



Quarterly Report | for the period ended March 31, 2014  
(Un-Audited)



SURAJ COTTON MILLS LIMITED





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# Company Information

## Board of Directors

Mr. Khalid Bashir  
(Chairman)

Mr. Nadeem Maqbool  
(Chief Executive)

Mr. Ahsan Bashir

Mr. Amjad Mahmood

Mr. Asif Bashir

Mr. Humayun Maqbool

Mr. Mohammad Iqbal

## Chief Financial Officer

Farooq Ahmad

## Companay Secretary

Muhammad Saleem Hussain

## Audit Committee

Mr. Humayun Maqbool  
(Chairman)

Mr. Khalid Bashir  
(Member)

Mr. Asif Bashir  
(Member)

Mr. Khaleeqe Ahmad  
(Secretary)

## HR & R Committee

Mr. Ahsan Bashir  
(Chairman)

Mr. Asif Bashir  
(Member)

Mr. Humayun Maqbool  
(Member)

## Share Registrar

Crescent Group (Pvt) Ltd.  
10th floor, BOP Tower, 10-B,  
Block E-2, Gulberg III, Lahore.

## Auditors

Ernst & Young Ford Rhodes  
Sidat Hyder  
Chartered Accountants

## Bankers

Allied Bank Limited  
Habib Bank Limited  
MCB Bank Limited  
Standard Chartered Bank  
(Pakistan) Limited  
United Bank Limited  
Dubai Islamic Bank Limited

## Registered Office

7-B-III, Aziz Avenue, Gulberg-V,  
Lahore.  
Ph: +92-423-576 0379, 576 0382  
Fax: +92-423-576 0376  
Email: info@suraj.com  
Web: www.suraj.com

## Project Locations

Nooriabad, District Dadu, Sindh.  
Kotla Kahloon, District Nankana  
Sahib, Punjab, Bhaikot, Raiwind,  
District Lahore, Punjab



## Directors' Report

I am pleased to present the unaudited financial statements for the period ended 31 March 2014.

For the period under review, earnings after tax are Rs. 602.742 million and earnings per share of Rs. 27.67. Net sales of the company were recorded at approximately Rs. 7.346 billion, an increase of approximately 3.7% over the corresponding period. Distribution costs were marginally lower over the corresponding period. Administrative costs rose by about 12.6% due to normal inflationary pressures. Financial charges remained almost unchanged at Rs. 64.175 million. The company has maintained its profitable performance leading to reduction in borrowings and thus lower finance cost.

Since December, the demand for yarn and fabrics has slowed down considerably and there has been tremendous pressure on prices especially in our main markets, predominant among them, China. Added to this was a revaluation of the Pak Rupee against the US dollar by almost 12% which has badly affected the exports of yarn and fabric. Pakistani products became uncompetitive and other regional exporters gained market share at our expense. Cotton prices also started to decline in the aftermath of the revaluation but most of the mills have covered their requirements by this time. Consequently, they are now faced with inventory losses. World cotton prices at this time have also shown an increasing trend as it is the end of the season in most cotton growing countries. Your company has managed to post earnings in this period as well but the results are not as per earlier expectations. We feel that in view of the price and demand scenario, the company has performed well.

The current domestic cotton crop was 13.4 million bales which is higher than last year. This was more or less in line with the target set by the government, but well short of local industry requirements.

### Future Prospects

During the last quarter, the textile industry will be faced with tremendous challenges and profitability will be affected. Prices for 4th quarter remain low and demand is scarce. In addition, the industry is still facing non-availability of gas and electricity, especially in Punjab which remains the worst affected. For the balance of the financial year, we need to manage the current situation with care. We expect that the margins for this period will be under severe strain and it is essential to keep our costs in control. Although it is too early to give any forecast for the new cotton season, expectations are that the prices will open on a lower level in view of low end product prices and the strength of the currency. Planting intentions are not known yet because of delay in sowing due to unfavourable weather conditions.

The company is examining several avenues for diversification in both the textile and other sectors. We will keep our stakeholders apprised of further developments in this regard.

### Acknowledgements

We would take this opportunity to thank all our shareholders and partners for their valued support and our employees for their dedication. We would also like to thank the Board of Directors for their valuable insight and guidance.

