



Jubilee Spinning & Weaving Mills Ltd.

**Condensed Interim Financial Information
Half Year Accounts (Un-audited)
31 December 2014**

BOOK POST

If undelivered please return to:

Jubilee Spinning & Weaving Mills Ltd.

45-A, Off Zafar Ali Road, Gulberg-V,
Lahore-Pakistan.



Company Information

Board of Directors

Mr. ShaukatShafi (Chief Executive)
 Mr. Tariq Shafi
 Mr. JahanzebShafi
 Mr. UsmanShafi
 Mr. Aurangzeb Shafi
 Mr. Umer Shafi
 Mr. Masood A. Sheikh

Audit Committee

Mr. UsmanShafi (Chairman)
 Mr. JahanzebShafi (Member)
 Mr. Masood A. Sheikh (Member)

Company Secretary

Mr. Masood A. Sheikh

Auditors

Riaz Ahmed & Company
 Chartered Accountants

Legal Advisor

Ghani Law Associate
 Mr. AnserMukhtar

Bankers

Habib Bank Limited
 National Bank of Pakistan
 Bank Al-Habib Limited
 Standard Chartered Bank (Pakistan) Limited
 Habib Metropolitan Bank Limited
 NIB Bank Limited
 Emirates Global Islamic Bank Limited
 Faysal Bank Limited
 United Bank Limited
 Allied Bank Limited
 Registered Office

45-A, Zafar Ali Road, Gulberg-V
 Lahore, Pakistan

Mills

B-28, Manghopir Road, S.I.T.E.
 Karachi



Directors' Report To The Share Holders

Dear Shareholders,

The Directors of your Company feel pleasure in presenting the results for the Half Yearly ended December 31, 2014 with Auditors' Review.

Net Profit/(Loss)

Due to continue energy crises, marketing problems and high inflation costs, the Company has suspended its production process from March 2014.

During the year, the company suffered net loss of Rs. 14,007,345 after charging costs, expenses and provisions for the year as compared to previous year's net loss of Rs. 23,882,976.

Financial Results

The financial results of the company are summarized as follows:

Year ended on	Rupees	
	December 31, 2014	December 31, 2013
Sales	18,603,022	172,754,738
Cost of sales	(10,158,872)	(186,848,278)
Gross profit / (loss)	8,444,150	(14,093,540)
Gross profit / (loss) rate %	45.4%	(8.16)%
Selling, admin and other operating cost	(29,835,365)	(11,601,730)
Other income	7,194,186	2,401,915
Finance Charges	(143,833)	(1,625,331)
Provision for tax	1,046,338	1,035,710
Loss after tax	(14,007,345)	(23,882,976)
Basic loss per share	(0.43)	(0.86)

However the Management is confident that we will meet these challenges head-on and improve results for the remaining period of this year.

In closing, I would like to thank our stakeholders for their continued support.

For and on behalf of the Board of Directors

Shaukat Shafi
 Chief Executive

Karachi
 February 27, 2015



Auditors' Report to the Members on Review of Condensed Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of JUBILEE SPINNING & WEAVING MILLS LIMITED ("the Company") as at 31 December 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the half year then ended (herein after referred to as "condensed interim financial information"). Management is responsible for the preparation and presentation of this 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 condensed interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended 31 December 2014 and 31 December 2013 have not been reviewed and we do not express a conclusion on them as we are required to review only the cumulative figures for the half year ended 31 December 2014.

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 condensed 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.

Basis for Adverse conclusion

The Company sustained net loss of Rupees 14.007 million for the period ended 31 December 2014 and as of that date its accumulated loss was Rupees 518.483 million due to which its equity stood negative by Rupees 90.484 million. During the half year, operations of spinning unit remained closed due to shortage of working capital. The Company has been unable to arrange fresh financing for working capital and other purposes from banks. Salaries and wages amounting to Rupees 16.337 million could not be paid to the employees and were outstanding at the period end. Most of the employees have left their job with the Company. The management of the Company did not provide us its assessment of going concern assumption used in preparation of this condensed interim financial information, the future financial projections indicating the economic viability of the Company and evidence of future commitment of sponsors to support the Company financially.

