material	15,509	17,078
Salaries ,wages and benefits & Doubling Charges	49,951	43,405
Power and fuel	76,651	102,927
Insurance	1,500	1,500
Repair and maintenance	1,529	882
Depreciation	27,051	22,960
Others	201	121
	815,695	966,601
Work in process		
Opening stock	21,703	32,855
Closing stock	(29,315)	(29,837)
	<u>(7,612)</u>	<u>3,018</u>
Cost of goods manufactured	808,083	969,619
Purchase of yarn	112,286	54,886
Finished Goods		
Opening stock	54,323	43,974
Closing stock	(112,254)	(45,071)
	<u>(57,931)</u>	<u>(1,097)</u>
	<u>862,438</u>	<u>1,023,408</u>

8- These financial statements were authorised for issue by the Board of Directors of the company on October 30, 2015

9- Figures have been rounded off to the nearest thousand rupee.

Mirza Ali
CHAIRMAN

I L Asa
CHIEF EXECUTIVE