Nadeem Maqbool

22 April 2014  
Lahore

## Condensed Interim Balance Sheet

As At 31 March 2014

		Un-Audited	Audited
		31 March 2014	30 June 2013
Note	(Rupees in thousand)		
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital			
50,000,000 (30 June 2013: 50,000,000) ordinary			
shares of Rupees 10 each			
		500,000	500,000
<b>Issued, subscribed and paid up share capital</b>			
		217,800	198,000
<b>Capital reserves</b>			
		47,936	33,984
<b>Revenue reserves</b>			
		3,641,154	3,177,012
<b>Total equity</b>			
		3,906,890	3,408,996
<b>Non-current liabilities</b>			
5	Long term financing	290,249	336,807
	Liabilities against assets subject to finance lease	743	854
	Deferred tax	212,186	212,186
		503,178	549,847
<b>Current liabilities</b>			
	Trade and other payables	810,321	770,582
	Accrued interest on loans	22,637	21,132
	Short term borrowings	323,637	224,216
	Current portion of non current liabilities	106,391	84,060
		1,262,986	1,099,990
<b>Total liabilities</b>			
		1,766,164	1,649,837
<b>Total equity and liabilities</b>			
		5,673,054	5,058,833

### CONTINGENCIES AND COMMITMENTS

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The annexed notes from 1 to 19 form an integral part of this interim financial information.

(CHIEF EXECUTIVE OFFICER)



		Un-Audited	Audited
		31 March 2014	30 June 2013
	Note	(Rupees in thousand)	
ASSETS			
Non-current assets			
Property, plant and equipment	7	2,040,090	1,990,050
Long term investments - Available for sale	8	26,667	34,467
Long term deposits		19,439	18,974
		2,086,196	2,043,491
Current assets			
Stores, spares and loose tools		84,615	125,850
Stock-in-trade		1,754,036	1,716,673
Trade debts		371,953	406,138
Loans and advances	9	46,047	39,070
Trade deposits and short term prepayments		12,344	4,844
Balances with statutory authorities		69,403	66,044
Taxation-net		787	11,786
Other receivables		13,482	912
Short term investments	10	1,054,560	548,515
Cash and bank balances		179,631	95,510
		3,586,858	3,015,342
TOTAL ASSETS			
		5,673,054	5,058,833

(DIRECTOR)

## Condensed Interim Profit And Loss Account (Un-Audited)

For The Nine Months Ended 31 March 2014

		Nine months ended		Quarter ended	
		31 March 2014	31 March 2013	31 March 2014	31 March 2013
Note		(Rupees in thousand)			
Sales	11	7,345,957	7,084,058	2,248,551	2,357,868
Cost of sales	12	6,411,474	6,043,082	2,059,994	1,987,196
Gross profit		934,483	1,040,976	188,557	370,672
Distribution cost		177,535	181,678	49,100	58,272
Administrative expenses		83,290	73,961	27,838	23,667
Other operating expenses	13	57,253	64,882	12,261	18,507
		318,078	320,521	89,199	100,446
		616,405	720,455	99,358	270,226
Other operating income		140,323	64,719	42,116	22,201
		756,728	785,174	141,474	292,427
Finance cost		64,175	65,717	22,270	26,144
Profit before taxation		692,553	719,457	119,204	266,283
Taxation	14	89,811	110,359	24,114	27,842
Profit after taxation		602,742	609,098	95,090	238,441
Earnings per share					
- basic and diluted (Rupees)		27.67	30.76	4.37	12.04

The annexed notes from 1 to 19 form an integral part of this interim financial information.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)





## Condensed Interim Statement Of Comprehensive Income (Un-Audited)

For The Nine Months Ended 31 March 2014

	Nine months ended		Quarter ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
(Rupees in thousand)				
Profit for the period	602,742	609,098	95,090	238,441
Other comprehensive income / (loss):				
Net unrealized gain / (loss) on available for sale investments	13,952	3,898	6,050	(979)
Total comprehensive income for the period	616,694	612,996	101,140	237,462

The annexed notes from 1 to 19 form an integral part of this interim financial information.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)