Adverse Conclusion

Based on our review, because of the significance of the matter discussed in the basis for adverse conclusion paragraph, this condensed interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

RIAZ AHMAD & COMPANY Chartered Accountants

Name of the engagement partner:
Mubashar Mehmood

Date: February 27, 2015

KARACHI



Condensed Interim Balance Sheet

Note	Un-audited December 31, 2014 Rupees	Audited June 30, 2014 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital		
	34,000,000 (30 June 2014: 34,000,000)	
	ordinary shares of Rupees 10 each	<u>340,000,000</u>
		<u>340,000,000</u>
Issued, subscribed and paid up share capital		
	32,491,205 (30 June 2014: 32,491,205) ordinary shares	
	of Rupees 10 each	324,912,050
	324,912,050	324,912,050
Reserves		
	(415,396,371)	(396,691,698)
Total equity		
	(90,484,321)	(71,779,648)
Surplus on revaluation of property, plant and equipment		
	- Net of tax	585,803,099
	585,803,099	588,195,344
Surplus on revaluation of investment property		
	- Net of tax	19,664,538
	19,664,538	19,664,538
LIABILITIES		
NON-CURRENT LIABILITIES		
	5	
	67,310,404	63,529,994
	17,296,695	18,529,063
	31,691,496	43,381,029
	116,298,595	125,440,086
CURRENT LIABILITIES		
	225,090,475	218,172,139
	24,517,429	24,517,429
	9,928,940	9,928,940
	215,671	29,641
	<u>259,752,515</u>	<u>252,648,149</u>
	376,051,110	378,088,235
TOTAL LIABILITIES		
CONTINGENCIES AND COMMITMENTS		
		6
TOTAL EQUITY AND LIABILITIES		
	<u>891,034,426</u>	<u>914,168,469</u>

Shaukat Shafi
Chief Executive



Jubilee Spinning & Weaving Mills Ltd.

Half Year Accounts 31 December 2014

As at December 31, 2014

	Note	Un-audited December 31, 2014 Rupees	Audited June 30, 2014 Rupees Restated
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment			
Operating assets	7	603,744,146	610,919,112
Capital work in progress - plant and machinery		5,000,000	5,000,000
Investment property		24,233,658	24,233,658
Long term investments	8	778,758	769,370
Long term loans		1,965,278	1,798,751
Long term deposits		710,722	710,722
		<u>636,432,562</u>	<u>643,431,613</u>
CURRENT ASSETS			
Stores and spares		1,807,920	1,778,935
Stock-in-trade		-	1,249,856
Trade debts		169,711,099	181,829,910
Loans and advances		992,891	1,756,457
Short term deposits and prepayments		500,000	654,109
Other receivables		23,707,678	20,115,067
Advance income tax and refund		7,177,949	7,160,618
Short term investments		49,819,756	53,851,123
Cash and bank balances		884,571	2,340,781
		<u>254,601,864</u>	<u>270,736,856</u>
TOTAL ASSETS		<u>891,034,426</u>	<u>914,168,469</u>

The annexed notes form an integral part of this condensed interim financial information.


Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

Half Year Accounts 31 December 2014

**Condensed Interim Profit & Loss Account (Un-audited)
For the Period Ended 31 December 2014**

Note	HALF YEAR ENDED		Quarter Ended	
	December 31, 2014	December 31, 2013 Restated	December 31, 2014	December 31, 2013 Restated
SALES	18,603,022	172,754,738	17,557,334	100,275,868
COST OF SALES	9	(10,158,872)	(186,848,278)	1,019,548
		<u>8,444,150</u>	<u>(14,093,540)</u>	<u>18,576,882</u>
GROSS (LOSS) / PROFIT				<u>(6,722,874)</u>
DISTRIBUTION AND SELLING COST		(78,810)	(740,612)	-
ADMINISTRATIVE EXPENSES		(29,756,555)	(10,861,118)	(20,866,565)
		<u>(29,835,365)</u>	<u>(11,601,730)</u>	<u>(20,866,565)</u>
		<u>(21,391,215)</u>	<u>(25,695,270)</u>	<u>(2,289,683)</u>
UNREALIZED LOSS ON INVESTMENT - AT FAIR VALUE THROUGH PROFIT AND LOSS		(712,821)	-	-
OTHER INCOME		7,194,186	2,401,915	357,543
		<u>(14,909,850)</u>	<u>(23,293,355)</u>	<u>(1,932,140)</u>
LOSS FROM OPERATIONS		<u>(143,833)</u>	<u>(1,625,331)</u>	<u>(48,787)</u>
FINANCE COST				<u>(855,375)</u>
LOSS BEFORE TAXATION		<u>(15,053,683)</u>	<u>(24,918,686)</u>	<u>(1,980,927)</u>
PROVISION FOR TAXATION				
TAXATION - Current		(186,030)	(1,727,547)	-
- Prior		-	1,992,655	-
- Deferred		1,232,368	770,602	770,602
		<u>1,046,338</u>	<u>1,035,710</u>	<u>-</u>
LOSS AFTER TAXATION		<u>(14,007,345)</u>	<u>(23,882,976)</u>	<u>(1,980,927)</u>
LOSS PER SHARE- BASIC AND DILUTED (RUPEES)		<u>(0.43)</u>	<u>(0.74)</u>	<u>(0.06)</u>
				<u>(0.33)</u>

The annexed notes form an integral part of this condensed interim financial information.


Shaukat Shafi
Chief Executive


Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

Half Year Accounts 31 December 2014

Condensed Interim Statement of Comprehensive Income (Un-audited)
For the Period Ended 31 December 2014

	HALF YEAR ENDED		QUARTER ENDED	
	December 31. 2014	December 31. 2013	December 31. 2014	December 31. 2013
	Rupees			
LOSS AFTER TAXATION	(14,007,345)	(23,882,976)	(1,980,927)	(10,765,695)
OTHER COMPREHENSIVE INCOME				
Items that will not be reclassified to profit or loss	-	-	-	-
Items that may be reclassified subsequently to profit or loss :				
Fair value adjustment on available for sale investments	(3,309,163)	1,960,923	(3,206,516)	(908,010)
Other comprehensive (loss) / income for the period	(3,309,163)	1,960,923	(3,206,516)	(908,010)
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	(17,316,508)	(21,922,053)	(5,187,443)	(11,673,705)

The annexed notes form an integral part of this condensed interim financial information.


Shaukat Shafi
Chief Executive


Tariq Shafi
Director



Jubilee Spinning & Weaving Mills Ltd.

Half Year Accounts 31 December 2014

Condensed Interim Cash Flow Statement
For the Period Ended December 31, 2014 (Un-audited)

	Note	HALF YEAR ENDED	
		31 December 2014 Rupees	31 December 2013 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
11	14,485,220	15,674,976	
Finance cost paid	(143,833)	(1,047,232)	
Income tax paid	(17,331)	(692,433)	
Gratuity paid	(16,872,613)	(982,230)	
Net cash (used in) / flow from operating activities	(2,548,557)	12,953,081	
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividend received	238,878	198,831	
Proceeds from sale of vehicles	1,019,996	-	
Long term loans paid - net	(166,527)	-	
Net cash flow from investing activities	1,092,347	198,831	
CASH FLOWS FROM FINANCING ACTIVITIES			
	-	-	
Net (decrease) / increase in cash and cash equivalents	(1,456,210)	13,151,912	
Cash and cash equivalents at the beginning of the period	2,340,781	(18,637,963)	
Cash and cash equivalents at the end of the period (Note 11.1)	884,571	(5,486,051)	

The annexed notes form an integral part of this condensed interim financial information.


Shaukat Shafi
Chief Executive


Tariq Shafi
Director



Condensed Interim Statement of Changes In Equity

For the Period ended December 31, 2014 (Un-audited)

