





Contents

02	Company Information
03	Directors' Report
04	Balance Sheet
06	Profit & Loss Account
07	Statement of Comprehensive Income
08	Cash Flow Statement
09	Statement of Changes in Equity
10	Notes to the Financial Statements

Company Information

Board of Directors

Mr. Khalid Bashir (Chairman)

Mr. Nadeem Maqbool (Chief Executive)

Mr. Ahsan Bashir

Mr. Amiad 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. Khaleegue 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

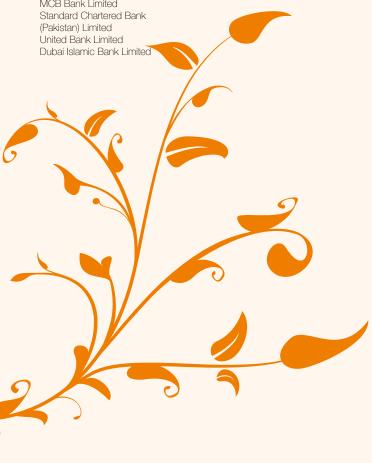
Registered Office

7-B-III, Aziz Avenue, Gulberg-V, Lahore. Ph:+92-423-576 0379, 576 0382

+92-423-576 0376 Fax: Fmail: 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 Magbool

22 April 2014 Lahore

Condensed Interim Balance Sheet

As At 31 March 2014

		Un-Audited	Audited
		31 March 2014	30 June 2013
	Note	(Rupees i	n thousand)
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital			
50,000,000 (30 june 2013: 50,000,000) ordinary			
shares of Rupees 10 each		500,000	500,000
Issued, subscribed and paid up share capital	[217,800	198,000
Capital reserves		47,936	33,984
Revenue reserves		3,641,154	3,177,012
Total equity	l	3,906,890	3,408,996
	ſ		
Non-current liabilities			
Long term financing	5	290,249	336,807
Liabilities against assets subject to finance lease		743	854
Deferred tax		212,186	212,186
		503,178	549,847
Current liabilities			
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
Total liabilities		1,766,164	1,649,837
Total equity and liabilities		5,673,054	5,058,833

CONTINGENCIES AND COMMITMENTS

6

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



		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



Condensed Interim Profit And Loss Account (Un-Audited) For The Nine Months Ended 31 March 2014

	Nine mo	Nine months ended		r 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.



Condensed Interim Statement Of Comprehensive Income (Un-Audited) For The Nine Months Ended 31 March 2014

	Nine mo	nths ended	Quarte	r ended	
	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.



(DIRECTOR)

Condensed Interim Cash Flow Statement (Un-Audited) For The Nine Months Ended 31 March 2014