# Condensed Interim Cash Flow Statement (Un-Audited)

For The Nine Months Ended 31 March 2014

	Nine Months ended 31 March 2014	Nine Months ended 31 March 2013
	(Rupees in thousand)	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	692,553	719,457
Adjustment for non-cash and other items:		
Depreciation	149,491	139,595
Provision for slow moving stores, spares and loose tools	-	10,000
Gain on disposal of property, plant and equipment	(9,700)	(14,275)
Unrealized (gain) on revaluation of held for trading investments	(63,018)	(7,760)
Dividend income	(7,506)	(2,666)
Finance cost	64,175	65,717
Cash flows from operating activities before working capital changes	825,995	910,068
<b>Effect on cash flow due to working capital changes</b>		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	41,235	5,087
Stock in trade	(37,363)	(718,682)
Trade debts	34,185	(189,493)
Loans and advances	(6,977)	(5,848)
Trade deposits and short term prepayments	(7,500)	(8,255)
Balances with statutory authorities	(3,359)	(12,758)
Other receivables	(12,570)	(1,759)
<b>Increase in current liabilities:</b>		
Trade and other payables	28,050	241,802
Net cash from / (used in) working capital	35,701	(689,906)
<b>Cash generated from operations</b>	861,696	220,162
Finance cost paid	(62,670)	(66,139)
Income tax paid	(78,752)	(77,779)
Dividend paid	(107,111)	(79,220)
<b>Net cash from operating activities</b>	613,163	(2,976)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Capital expenditure incurred	(203,231)	(224,763)
Proceeds from disposal of property, plant and equipment	13,340	12,702
Investments made - net	(421,275)	(27,873)
Dividend received	7,506	2,666
Increase in long term deposits	(465)	(788)
<b>Net cash used in investing activities</b>	(604,125)	(238,056)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of long term financing - net	(24,246)	62,351
Repayment of finance lease liabilities	(92)	(393)
(Decrease)/ increase in short term borrowings - net	99,421	237,194
<b>Net cash (used in) / from financing activities</b>	75,083	299,152
<b>Net increase / (decrease) in cash and cash equivalents</b>	84,121	58,120
<b>Cash and cash equivalents at the beginning of the period</b>	95,510	5,754
<b>Cash and cash equivalents at the end of the period</b>	179,631	63,874

The annexed notes from 1 to 19 form an integral part of this interim financial information.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)



## Condensed Interim Statement of Changes in Equity (Un-Audited)

### For The Nine Months Ended 31 March 2014

	Share capital	Capital Reserves			Revenue Reserves			Total
		Premium on issue of shares	Unrealized gain / (loss) on available-for-sale investments	Sub total	General	Unappropriated profit	Sub total	
------(Rupees in thousand)-----								
Balance as on 01 July 2012	198,000	29,000	(86)	28,914	1,964,000	388,867	2,352,867	2,579,781
Net profit for the period from 01 July 2012 to 31 March 2013	-	-	-	-	-	609,098	609,098	609,098
Other comprehensive income	-	-	3,898	3,898	-	-	-	3,898
Total comprehensive income for the period	-	-	3,898	3,898	-	609,098	609,098	612,996
Transfer to general reserve	-	-	-	-	250,000	(250,000)	-	-
Final dividend for the year ended 30 June 2012	-	-	-	-	-	(79,200)	(79,200)	(79,200)
Balance as on 31 March 2013	198,000	29,000	3,812	32,812	2,214,000	668,765	2,882,765	3,113,577
Balance as on 01 July 2013	198,000	29,000	4,984	33,984	2,214,000	963,012	3,177,012	3,408,996
Net profit for the period from 01 July 2013 to 31 March 2014	-	-	-	-	-	602,742	602,742	602,742
Other comprehensive income	-	-	13,952	13,952	-	-	-	13,952
Total comprehensive income for the period	-	-	13,952	13,952	-	602,742	602,742	616,694
Transfer to general reserve	-	-	-	-	750,000	(750,000)	-	-
Issue of bonus shares for the year ended 30 June 2013 at the rate of 10%	19,800	-	-	-	-	(19,800)	(19,800)	-
Final dividend for the year ended 30 June 2013	-	-	-	-	-	(118,800)	(118,800)	(118,800)
Balance as on 31 March 2014	217,800	29,000	18,936	47,936	2,964,000	677,154	3,641,154	3,906,890