	RESERVES							TOTAL EQUITY	
	CAPITAL			REVENUE			TOTAL		
	Fair value reserve on available for sale investments	Equity portion of shareholders' loan	Sub-Total	General reserve	Accumulated loss	Sub total			
Rupees									
Balance as at 30 June 2013 - (audited)	324,912,050	31,728,249	27,243,282	58,971,531	51,012,000	(473,591,052)	(422,579,052)	(363,607,521)	(38,695,471)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation	-	-	-	-	-	2,972,321	2,972,321	2,972,321	2,972,321
Related deferred tax	-	-	-	-	-	(770,602)	(770,602)	(770,602)	(770,602)
Loss for the period	-	-	-	-	-	(23,882,976)	(23,882,976)	(23,882,976)	(23,882,976)
Other comprehensive income for the period	-	1,960,923	-	1,960,923	-	-	-	1,960,923	1,960,923
Total comprehensive income/(loss) for the half year ended 31 December 2013	-	1,960,923	-	1,960,923	-	(23,882,976)	(23,882,976)	(21,922,053)	(21,922,053)
Transactions with the owners of the Company:									
Fair value adjustment on interest free loans from directors	-	-	(3,378,047)	(3,378,047)	-	-	-	(3,378,047)	(3,378,047)
Balance as at 31 December 2013 - (un-audited) - restated	324,912,050	33,689,172	23,865,235	57,554,407	51,012,000	(495,272,309)	(444,260,309)	(386,705,902)	(61,793,852)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation	-	-	-	-	-	3,444,306	3,444,306	3,444,306	3,444,306
Related deferred tax	-	-	-	-	-	(1,411,051)	(1,411,051)	(1,411,051)	(1,411,051)
Loss for the period	-	-	-	-	-	2,033,255	2,033,255	2,033,255	2,033,255
Other comprehensive income for the period	-	4,988,236	-	4,988,236	-	398,570	398,570	5,386,806	5,386,806
Total comprehensive income / (loss) for the half year ended 30 June 2014	-	4,988,236	-	4,988,236	-	(13,629,240)	(13,629,240)	(8,641,004)	(8,641,004)
Transactions with the owners of the Company:									
Fair value adjustment on interest free loans from directors	-	-	(3,378,047)	(3,378,047)	-	-	-	(3,378,047)	(3,378,047)
Balance as at 30 June 2014 - (audited)	324,912,050	38,677,408	20,487,188	59,164,596	51,012,000	(506,868,294)	(455,856,294)	(396,691,698)	(71,779,648)
Transfer from surplus on revaluation of property plant and equipment on account of incremental depreciation	-	-	-	-	-	3,624,613	3,624,613	3,624,613	3,624,613
Related deferred tax	-	-	-	-	-	(1,232,368)	(1,232,368)	(1,232,368)	(1,232,368)
Loss for the period	-	-	-	-	-	2,392,245	2,392,245	2,392,245	2,392,245
Other comprehensive income for the period	-	(3,309,163)	-	(3,309,163)	-	(14,007,345)	(14,007,345)	(14,007,345)	(14,007,345)
Total comprehensive loss for the half year ended 31 December 2014	-	(3,309,163)	-	(3,309,163)	-	(14,007,345)	(14,007,345)	(17,316,508)	(17,316,508)
Transactions with the owners of the Company:									
Fair value adjustment on interest free loans from directors	-	-	(3,780,410)	(3,780,410)	-	-	-	(3,780,410)	(3,780,410)
Balance as at 31 December 2014 - (un-audited)	324,912,050	35,368,245	16,706,778	52,075,023	51,012,000	(518,483,394)	(467,471,394)	(415,396,371)	(90,484,321)

The annexed notes form an integral part of this condensed interim financial information.


Shaukat Shafi
Chief Executive


Tariq Shafi
Director



Selected Notes To The Condensed Interim Financial Information (Un-audited)

For the Period ended December 31, 2014

1. THE COMPANY AND ITS OPERATIONS

1.1 Jubilee Spinning & Weaving Mills Limited (the Company) was incorporated in Pakistan as a public limited company on 12 December 1973 under the Companies Act, 1913 (Now The Companies Ordinance, 1984). The Company obtained certificate of commencement of business in January 1974. Shares of the Company are listed on all Stock Exchanges in Pakistan. Its registered office is situated at 45-A, Off: Zafar Ali Khan Road, Gulberg V, Lahore whereas the production facilities are located at B-28, Manghopir Road, S.I.T.E, Karachi. The Company is engaged in the business of manufacturing and selling of yarn, buying, selling and otherwise dealing in yarn and raw cotton. The Company also operates electric power generation facilities which generate electricity primarily for the Company's own requirements.

