

A large, decorative graphic on the left side of the page consists of numerous thin, blue, curved lines that originate from a single point at the bottom and fan out towards the top, creating a sense of movement and depth.

Zephyr Textiles Limited

ACCOUNTS FOR THE HALF YEAR ENDED
DECEMBER 31, 2015

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Company information

BOARD OF DIRECTORS:	Mr. Mussaid Hanif Mr. Burhan Muhammad Khan Mr. Arbab Muhammad Khan Ms. Tehniyat Mussaid Ms. Sabah Burhan Ms. Sarah Mussaid Ms. Nuzhat Kamran	CEO
AUDIT COMMITTEE:	Ms. Tehniyat Mussaid Mr. Arbab Muhammad Khan Ms. Sabah Burhan	Chairperson/Member Member Member
CHIEF FINANCIAL OFFICER:	Mr. Naveed Aleem	
COMPANY SECRETARY:	Mr. Abdul Jabbar	
AUDITORS:	Azhar Zafar & Company	Chartered Accountants
LEGAL ADVISOR:	Cornelius Lane & Mufti Advocate and Solicitors Nawa-e-Waqt House, 4 Shahrah-e-Fatima Jinnah, Lahore - 54000, Pakistan	
BANKERS TO THE COMPANY:	Habib Bank Limited Allied Bank Limited Askari Bank Limited United Bank Limited Habib Metropolitan Bank Limited Bank Al Habib Limited	National Bank of Pakistan NIB Bank Limited The Bank Of Punjab Faysal Bank Limited Meezan Bank Limited Silk Bank Limited
MILLS:	1 km, Balloki Bhai Pheru Road Bhai Pheru. Phone : 0494 - 512007-9, 513103-5 Fax : 0494 - 512011 63 km, Gulshan Adda, Jumber Khurd, District Kasur,	(Weaving unit & Power plant) (Towel Unit)
REGISTERED & HEAD OFFICE:	3rd Floor, IEP Building, 97 B/D-I, Gulberg III, Lahore E-mail: info@zephyr.com.pk Website: www.zephyr.com.pk Phone : 042 35782905 - 15 Fax : 042 35753202	

Directors' Report to the Member

Directors of Zephyr Textiles Limited are pleased to present the Review Report for the half year ended December 31, 2015.

Financial and Operating Performance

The first six months of financial year ending 31st December 2015, remained a challenging time for textile industry. The Company earned 7.14% less sales revenue in the period under review as compared to last period. The gross margin increase by 3.51%, i.e. from Rs.144.32 million to Rs.149.38 million. Similarly, the Company earned profit before and after tax as compared to losses in the corresponding period. The gross profit and net profit ratios improved to 8.37% and 0.78% from 7.51% and (0.90%) respectively. Earnings per share of the Company stood at Rs.0.23 per share as compared to loss of Rs.0.29 per share in the corresponding period under review.

Financial Highlights	Half year ended 31 December		Increase/ (Decrease) %
	2015	2014	
Sales - net	1,785,078,497	1,922,420,491	(7.14)
Gross Profit	149,383,546	144,322,193	3.51
Profit/(loss) before tax	25,007,000	(5,666,834)	541.29
Profit/(loss) after tax	13,940,601	(17,367,841)	180.27
Gross Profit (%)	8.37%	7.51%	11.47
Profit/(loss) after tax (%)	0.78%	(0.90%)	186.67
Earnings/(loss) per share (Rs.)	0.23	(0.29)	180.27

Despite declining revenue, increasing competition from regional players and challenging demand situation in the overseas markets, the Company was able to improve its performance during the period under review as compared to corresponding period. The Company observed better exports in the period under review as compared to corresponding period. Current ratio stood constant at 1.26 where as long term debt to equity ratio improved further from 0.67 to 0.63. The Company managed to repay its long term debts of Rs.57.60 million along with financial charges of Rs.47.66 million. These results might be improved if the situation of fuel and power shortages improved which was the main reason of production losses. The gas shortage in the period under review forced the Company to costly electricity from the national grid. The continuous rise in gas and electricity prices, despite drastic reduction of oil prices in the world market, is going have serious ramifications for our industry.

General Market Review and Future Prospects

The period under review was a mixed bag for Pakistan economy, with several positives to take hope from, but not without a fair share of alarm bells as always. Pakistan's economy continued to face challenges like energy shortages, increase in input costs and other impediments that have hampered investment and growth in the country. The economy of Pakistan during the period under review grew on average at the rate 4.2 percent per annum against the target of 5.5 percent per annum. Deterioration in the fuel and power sector is the main constraint on growth. Power and gas outages have shaved off annual GDP growth to less than 5 percent.