CASH FLOWS FROM OPERATING ACTIVITIES		Nine Months ended	Nine Months ended
CASH FLOWS FROM OPERATING ACTIVITIES Profit before taxation Adjustment for non-cash and other items: Depreciation Provision for slow moving stores, spares and loose tools Gain on disposal of property, plant and equipment Provision for slow moving stores, spares and loose tools Gain on disposal of property, plant and equipment (9,700) (14,277 Hrealized (gain) on revaluation of held for trading investments (63,018) (7,768) (2,68 Gash flows from operating activities before working capital changes Effect on cash flow due to working capital changes Effect on cash flow due to working capital changes Increase) / decrease in current assets: Stores, spares and loose tools Stock in trade Increase) / decrease in current assets: Stores, spares and short term prepayments (6,977) (6,94 Frade debosits and short term prepayments (7,500) (8,25 Galainces with statutory authorities (12,570) (17,500) (8,25 Galainces with statutory authorities Irrade and other payables Net cash from / (used in) working capital Cash generated from operations (62,670) (63,13 Galaince cost cash from prepayments (7,500) (83,59) (12,77 Galaince cost cash from prepayments (82,670) (83,59) (17,76 Galaince cost cash from operations Galaince cost cash from prepayments (9,700) (17,77 Galaince cost cash from prepayments (9,700) (17,77 Galaince) Cash FLOWS FROM INVESTING ACTIVITIES Capital expenditure incurred (107,111) (107,111) (107,922 Galaince cost cash investing activities (107,111) (107,111) (107,112 Galaince cost cash used in investing activities (108,112) CASH FLOWS FROM FINANCING ACTIVITIES Galainces in long term deposits (109,112) Galaince cost in short term borrowings - net (109,112) Galaince cost in short term borrowings - net (109,112) Galainces (109,11			31 March 2013
Profit before taxation 692,553 719,45 Adjustment for non-cash and other items: Depreciation 149,491 139,55 Provision for slow moving stores, spares and loose tools - 10,00 Gain on disposal of property, plant and equipment (9,700) (14,27 Unrealized (gain) on revaluation of held for trading investments (63,018) (7,506) Dividend income (7,506) (2,66 Finance cost 64,175 65,71 Cash flows from operating activities before working capital changes (37,363) (718,68,716) Effect on cash flow due to working capital changes (37,363) (718,68,716) Effect on cash flow due to working capital changes (37,363) (718,68,716) Effect on cash flow due to working capital changes (37,363) (718,68,716) Effect on cash flow the temperature assets: Stores, spares and loose tools (37,363) (718,68,716) Effect does be considered (6,977) (5,94,69) Effect on cash flow due to working capital changes (3,369) (12,576) (1,750) Effect on cash flow due to working capital changes (6,977) (5,94,69) Effect on cash flow due to working capital changes (6,977) (1,750) Effect on cash diversity and cash considered (2,670) (1,750) Effect on cash flow due to working capital (12,570) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash from operating activities (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow due to working capital (2,670) (1,750) Effect on cash flow flow effect (2,670) (1,750) Effect on cash flow effect (2,670) (1,750) Effect on cash flow flow effect (2,670) (1,750) Effect on cash f		(Rupees ir	n thousand)
Adjustment for non-cash and other items: Depreciation Provision for slow moving stores, spares and loose tools Gain on disposal of property, plant and equipment Unrealized (gain) on revaluation of held for trading investments (63,018) (7,766) (2,66 Ginance cost G41,75 Cash flows from operating activities before working capital changes Uncrease) / decrease in current assets: Stores, spares and loose tools Cffect on cash flow due to working capital changes Uncrease) / decrease in current assets: Stores, spares and loose tools Cffect on trade G37,363 G718,68 G8,977 G8,84 G8,977 G8,	CASH FLOWS FROM OPERATING ACTIVITIES		
Depreciation	Profit before taxation	692,553	719,457
Provision for slow moving stores, spares and loose tools Gain on disposal of property, plant and equipment (9,700) (14,27,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76) (17,76)	Adjustment for non-cash and other items:		