1.2 GOING CONCERN ASSUMPTION

The Company incurred net loss of Rupees 14.007 million during the half year resulting in accumulated loss of Rupees 518.483 million as at 31 December 2014 (30 June 2014: Rupees 506.868 million). The plant capacity also remained under-utilized due to intermittent availability of raw materials owing to shortage of working capital. During the period, the core operations of spinning unit remained closed due to losses and lack of resources.

However, the management of the Company is confident to overcome existing temporary factors that are negatively affecting its bottom line. Accordingly, this condensed interim financial information has been prepared on going concern basis and do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

This condensed interim financial information of the Company for the half year ended 31 December 2014 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 is un-audited but subject to the limited scope review by the statutory auditors and is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim information should be read in conjunction with the audited annual published financial statements of the Company for the year ended 30 June 2014.

2.3 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention except for certain fixed assets and financial assets and liabilities which have been stated at revalued amounts, fair values, cost, amortized cost and present value as mentioned in respective policy notes disclosed in the published financial statements of the preceding year ended 30 June 2014. Accrual basis of accounting has been used in this condensed interim financial information except for the cash flow information.

2.4 This condensed interim financial information is presented in Pak Rupees, which is the Company's functional and presentation currency.

**3. ACCOUNTING POLICIES**

The accounting policies and the method of computation adopted in preparation of this condensed interim financial report are the same as those applied in the preparation of the annual financial statements for the year ended 30 June 2014.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

"The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2014.

5. LONG TERM FINANCING - UNSECURED

From directors:

	Un-audited December 31, 2014 Rupees	Audited June 30, 2014 Rupees
Opening balance	63,529,994	56,773,900
Add: Fair value adjustments under IAS-39	<u>3,780,410</u>	<u>6,756,094</u>
	67,310,404	63,529,994
Less: Current portion	<u>-</u>	<u>-</u>
	<u>67,310,404</u>	<u>63,529,994</u>

6. CONTINGENCIES AND COMMITMENTS**6.1 Contingencies**

Bank Guarantee from:

Faysal Bank Limited (formerly, Royal Bank of Scotland) (Note 6.1.1)	8,600,000	8,600,000
Standard Chartered Bank (Pakistan) Limited (Note 6.1.2)	793,800	793,800
Habib Bank Limited (Note 6.1.3)	<u>2,000,000</u>	<u>2,000,000</u>
	<u>11,393,800</u>	<u>11,393,800</u>

6.1.1 This represents a guarantee issued by Faysal Bank Limited to the collector of customs on behalf of the company against the custom duty on imports.

6.1.2 This represents a guarantee issued by Standard Chartered Bank (Pakistan) Limited to the Honourable High Court, Sindh on account of cotton soft waste (carded and combed) fully paid.

6.1.3 This represents a guarantee issued by Habib Bank Limited in favor of Sui Southern Gas Company Limited on behalf of the company for payment of gas bills. The guarantee is secured against a cash deposit of 0.50 million and hypothecation charge over current assets of Rupees 12 million.

**6.2 Commitments**

There were no capital or other commitments as at 31 December 2014 (30 June 2014: Nil).

	Un-audited December 31, 2014 Rupees	Audited June 30, 2014 Rupees
7. PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets (Note 7.1)	<u>603,744,146</u>	<u>610,919,112</u>
7.1 Operating fixed assets		
Opening book value	610,919,112	596,324,792
Add: Surplus on revaluation during the period / year	<u>-</u>	<u>28,742,584</u>
	610,919,112	625,067,376
Less: Book value of assets disposed of during the period / year	<u>(195,490)</u>	<u>(240,723)</u>
	610,723,622	624,826,653
Less: Depreciation charged during the period / year	<u>(6,979,476)</u>	<u>(13,907,541)</u>
	<u>603,744,146</u>	<u>610,919,112</u>
8. LONG TERM INVESTMENTS		
Available for sale - Associated company (without significant influence)		
Taxmac (Private) Limited	520,000	520,000
52,000 (30 June 2014: 52,000) ordinary shares of Rupees 10 each		
Premier Insurance Company Limited (Note: 8.1)	258,758	249,370
11,335 (30 June 2014: 22,670) ordinary shares of Rupees 10 each (30 June 2014: Rupees 5 each)	<u>778,758</u>	<u>769,370</u>
Associated compaies (with significant influence) - Under equity method		
Cresox (Private) Limited (Note: 8.2)	-	-
8,982,160 (30 June 2013: 8,982,160) ordinary shares of Rupees 10 each		
Crescent Industrial Chemical Limited (Note: 8.3)	-	-
	<u>778,758</u>	<u>769,370</u>
8.1 Premier Insurance Company Limited		
Fair value on ceasing to be an associate	291,989	291,989
Fair value adjustment	<u>(33,231)</u>	<u>(42,619)</u>
	<u>258,758</u>	<u>249,370</u>
8.2 Cresox (Private) Limited		
Opening balance	-	-
Share of loss for the period / year	-	(98,706,868)
Share of loss of previous years - unrecognized	<u>(202,180,013)</u>	<u>(103,473,145)</u>
	(202,180,013)	(202,180,013)
Unrecognised loss	<u>202,180,013</u>	<u>202,180,013</u>
	<u>-</u>	<u>-</u>