The textile industry has a potential to perform better both in productions as well as in export by virtue of its inherent competitiveness in the international market for its conventional products. However, to sustain its position and to move in high value added products as well as for the increase market share, a substantial investment in machinery equipment and new technology is essential. The training of workers, research and technology, product diversification and branding are the immediate areas of concern for textile industry to focus. The Company is in process to increase its production facility by adding new and replacing the existing machinery for its value added products. Investment from own source of Rs.90 million is planned during this financial year out of total investment of Rs.390 million planned for BMR. As stated in previous review, the Company is striving to diversify its production facility and marketing efforts towards value added products. We anticipate this process will be completed in coming six to nine months and these efforts will bear fruit in the coming year.

Acknowledgement

The Board is pleased to acknowledge the positive contribution made by the efforts of the management and workers.

For and on behalf of the Board of Directors

Lahore
February 24, 2016



MUSSAID HANIF
Chief Executive

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

Introduction

We have reviewed the accompanying condensed interim balance sheet of ZEPHYR TEXTILES LIMITED ("the Company") as at December 31, 2015 and the related 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 statement of comprehensive income for the quarters ended December 31, 2015 and December 31, 2014 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 December 31, 2015.

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.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

CHARTERED ACCOUNTANTS

Engagement Partner: Zafar Iqbal

Date: February 24, 2016

Lahore

Condensed Interim Balance Sheet

as at December 31, 2015 (Un-Audited)

	Note	Un-Audited December 31, 2015 (Rupees)	Audited June 30, 2015 (Rupees)
Equity and liabilities			
Equity			
Share capital	6	594,287,290	594,287,290
Unappropriated profit		270,012,361	253,296,747
		864,299,651	847,584,037
Revaluation reserve		377,633,084	390,762,487
		1,241,932,735	1,238,346,524
Liabilities			
Long term financing - Secured	7	634,427,022	676,848,872
Employee benefits	8	60,167,755	53,114,796
Deferred tax liabilities		172,395,256	179,464,937
Non current liabilities		866,990,032	909,428,605
Trade and other payables	9	334,337,507	360,876,756
Short-term borrowings - Secured		667,048,859	604,897,441
Current portion of long term borrowings		152,867,295	151,587,487
Current liabilities		1,154,253,661	1,117,361,684
Contingencies and commitments	10	-	-
		3,263,176,428	3,265,136,813
Assets			
Property plant & equipment	11	1,801,442,986	1,836,218,130
Capital work in progress		-	10,864,816
Long term advances and deposits		7,872,686	7,872,686
Non-current assets		1,809,315,672	1,854,955,632
Stores, spares and loose tools		119,572,021	108,392,442
Stock in trade		746,325,653	714,910,914
Trade debts		319,256,948	372,657,546
Loans and advances	12	54,060,975	41,117,557
Trade deposits, prepayments & other receivables	13	136,712,895	134,399,513
Short term investments	14	1,581,134	1,526,654
Cash and bank balances		76,351,130	37,176,555
Current assets		1,453,860,756	1,410,181,181
Total assets		3,263,176,428	3,265,136,813

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


CHIEF EXECUTIVEz


DIRECTOR

Condensed Interim Statement Of Comprehensive Income

for the half year ended December 31, 2015 (Un-Audited)

	Note	Un-Audited For half year ended December 31,		Un-Audited For quarter ended December 31,	
		2015 (Rupees)	2014	2015 (Rupees)	2014
Sales - net		1,785,078,497	1,922,420,491	908,836,652	933,379,212
Cost of sales	15	1,635,694,951	1,778,098,298	836,078,440	877,219,479
Gross profit		149,383,546	144,322,193	72,758,212	56,159,733
Other income		6,876,969	8,827,895	5,261,048	6,938,354
Distribution cost		32,976,908	40,066,772	15,863,307	18,541,431
Administrative expenses		29,037,639	25,484,393	15,896,274	13,908,866
Other expenses		1,857,067	3,116,316	1,120,118	1,486,239
		63,871,614	68,667,481	32,879,699	33,936,536
Finance costs		67,381,901	90,149,441	32,199,804	43,534,069
Profit / (Loss) for the period before taxation		25,007,000	(5,666,834)	12,939,757	(14,372,518)
Income tax expense		11,066,399	11,701,007	5,734,271	5,608,491
Profit / (Loss) for the period after taxation		13,940,601	(17,367,841)	7,205,486	(19,981,009)
Other comprehensive income:					
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income		13,940,601	(17,367,841)	7,205,486	(19,981,009)
Earning per share - basic & diluted		0.23	(0.29)	0.12	(0.34)