Gain on disposal of property, plant and equipment (9,700) (14,27.7c) Unrealized (gain) on revaluation of held for trading investments (63,018) (7,760) Dividend income (7,506) (2,66) Finance cost (64,175 65,77) Cash flows from operating activities before working capital changes (91,006) Effect on cash flow due to working capital changes (17,506) (27,86) Effect on cash flow due to working capital changes (18,7363) (18,94) Increase) / decrease in current assets: Stores, spares and loose tools (37,363) (718,68) Frade debts (37,363) (18,94) Loans and advances (6,977) (5,84) Frade deposits and short term prepayments (7,500) (8,25) Balances with statutory authorities (3,359) (12,750) Uncrease in current liabilities: Frade and other payables (28,050) (241,80) Net cash from / (used in) working capital (35,701) (689,90) Cash generated from operations (62,670) (66,13) noome tax paid (78,752) (77,775) Dividend paid (107,111) (79,22) Net cash from operating activities (613,163) (2,97) CASH FLOWS FROM INVESTING ACTIVITIES Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment (13,340) The company of the payable (60,4,125) (27,87) Dividend received (7,506) (2,66) The company of the payable (60,4,125) (27,87) Dividend received (7,506) (2,66) The company of the payable (60,4,125) (23,80) CASH FLOWS FROM FINANCING ACTIVITIES Repayment of long term deposits (60,4,125) (23,97) Net cash used in investing activities (92) CASH FLOWS FROM FINANCING ACTIVITIES Repayment of long term financing - net (92,94) Received (92) Decrease) in short term borrowings - net (92,94) Net cash (used in) / from financing activities (75,083) (29,11) Net cash (used in) / from financing activities (75,083) (29,11) Net cash (used in) / from financing activities (75,083) (29,11) Net cash (used in) / from financing activities (75,083) (29,11) Net cash (used in) / from financing activities (75,083) (29,11) Net cash (used in) / from financing activities (75,083) (29,11) Ne	•	149,491	139,595
Unrealized (gain) on revaluation of held for trading investments (63,018) (7,766) Dividend income (7,506) (2,66 Effect on cash flow due to working capital changes Effect on cash flow due to working capital changes Increase) / decrease in current assets: Stores, spares and loose tools Stock in trade (37,363) (718,68,186) Effect on cash flow due to working capital changes Increase) / decrease in current assets: Stores, spares and loose tools Stock in trade (37,363) (718,68,186) Effect on cash flow due to working capital changes Increase (69,977) (7,500) (8,255) Balances with statutory authorities (6,977) (7,500) (8,255) Balances with statutory authorities (3,359) (12,750) (1,750) Other receivables (12,570) (1,750) Increase in current liabilities: Irade and other payables Vet cash from / (used in) working capital (889,90) Cash generated from operations (86,670) (66,13) Income tax paid (78,752) (77,777) Dividend paid (78,752) (77,777) Ovidend paid (707,111) (79,22) Cash FLOWS FROM INVESTING ACTIVITIES Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment (13,340) Increase in long term deposits (465) (28,60) CASH FLOWS FROM FINANCING ACTIVITIES Capayment of long term financing - net (24,246) (86,13) Repayment of long term financing - net (92) (93,9421) Decrease / (decrease) in short term borrowings - net (92,94,21) Vet cash (used in) / from financing activities (75,083) (29,115) Vet cash (used in) / from financing activities (75,083) (29,115) Vet cash (used in) / from financing activities (75,083) (29,115) Vet cash (used in) / from financing activities (75,083) (29,115) Vet cash (used in) / from financing activities (75,083) (29,115) Vet increase / (decrease) in cash and cash equivalents	9		10,000
C7,506 C2,66 C7,506 C2,66 C4,175 C3,71 C3sh flows from operating activities before working capital changes S25,995 910,06 S25,995 910,06 S25,995 910,06 S25,995 S25,995 910,06 S25,995		, , ,	(14,275)
Effect on cash flow due to working capital changes		, , ,	(7,760)
Cash flows from operating activities before working capital changes 825,995 910,06 Effect on cash flow due to working capital changes 41,235 5,06 Chorease) / decrease in current assets: 41,235 5,06 Stock in trade (37,363) (718,68 Trade debts 34,185 (6,977) (5,84 Loans and advances (6,977) (6,847) (6,847) Trade deposits and short term prepayments (7,500) (8,25 Balances with statutory authorities (3,359) (12,750) Other receivables (12,570) (1,75 Increase in current liabilities: 28,050 241,80 Trade and other payables 28,050 241,80 Net cash from / (used in) working capital 35,701 (689,90) Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13 ncome tax paid (78,752) (77,77 Dividend paid (107,111) (79,22 Vet cash from operating activities 613,163 (2,97) CASH FLOWS FROM		, , ,	(2,666)
Effect on cash flow due to working capital changes Increase) / decrease in current assets: Stores, spares and loose tools Stock in trade (37,363) (718,68,68,718,69,77) (5,84,78) Effact debts Loans and advances Trade deposits and short term prepayments (6,977) (5,84,75) Ealances with statutory authorities (12,570) (1,75) Increase in current liabilities: Trade and other payables Net cash from / (used in) working capital Cash generated from operations Einance cost paid (62,670) (66,13) Net cash from operating activities CASH FLOWS FROM INVESTING ACTIVITIES Capital expenditure incurred Proceeds from disposal of property, plant and equipment nvestments made - net Dividend received norease in long term deposits Net cash used in investing activities CASH FLOWS FROM FINANCING activities CASH FLOWS FROM			65,717