The annexed notes from 1 to 19 form an integral part of this interim financial information.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)

## Selected Notes To The Interim Financial Information (Un-Audited)

### For The Nine Months Ended 31 March 2014

#### 1. THE COMPANY AND ITS ACTIVITIES

Suraj Cotton Mills Limited (the Company) is a public limited company incorporated in Pakistan under the Companies Act, 1913 (Now Companies Ordinance, 1984). The registered office of the Company is located at 7-B-III, Aziz Avenue, Gulberg-V, Lahore. Its shares are quoted on Karachi and Lahore Stock Exchanges in Pakistan. The Company is engaged in the manufacturing, sale and trading of yarn, cloth and processing of cloth.

#### 2. BASIS OF PREPARATION

2.1 This interim financial information is unaudited and is being submitted to shareholders, as required by section 245 of Companies Ordinance, 1984.

2.2 This interim financial information of the Company for the nine months period ended 31 March 2014 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 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.

2.3 The accounting policies and the methods of computation adopted in preparation of this interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2013 except as follows:

IAS 19 - Employee Benefits – (Revised)

IFRS 7 - Financial Instruments: Disclosures - (Amendment)

- Amendments enhancing disclosures about offsetting of financial assets and financial liabilities

FIRIC 20 - Stripping Costs in the Production Phase of a Surface Mine

The adoption of the above revision, amendments and interpretations of the standards did not have any effect on the condensed interim financial information.

Further, certain new standards have been issued by IASB which are effective for accounting periods beginning on or after 01 January 2013 but are yet to be notified by the SECP for the purpose of applicability in Pakistan.

#### 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Judgments and estimates made by the management in the preparation of this interim financial information are the same as those applied in the preparation of the preceding annual published financial statements of the Company for the year ended 30 June 2013.

#### 4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amount of assets and liabilities, income and expenses. Actual results may differ from these estimates. The significant judgments made by management in applying the Company's accounting policies and the key sources of the estimation are the same as those that applied to the financial statements for the year ended 30 June 2013.

	Un-Audited 31 March 2014	Audited 30 June 2013
	( Rupees in thousand )	
<b>5. LONG TERM FINANCING - secured</b>		
Opening balance	420,676	216,934
Acquired/(repaid) during the period / year	(24,246)	203,742
	396,430	420,676
Less: Current portion	106,181	83,869
	290,249	336,807



## Selected Notes To The Interim Financial Information (Un-Audited)

For The Nine Months Ended 31 March 2014

### 6. CONTINGENCIES AND COMMITMENTS

#### Contingencies

- There is no significant change in the contingencies since the date of the preceding published annual financial statements.

#### Commitments

- Commitments in respect of letters of credit for capital expenditure amounted to Rupees 22,000 thousand (30 June 2013: Rupees NIL).
- Commitments in respect of capital work in progress as at balance sheet date amounted to Rupees 10,000 thousand (30 June 2013: Rupees NIL).

		Un-Audited 31 March 2014	Audited 30 June 2013
	Note	( Rupees in thousand )	
<b>7. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets - tangible	(7.1)	1,987,862	1,944,391
Assets subject to finance lease	(7.2)	1,233	1,450
Capital work-in-progress		50,995	44,209
		2,040,090	1,990,050
<b>7.1 Operating fixed assets - tangible</b>			
Opening book value		1,944,391	1,825,317
Add: Additions during the period / year -cost	(7.1.1)	196,445	328,415
		2,140,836	2,153,732
Less: Deletions during the period / year		3,700	18,242
		2,137,136	2,135,490
Less: Depreciation during the period / year		149,274	191,099
Book value at the end of the period / year		1,987,862	1,944,391
<b>7.1.1 Additions during the period / year - cost</b>			
Land		16,694	-
Buildings		-	3,710
Plant and machinery		168,603	307,583
Electric installations		2,043	-
Vehicles		9,105	17,122
		196,445	328,415
<b>7.2 Assets subject to finance lease</b>			
Opening book value		1,450	980
Add: Additions during the period / year		-	693
		1,450	1,673
Less: Depreciation during the period / year		217	223
Book value at the end of the period / year		1,233	1,450