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR

Condensed Interim Cash Flow Statement

for the half year ended December 31, 2015 (Un-Audited)

	Note	Un-Audited For half year ended December 31,	
		2015	2014
		(Rupees)	
Net cash from operating activities	16	72,586,509	45,471,238
Cash flow from investing activities			
Long term advances and deposits		-	-
Proceeds from sale of property, plant and equipment		-	1,260,000
Capital Gains/(Loss), Income/(Loss) from Investments and Dividends		56,366	1,093,266
Acquisition of property, plant and equipment		(28,485,358)	(13,742,720)
Net cash flow from investing activities		(28,428,992)	(11,389,454)
Cash flow from financing activities			
Availed/repayment of short term borrowings		52,619,746	1,368,329
Repayment of long term loans		(57,602,688)	(40,937,605)
Net cash flow from financing activities		(4,982,942)	(39,569,276)
Net increase in cash and cash equivalents		39,174,575	(5,487,492)
Cash and cash equivalents at the beginning of the period		37,176,555	80,729,056
Cash and cash equivalents at the end of the period		76,351,130	75,241,564

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR

Condensed Statement of Changes In Equity

for the half year ended December 31, 2015 (Un-Audited)

	Share Capital (Rupees)	Accumulated Profit / (Loss) (Rupees)	Total (Rupees)
Balance as at June 30, 2014 - Audited	594,287,290	65,509,200	659,796,490
Total comprehensive income for the period	-	(17,367,841)	(17,367,841)
Transfer from revaluation reserve on disposal of property, plant & equipment	-	-	-
Current period incremental depreciation - net of tax	-	14,404,548	14,404,548
Balance as at December 31, 2014 - Un-audited	594,287,290	62,545,907	656,833,197
Balance as at June 30, 2015 - Audited	594,287,290	253,296,747	847,584,037
Total comprehensive income for the period	-	13,940,601	13,940,601
Prior year adjustments	-	(10,354,385)	(10,354,385)
Current period incremental depreciation - net of tax	-	13,129,398	13,129,398
Balance as at December 31, 2015 - Un-audited	594,287,290	270,012,361	864,299,651

The annexed notes 1 to 18 form an integral part of this condensed interim financial information.


CHIEF EXECUTIVE


DIRECTOR

Notes to the Condensed Interim Financial Information

for the half year ended December 31, 2015 (Un-Audited)

1 STATUS AND ACTIVITIES

Zephyr Textiles Limited ("the Company") was incorporated in Pakistan on February 26, 1999 as a private limited company under the Companies Ordinance, 1984. Subsequently on October 04, 2004 it was converted into a public limited company. The Company is principally engaged in the manufacturing, dyeing and trading of woven cloth which also includes towels. The registered office of the Company is situated at 3rd Floor, IEP Building, 97 B/D-1, Gulberg III, Lahore, Punjab and the manufacturing facilities are located at Bhai Pheru and Jamber. The shares of the Company are listed on Pakistan Stock Exchange (formerly: registered in Karachi and Lahore Stock Exchanges of Pakistan).

2 BASIS OF PREPARATION

This condensed interim financial information is un-audited but subject to limited scope review by the statutory auditors and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information of the Company for the half year ended December 31, 2015 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. This condensed interim financial information should be read in conjunction with the audited annual published financial statements of the Company for the year ended June 30, 2015.

3 ACCOUNTING POLICIES

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

The new standards, amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after July 1, 2015, were either considered not to be relevant to the Company's operations or did not have significant effect on the accounting policies of the Company.

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

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 June 30, 2015.

5 FINANCIAL RISK MANAGEMENT

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the financial statements of the Company for the year ended June 30, 2015.

	Un-audited December 31, 2015 (Rupees)	Audited June 30, 2015 (Rupees)
6 SHARE CAPITAL		
Authorized share capital		
62,500,000 ordinary shares of Rs. 10 each	625,000,000	625,000,000
Issued, subscribed and paid up share capital		
51,900,883 Ordinary shares of Rs. 10 each fully paid in cash	519,008,830	519,008,830
7,527,846 Ordinary shares of Rs. 10 each issued as fully paid bonus shares	75,278,460	75,278,460
	594,287,290	594,287,290

Notes to the Condensed Interim Financial Information

for the half year ended December 31, 2015 (Un-Audited)