Increase) / decrease in current assets: Stores, spares and loose tools Stock in trade (37,363) (718,68,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (718,68) (69,977) (68,25) (68,25) (77,500) (8,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (82,25) (825,995	910,068
Stores, spares and loose tools 41,235 5,065	Effect on cash flow due to working capital changes		
Stock in trade (37,363) (718,68 Irade debts 34,185 (189,494 16,977) (5,844 17,500) (6,977) (5,844 17,500) (8,255 17,500) (8,255 17,500) (12,756 17,500) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570) (12,570)	(Increase) / decrease in current assets:		
Trade debts 34,185 (189,49,49) Loans and advances (6,977) (5,84) Trade deposits and short term prepayments (7,500) (8,25) Balances with statutory authorities (3,359) (12,75) Other receivables (12,570) (1,75) Irrade and other payables 28,050 241,80 Net cash from / (used in) working capital 35,701 (689,90) Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13) ncome tax paid (78,752) (77,77 Dividend paid (107,111) (79,22) Net cash from operating activities 613,163 (2,97) CASH FLOWS FROM INVESTING ACTIVITIES 613,163 (29,70) Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 (26 Increase in long term deposits (604,125) (238,05) Vet cash used in investing activities (604,125)			5,087
Loans and advances (6,977) (5,844) Trade deposits and short term prepayments (7,500) (8,250) Balances with statutory authorities (12,570) (17,500) Other receivables (12,570) (17,500) Increase in current liabilities: (12,570) (17,700) Firade and other payables 28,050 241,800 Net cash from / (used in) working capital 35,701 (6889,90) Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13) Income tax paid (78,752) (77,77 Dividend paid (107,111) (79,22) Net cash from operating activities 613,163 (2,97) CASH FLOWS FROM INVESTING ACTIVITIES Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 (27,87) Invisional received 7,506 (27,87) Increase in long term deposits (604,125) (238,05) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (604,125) (62,35) </td <td></td> <td>, , ,</td> <td>(718,682)</td>		, , ,	(718,682)
Trade deposits and short term prepayments (7,500) (8,25. Balances with statutory authorities (3,359) (12,750) Other receivables (12,570) (1,750) Increase in current liabilities: 28,050 241,80 Net cash from / (used in) working capital 35,701 (689,90) Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13) ncome tax paid (78,752) (77,77) Dividend paid (107,111) (79,22) Net cash from operating activities 613,163 (2,97) CASH FLOWS FROM INVESTING ACTIVITIES (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 2,66 Increase in long term deposits (465) (78) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) (22,35) Repayment of long term financing - net </td <td></td> <td></td> <td>(189,493)</td>			(189,493)
Cash		, , ,	(5,848)
Other receivables (12,570) (1,75) ncrease in current liabilities: 28,050 241,80 Net cash from / (used in) working capital 35,701 (689,90) Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13 ncome tax paid (78,752) (77,77) Dividend paid (107,111) (79,22) Net cash from operating activities 613,163 (2,97) CASH FLOWS FROM INVESTING ACTIVITIES 20,97 Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 2,66 Increase in long term deposits (465) (78) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39) Net cash (used in) / from financing activities		, , ,	(8,255)
Trade and other payables 28,050 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,600 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800 241,800		, , ,	(12,758)
Trade and other payables 28,050 241,80 Net cash from / (used in) working capital 35,701 (689,90) Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13) ncome tax paid (78,752) (77,77) Dividend paid (107,111) (79,22) Net cash from operating activities 613,163 (2,97) CASH FLOWS FROM INVESTING ACTIVITIES (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 2,66 Increase in long term deposits (465) (78) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39) Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from f	Other receivables	(12,570)	(1,759)
Net cash from / (used in) working capital 35,701 (689,90 Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13 ncome tax paid (78,752) (77,77 Dividend paid (107,111) (79,22 Net cash from operating activities 613,163 (2,97 CASH FLOWS FROM INVESTING ACTIVITIES (203,231) (224,76 Capital expenditure incurred 13,340 12,70 Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87 Dividend received 7,506 2,66 Increase in long term deposits (465) (78 Investments made - net (465) (78 Dividend received (465) (78 Increase in long term deposits (465) (78 Investments made - net (24,246) 62,35 Investments made - net (24,246) 62,35 Investments made - net (24,246) 62,35 Investments made - net<	Increase in current liabilities:		