8.3 This represents investment of 184,000 ordinary shares in Crescent Industrial Chemical Limited which was fully impaired in previous years.

	HALF YEAR ENDED		QUARTER ENDED		(Un-audited)	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
	Rupees					
9. COST OF SALES						
Raw materials consumed	-	123,089,438	-	74,416,239	-	16,539,475
Salaries, wages and other benefits	-	28,627,250	-	16,539,475	-	1,611,517
Staff retirement benefits	-	3,283,359	-	1,611,517	-	674,269
Stores and spares	-	2,488,384	-	1,704,047	-	34,450
Packing materials	230,308	1,704,047	-	1,704,047	-	34,450
Repair and maintenance	-	34,450	-	34,450	-	8,415,220
Fuel and power	4,734,944	16,331,247	-	8,415,220	-	972,775
Insurance	-	972,775	-	972,775	-	(57,835)
Other factory overheads	859,447	1,520,844	-	(57,835)	-	3,320,907
Depreciation	3,314,625	6,641,813	-	3,320,907	-	107,631,064
	<u>9,139,324</u>	<u>184,693,607</u>	-	<u>107,631,064</u>	-	

	HALF YEAR ENDED		QUARTER ENDED		Rupees	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Work-in-process:						
Opening stock	-	6,517,653	-	3,758,439	-	(4,239,817)
Closing stock	-	(4,239,817)	-	(4,239,817)	-	(481,378)
		<u>2,277,836</u>		<u>(481,378)</u>		
Cost of goods manufactured	9,139,324	186,971,443	-	107,149,686	-	
Finished goods:						
Opening stock	1,019,548	1,234,650	-	1,206,871	-	(1,357,815)
Closing stock	(1,019,548)	(1,357,815)	-	(1,357,815)	-	(150,944)
	<u>10,158,872</u>	<u>186,848,278</u>	-	<u>106,998,742</u>	-	

10. SEGMENT INFORMATION

10.1 The company has 02 reportable business segments. The following summary describes the operation in each of the company's reportable segments:

Spinning: Production of different quality of yarn using natural and artificial fibers.
Power Generation: Generation and distribution of power.

Transactions among the business segments are recorded at arm's length prices using admissible valuation methods. Inter segment sales and purchases have been eliminated from the total.

10.2 Segment Results

	Spinning		Power Generation		Elimination of Inter-segment transactions		Total Company	
	(Un-audited)		(Un-audited)		(Un-audited)		(Un-audited)	
	31 Dec 2014	31 Dec 2013	31 Dec 2014	31 Dec 2013	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
Sales	917,688	172,754,738	17,685,334	20,393,287	-	(20,393,287)	18,603,022	172,754,738
Cost of sales	(5,423,928)	(190,474,873)	(4,734,944)	(16,766,692)	-	20,393,287	(10,158,872)	(186,848,278)
Gross (loss) / profit	(4,506,240)	(17,720,135)	12,950,390	3,626,595	-	-	8,444,150	(14,093,540)
Distribution cost	(78,810)	(740,612)	-	-	-	-	(78,810)	(740,612)
Administrative expenses	(29,756,555)	(10,759,152)	-	(101,966)	-	-	(29,756,555)	(10,861,118)
	(29,835,365)	(11,499,764)	-	(101,966)	-	-	(29,835,365)	(11,601,730)
(Loss) / profit before taxation and unallocated expenses and income	(34,341,605)	(29,219,899)	12,950,390	3,524,629	-	-	(21,391,215)	(25,695,270)
Unallocated income and expenses:							(143,833)	(1,625,331)
Finance cost							-	-
Effect of fair value adjustment of interest free long term financing from directors-Net							(712,821)	-
Unrealized loss on investment- held for trading							7,194,186	2,401,915
Other income							(186,030)	(1,727,547)
Taxation							-	1,992,655
- Current							1,232,368	770,602
- Prior							1,046,338	1,035,710
- Deferred							(14,007,345)	(23,882,976)
(Loss) / profit after taxation								