**Selected Notes To The Interim Financial Information (Un-Audited)**  
For The Nine Months Ended 31 March 2014

		Un-Audited	Audited
		31 March 2014	30 June 2013
	Note	( Rupees in thousand )	
8.	LONG TERM INVESTMENTS - available for sale		
	Unquoted	2,200	2,200
	Quoted	34,241	55,992
		36,441	58,192
	Impairment loss	(28,709)	(28,709)
	Unrealized gain on revaluation of investments	18,935	4,984
		26,667	34,467
9.	LOANS AND ADVANCES		
	Considered good:		
	Loans to employees	2,958	3,327
	Advances to suppliers	39,793	35,106
	Advance against letter of credit	3,296	637
		46,047	39,070
10.	SHORT TERM INVESTMENT		
	Others-quoted	967,711	526,346
	Unrealized gain on revaluation of investments	86,849	22,169
		1,054,560	548,515

	Un-Audited			
	Nine months ended		Quarter ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
		( Rupees in thousand )		
<b>11. SALES</b>				
Export	2,422,917	2,096,108	616,110	545,025
Local	4,787,274	4,869,646	1,585,476	1,762,157
Waste	135,766	118,304	46,965	50,686
	7,345,957	7,084,058	2,248,551	2,357,868
<b>12. COST OF SALES</b>				
Raw material consumed	4,959,284	4,631,871	1,672,041	1,590,284
Sizing expenses	48,374	46,315	14,915	15,429
Stores, spares and loose tools consumed	120,668	114,660	45,828	28,346
Packing materials	75,626	68,302	24,817	23,694
Salaries, wages and other benefits	378,861	348,311	129,844	108,763
Fuel and power	812,085	646,309	290,829	232,877



## Selected Notes To The Interim Financial Information (Un-Audited)

For The Nine Months Ended 31 March 2014

	Un-Audited			
	Nine months ended		Quarter ended	
	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	( Rupees in thousand )			
Repairs and maintenance	18,673	61,630	5,398	17,233
Insurance	18,200	16,732	6,931	4,521
Depreciation	140,608	131,043	48,583	44,965
Other factory overheads	12,678	13,211	4,410	5,121
	6,585,057	6,078,384	2,243,596	2,071,233
Work-in-process:				
Opening stock	98,952	98,485	112,135	103,079
Closing stock	(119,365)	(106,574)	(119,365)	(106,574)
	(20,413)	(8,089)	(7,230)	(3,495)
Cost of goods manufactured	6,564,644	6,070,295	2,236,366	2,067,738
Finished goods:				
Opening stock	551,623	361,730	527,837	307,915
Closing stock	(703,965)	(388,287)	(703,965)	(388,287)
	(152,342)	(26,557)	(176,128)	(80,372)
	6,412,302	6,043,738	2,060,238	1,987,366
Less: Export rebate	828	656	244	170
	6,411,474	6,043,082	2,059,994	1,987,196
<b>13. OTHER OPERATING EXPENSES</b>				
Workers profit participation fund	38,435	37,866	7,643	10,193
Workers welfare fund	15,230	15,456	3,529	7,782
Others	3,588	11,560	1,089	532
	57,253	64,882	12,261	18,507
<b>14. TAXATION</b>				
Charge for the period:				
Current	89,811	109,932	24,114	27,842
Deferred	-	427	-	-
	89,811	110,359	24,114	27,842

## 15. OPERATING SEGMENT INFORMATION

The textile sector comprise of spinning, combing, weaving, dyeing, bleaching, printing, stitching, buying, selling and dealing in yarn, cloth and other goods and fabrics made from raw cotton and synthetic fiber(s). This sector also includes power generation facilities which provide electricity for internal consumption purposes.

## Selected Notes To The Interim Financial Information (Un-Audited)

### For The Nine Months Ended 31 March 2014

#### 15.1 Business segments

For management purposes, the Suraj Cotton Mills is organized into business units based on their products and services and has two reportable operating segments as follows:

Spinning: Production of different quality of yarn using natural and artificial fibers.

Weaving: Production of different quality of greige fabric using yarn.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss and is measured consistently with operating profit or loss in the consolidated financial statements.