Cash generated from operations 861,696 220,16 Finance cost paid (62,670) (66,13 ncome tax paid (78,752) (77,77 Dividend paid (107,111) (79,22 Net cash from operating activities 613,163 (2,97 CASH FLOWS FROM INVESTING ACTIVITIES (203,231) (224,76 Capital expenditure incurred (203,231) (224,76 Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87 Dividend received 7,506 2,66 Increase in long term deposits (465) (78 Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39 Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12 <td>Trade and other payables</td> <td></td> <td>241,802</td>	Trade and other payables		241,802
Finance cost paid (62,670) (66,13 ncome tax paid (78,752) (77,774 ncome tax paid (107,111) (79,22) (107,111) (79,22) (107,111) (79,22) (107,111) (79,22) (107,111) (79,22) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,111) (107,	, , , , , , , , , , , , , , , , , , , ,		(689,906)
Comparison Com	,		220,162
(107,111) (79,22) Net cash from operating activities	1	, ,	(66,139)
Net cash from operating activities 613,163 (2,97) CASH FLOWS FROM INVESTING ACTIVITIES (203,231) (224,76) Capital expenditure incurred 13,340 12,70 Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 2,66 Increase in long term deposits (465) (78) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39) Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12	·	, , ,	(77,779)
CASH FLOWS FROM INVESTING ACTIVITIES Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 2,66 Increase in long term deposits (465) (78) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39) Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12			(79,220)
Capital expenditure incurred (203,231) (224,76) Proceeds from disposal of property, plant and equipment 13,340 12,70 Investments made - net (421,275) (27,87) Dividend received 7,506 (465) (78) Increase in long term deposits (465) (78) Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39) Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12		613,163	(2,976)
Proceeds from disposal of property, plant and equipment 13,340 (421,275) (27,87: Dividend received 7,506 (465) (78: Net cash used in investing activities (604,125) CASH FLOWS FROM FINANCING ACTIVITIES Repayment of long term financing - net (24,246) (92) (39: Decrease)/ increase in short term borrowings - net (92) Net cash (used in) / from financing activities (80: 12,706 (421,275) (27,87: (27,87: (26) (604,125) (28) (604,125) (24,246) (92) (39: (39: (39: (39: (39: (39: (39: (39:		(222.22.1)	(00.4.700)
nvestments made - net (421,275) (27,873) Dividend received 7,506 2,666 ncrease in long term deposits (465) (78 Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES (24,246) 62,35 Repayment of long term financing - net (92) (39 Repayment of finance lease liabilities (92) (39 Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12		, , ,	
Dividend received 7,506 2,666 Increase in long term deposits (465) (78 Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES Repayment of long term financing - net (24,246) 62,35 Repayment of finance lease liabilities (92) (39 Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12		′	
(78		, , ,	
Net cash used in investing activities (604,125) (238,05) CASH FLOWS FROM FINANCING ACTIVITIES Repayment of long term financing - net (24,246) (92) (39) Decrease)/ increase in short term borrowings - net 99,421 237,19 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12			
CASH FLOWS FROM FINANCING ACTIVITIES Repayment of long term financing - net Repayment of finance lease liabilities (92) (39) (39) (24,246) (92) (39) (39) (27,15) (39) (39) (39) (39) (39) (39) (39) (39			. ,
Repayment of long term financing - net (24,246) Repayment of finance lease liabilities (92) (39) (39) (39) (39) (39) (39) (39) (39	Ü	(604,125)	(238,056)
Repayment of finance lease liabilities (92) (39) Decrease)/ increase in short term borrowings - net 99,421 237,19 Net cash (used in) / from financing activities 75,083 299,18 Net increase / (decrease) in cash and cash equivalents 84,121 58,12		(0.4.0.40)	00.054
Decrease)/ increase in short term borrowings - net 99,421 237,15 Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12	, ,	, , ,	
Net cash (used in) / from financing activities 75,083 299,15 Net increase / (decrease) in cash and cash equivalents 84,121 58,12		, ,	(393)
Net increase / (decrease) in cash and cash equivalents 84,121 58,12	,		
	, ,		
Lash and cash equivalents at the beginning of the period 95,510 5,75	·	,	
Cash and cash equivalents at the end of the period 179,631 63,87	Cash and cash equivalents at the beginning of the period Cash and cash equivalents at the end of the period		63,874