10.2.1 The sales of yarn to a single customer amounts to Rupees 668,100 out of the total revenue/sales of the company. All the reported segments operate in same geographical location.

10.3 Segment Assets

	Spinning		Power Generation		Total Company	
	(Un-audited)	Audited	(Un-audited)	Audited	(Un-audited)	Audited
	Dec 31, 2014	June 30, 2014	Dec 31, 2014	June 30, 2014	Dec 31, 2014	June 30, 2014
	Rupees					
Segment assets	877,668,910	900,455,942	13,365,516	13,712,527	891,034,426	914,168,469
Unallocated assets	-	-	-	-	<u>891,034,426</u>	<u>914,168,469</u>
Segment liabilities	373,794,803	375,819,706	2,256,307	2,268,529	376,051,110	378,088,235
Unallocated liabilities	-	-	-	-	<u>376,051,110</u>	<u>378,088,235</u>



	(Un-audited)	
	HALF YEAR ENDED	
	December 31, 2014	December 31, 2013
	Rupees	Rupees
11. CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(15,053,683)	(28,296,733)
Adjustments for non-cash charges and other items:		
Depreciation	6,979,476	6,956,227
Provision for Gratuity	5,183,080	4,179,710
Dividend Income	(238,878)	(198,831)
Unrealised loss on remeasurement of investments	712,821	(585,664)
Gain on disposal of vehicle	(824,511)	-
Imputed Interest Income under IAS-39	-	3,378,047
Finance cost	143,833	1,625,331
	<u>(3,097,862)</u>	<u>(12,941,913)</u>
Working capital changes		
(Increase) / decrease in current assets:		
- Stores and spares	(28,985)	162,164
- Stock in trade	1,249,856	33,328,486
- Trade debts	12,118,811	(33,816,155)
- Loans and advances	763,566	198,805
- Other receivables	(3,592,611)	(2,628,276)
- Short term deposits and prepayments	154,109	(19,860)
	10,664,746	(2,774,836)
Increase in trade and other payables	6,918,336	31,391,725
	<u>14,485,220</u>	<u>15,674,976</u>
11.1 Cash and cash equivalents include the following		
Cash and bank balances	884,571	1,948,759
Short term borrowings	-	(7,434,810)
	<u>884,571</u>	<u>(5,486,051)</u>

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise subsidiary companies, associated undertakings, other related companies and key management personnel. The company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, not disclosed elsewhere, is given below:



	HALF YEAR ENDED		QUARTER ENDED	
	Dec 31, 2014	Dec 31, 2013	Dec 31, 2014	Dec 31, 2013
	Rupees			
Associated companies				
Sale of yarn/ black polyester and service revenue	2,348,072	153,251,000	-	89,112,150
Insurance premium expense	474,190	1,301,805	237,095	648,529
Rental income	-	1,595,100	-	398,775
Balance receivable from / (payable to)				
Premier Insurance Limited	(11,587,778)	(9,910,824)	-	(9,910,824)
Cresox (Private)Limited	180,526,164	231,693,828	-	231,693,828

13. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors and authorized for issue on February 27, 2015.

14. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the company for the year ended 30 June 2014.

15. GENERAL

- No significant reclassification/ rearrangement of corresponding figures has been made in this condensed interim financial information.
- Figures have been rounded off to the nearest Rupee.

Shaukat Shafi
Chief Executive

Tariq Shafi
Director