Transfer pricing between operating segments are on arm's length basis in a manner similar to transactions with third parties.

	Spinning				Weaving				Elimination of Inter-segment transactions				Consolidated			
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
	----- Un-Audited -----															
	----- Nine months ended -----															
	----- (Rupees in thousand) -----															
<b>Sales</b>																
External	4,065,186	3,706,553	3,280,770	3,377,505	-	-	-	-	794,375	741,709	-	-	7,345,956	7,084,058	-	-
Inter-segment	794,375	741,709	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	4,859,561	4,448,262	3,280,770	3,377,505	794,375	741,709	794,375	741,709	794,375	741,709	794,375	741,709	7,345,956	7,084,058	7,345,956	7,084,058
<b>Cost of sales</b>																
External	4,183,278	3,721,203	2,228,195	2,321,879	-	-	-	-	794,375	741,709	-	-	6,411,473	6,043,082	-	-
Inter-segment	-	-	794,375	741,709	-	-	-	-	-	-	-	-	-	-	-	-
	4,183,278	3,721,203	3,022,570	3,063,588	794,375	741,709	794,375	741,709	794,375	741,709	794,375	741,709	6,411,473	6,043,082	6,411,473	6,043,082
Gross profit	676,283	727,059	258,200	313,917	-	-	-	-	-	-	-	-	984,483	1,040,976	-	-
Distribution cost	65,875	84,033	111,660	97,645	-	-	-	-	-	-	-	-	177,535	181,678	-	-
Administrative expenses	88,854	60,936	14,436	13,025	-	-	-	-	-	-	-	-	83,290	73,961	-	-
	134,729	144,969	126,096	110,670	-	-	-	-	-	-	-	-	280,825	255,639	-	-
Profit before taxation and unallocated income and expenses	541,554	582,090	132,104	203,247	-	-	-	-	-	-	-	-	673,658	785,337	-	-





## Selected Notes To The Interim Financial Information (Un-Audited)

For The Nine Months Ended 31 March 2014

	Un-Audited Nine months ended				Consolidated			

## Selected Notes To The Interim Financial Information (Un-Audited)

### For The Nine Months Ended 31 March 2014

#### 16. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated companies, companies in which directors are interested, staff retirement funds, directors and key management personnel. Significant transactions with related parties and associated undertakings are as under:

Relationship with the Company	Nature of transactions	Un-Audited	
		Nine months ended	Nine months ended
		31 March 2014	31 March 2013
		(Rupees in thousand)	
Associated companies	Sale of goods and services	181,844	317,432
	Purchase of goods and services	595,193	587,673
	Dividend paid	56,463	37,466
	Sale of fixed assets	3,000	9,000
Employees Provident Fund Trust	Amount contributed	9,061	8,293
Director and Chief Executive	Remuneration	14,844	13,451

Transactions entered into with the key management personnel as per their terms of employment are excluded from related party transactions.

The outstanding balances of such parties are as under:

Relationship with the Company	Nature of transactions	Un-Audited	Audited
		31 March 2014	30 June 2013
		(Rupees in thousand)	
Associated companies	Creditors	5,339	12,711
	Trade debts	9,643	59,271
Employees Provident Fund Trust	Provident fund payable	179	162
Director and Chief Executive	Remuneration payable	1,067	1,016

#### 17. EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors have proposed dividend for the nine months ended 31 March 2014 of Rupees Nil (30 June 2013: Rupees 6.0) per share amounting to Rupees Nil (30 June 2013: Rupees 118,800 thousand ) at their meeting held on 22 April 2014.



## Selected Notes To The Interim Financial Information (Un-Audited)

For The Nine Months Ended 31 March 2014

18. DATE OF AUTHORIZATION

This interim financial information was authorized for issue by the Board of Directors of the Company on 22 April 2014.

19. GENERAL

19.1 Provisions in respect of Worker's Welfare Fund (WWF), Worker's Profit Participation Fund (WPPF) and taxation are estimated and these are subject to final adjustment in the annual financial statements.

19.3 Figures have been rounded off to the nearest thousand rupees.

(CHIEF EXECUTIVE OFFICER)

(DIRECTOR)



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