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

(CHIEF EXECUTIVE OFFICER)



Condensed Interim Statement of Changes in Equity (Un-Audited) For The Nine Months Ended 31 March 2014

		С	Capital Reserves		Revenue Reserves			
	Share capital	Premium on issue of shares	Unrealized gain / (loss) on available- for- sale investments	Sub total	General	Unapprop- riated profit	Sub total	Total
				(Rupe	es 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.



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 finanacial 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	Audited
		31 March 2014	30 June 2013
		(Rupees i	n thousand)
5.	LONG TERM FINANCING - secured		
	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



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	Audited
			31 March 2014	30 June 2013
	Not	е	(Rupees i	n thousand)
7.	PROPERTY, PLANT AND EQUIPMENT			
	Operating fixed assets - tangible (7.	1)	1,987,862	1,944,391
	Assets subject to finance lease (7.3	2)	1,233	1,450
	Capital work-in-progress		50,995	44,209
			2,040,090	1,990,050
7.1	Operating fixed assets - tangible			
	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
7.1.1	Additions during the period / year - cost			
	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
7.2	Assets subject to finance lease			
	Opening book value		1,450	980
	Add: Additions during the period / year		1,400	693
	Add. Additions during the period / year		1,450	1,673
	Local Depreciation during the period / year		,	
	Less: Depreciation during the period / year		217	223
	Book value at the end of the period / year		1,233	1,450



		Un-Audited	Audited
		31 March 2014	30 June 2013
	Note	(Rupees i	n 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		
10.		007.711	500.040
	Others-quoted	967,711	526,346
	Unrealized gain on revaluation of investments	86,849	22,169
		1,054,560	548,515

			Un-Au	ıdited	
		Nine mor	nths ended	Quarte	r ended
		31 March 2014	31 March 2013	31 March 2014	31 March 2013
			(Rupees in	thousand)	
11.	SALES				
	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
12.	COST OF SALES				
	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

Un-Audited

		Nine mor	iths ended	Quarte	r 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
13.	OTHER OPERATING EXPENSES				
10.	Workers profit participation fund	38,435	37,866	7,643	10,193
	Workers welfare fund	15,230	15,456	3,529	
	Others	,		,	7,782 532
	Others	3,588 57,253	11,560 64,882	1,089	18,507
		37,233	04,002	12,201	10,007
14.	TAXATION				
	Charge for the period:				
	Current	89,811	109,932	24,114	27,842
	Deferred	-	427	-	,
		89,811	110,359	24,114	27,842
		00,011	110,000	۷٦,١١٦	21,042

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.



Business segments

15.1

For management purposes, the Suraj Cotton Mills is aganized 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 priceing between operating segments are on arm's length basis in a manner similar to transactions with third parties.

	Spin	Spinning	Wes	Weaving	Elimine Inter-se transa	Elimination of Inter-segment transactions	Consolidated	lidated
				Un-Audited				
	•			Nine months ended	pep			
	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013
				(Rupees in thousand)	(pu			
Sales								
External	4,065,186	3,706,553	3,280,770	3,377,505	1	1	7,345,956	7,084,058
Inter-segment	794,375	741,709		1	794,375	741,709	1	1
	4,859,561	4,448,262	3,280,770	3,377,505	794,375	741,709	7,345,956	7,084,058
Cost of sales								
External	4,183,278	3,721,203	2,228,195	2,321,879	1	1	6,411,473	6,043,082
Inter-segment		1	794,375	741,709	794,375	741,709	1	ı
	4,183,278	3,721,203	3,022,570	3,063,588	794,375	741,709	6,411,473	6,043,082
Gross profit	676,283	727,059	258,200	313,917			934,483	1,040,976
Distribution cost	65,875	84,033	111,660	97,645	1	1	177,535	181,678
Administrative expenses	68,854	986'09	14,436	13,025	1	ı	83,290	73,961
	134,729	144,969	126,096	110,670	1		260,825	255,639
Profit before taxation and unallocated								
income and expenses	541,554	582,090	132,104	203,247	ı	ı	673,658	785,337



Unallocated income and expenses: Other operating expenses Other operating expenses Finance cost	31 March 2013	31 March 2014		31 March 2014 (d)	31 March 2013	31 March	
31 March 2014 norme and expenses:	31 March 2013	31 March 2014	31 March 2013	31 March 2014	31 March 2013	31 March	
31 March 2014 ncome and expenses: ng expenses	31 March 2013		31 March 2013 Supees in thousar	31 March 2014	31 March 2013	31 March	
Unallocated income and expenses: Other operating expenses Other operating income Finance cost		<u>H</u>)	Aupees in thousar	(p)		4102	31 March 2013
Unallocated income and expenses: Other operating expenses Other operating income Finance cost							
Other operating expenses Other operating income Finance cost							
Other operating income Finance cost						(57,253)	(64,882)
Finance cost						140,323	64,719
						(64,175)	(65,717)
						18,895	(65,880)
Profit before taxation						692,553	719,457
Taxation						89,811	110,359
Profit for the year						602,742	860,609
Inter segment sales and purchases have been eliminated on consolidation.							
Other disclosures							
Capital expenditure	218,666	8,411	6,097	1	1	203,231	224,763
Un-audited	Audited	Un-andited	Audited	Un-audited	Audited	Un-audited	Audited
31 March 2014	30 June 2013	31 March 2014	30 June 2013	31 March 2014	30 June 2013	31 March 2014	30 June 2013
			(R	(Rupees in thousand)	(
019,813,5	3,381,177	1,002,032	1,006,844	1		4,521,63/	4,398,021
Unallocated assets						1,151,41/	218,000
Consolidated total assets						5,673,054	5,058,833
Segment liabilities 1,230,038 1	1,067,215	235,334	282,277	1		1,465,372	1,349,492
Unallocated liabilities						300,792	300,345
Consolidated total liabilities						1,766,164	1,649,837

The Company operates in three major geographical segments i.e. Pakistan, Europe and Far East. The cumulative revenue attributable to foreign countries is disobsed in note 11.

Secondary information is reported geographically.

Geographical segments



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:

		Un-Audited	
Relationship with the Company	Nature of transactions	Nine months ended	Nine months ended
		31 March 2014	31 March 2013
		(Rupees i	n 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:

	-	Un-Audited 31 March 2014	Audited 30 June 2013
Relationship with the Company	Nature of transactions	(Rupees in	n thousand)
Associated companies	Creditors Trade debts	5,339 9,643	12,711 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.



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.





7-B III, Aziz Avenue, Gulberg-V, Lahore – Pakistan Tel: +92 42 35711138, 35760379, 35760381 Fax: +92 42 35760376 E-mail: info@suraj.com