7 LONG TERM FINANCING

Facility	Note	Repayment commencement	Mark up	Sanctioned limit (Rs. in million)	Number of installments	Un-audited December 31, 2015 (Rupees)	Audited June 30, 2015 (Rupees)
Demand Finance - I	7.1	May-13	3 months Kibor	196,780	54 monthly	92,425,755	110,772,755
Demand Finance - II	7.1	Oct-17	Interest free	204,379	31 monthly	117,834,414	105,955,124
Subtotal - BOP						210,260,169	216,727,879
Demand Finance - II	7.1 & 7.2	Sep-15	3 Month Kibor + 1%	327,502	28 Quarterly	319,630,431	327,501,663
Frozen Markup	7.1 & 7.3	Sep-15	Interest free	13,747	28 Quarterly	-	9,448,085
Frozen Markup	7.1 & 7.3	Sep-15	Interest free	219,977	28 Quarterly	151,674,547	151,181,325
Subtotal - NBP						471,304,978	488,131,073
Demand Finance - III	7.1	Oct-12	6.00%	125	36 Monthly	-	2,360,839
Subtotal - ABL						-	2,360,839
Term Finance	7.1 & 7.4	Sep-14	3 Month Kibor + 0.75%	145	48 Monthly	105,729,170	121,216,568
Subtotal - NIB						105,729,170	121,216,568
						787,294,317	828,436,359
Current portion						(148,969,463)	(148,183,422)
Overdue portion						(3,897,832)	(3,404,065)
						(152,867,295)	(151,587,487)
						634,427,022	676,848,872

- 7.1 It represents long term financing from commercial banks (stated above) and the amounts claimed by such institutions. Markup is leviable along with installment (except interest free loans) as per schedule stated above. These loans are secured against first ranking pari passu charge over current and fixed assets of the Company executed through the joint pari passu agreement with the lenders of the Company and joint memorandum of deposit of title deeds, equitable mortgage charge on land and personal guarantees of the directors of the Company.
- 7.2 It represents loan from National Bank of Pakistan which has been restructured on terms agreed between the parties.
- 7.3 It represents restructured loan converted from mark up payable on the facilities from National Bank of Pakistan till June 30, 2015.
- 7.4 It represents running finance facility from NIB Bank Limited converted into term finance facility during the year.

	December 31, 2015 (Rupees)	June 30, 2015 (Rupees)
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8 EMPLOYEE BENEFITS

Balance sheet liability at the beginning of the period	53,114,796	41,201,315
Charge for the period	10,483,209	20,556,901
Benefits paid during the period	(3,430,250)	(9,476,000)
Unrecognized actuarial gain	-	832,580
	60,167,755	53,114,796

9 TRADE AND OTHER PAYABLES

Creditors	146,960,945	182,408,572
Advances from customers	15,055,598	29,119,278
Accrued liabilities	108,120,497	91,252,488
Accrued mark-up/interest on long term financing	2,023,646	1,846,264
Accrued mark-up/interest on short term borrowings	6,527,019	2,717,329
Income tax withheld	10,607,198	11,023,187
Income tax payable	2,348,134	-
Retention money payable	1,126,002	500,000
Dividend payable	-	426,002
Workers' funds	41,568,468	41,583,636
	334,337,507	360,876,756

Notes to the Condensed Interim Financial Information

for the half year ended December 31, 2015 (Un-Audited)

10 CONTINGENCIES AND COMMITMENTS

Contingencies

10.1 The Company has filed a recovery suit against the Punjab Cotton Mills Limited for Rs. 5.107 million along with interest. The case is decreed in favour of company.

10.2 M/s. M. J. Industries has filed a suit against the Company for declaration for Rs. 0.545 million. The case is dismissed by the Honorable Civil Judge, Lahore. M/s. M. J. Industries has filed an application for the restoration of the suit.

The Company has filed a recovery suit against the M/s M. J. Industries for Rs. 0.545 million. The summon and notices have been issued to the defendant and the case is pending due to non appearance of the defendant before the Honorable Civil Judge, Lahore. The Company is hopeful of settlement of the case in its favor.

10.3 The Company has filed a recovery suit against the M/s. Amtex Limited for Rs. 2.917 million. The case is decreed in favour of company.

10.4 M/s. Sitara Textiles has filed a suit against the Company for recovery of damages against non performance of contract no. LO417 for supply of fabric. According to legal confirmation status, suit is pending for framing of issues.

The Company has filed a suit against M/s. Sitara Textiles Limited for financial loss, cost of sales loss, loss of business and loss due to breach of contract for Rs. 37.670 million. Company is hopeful of settlement of the case in its favor.

M/s. Sitara Textiles has filed an other suit against the Company for financial loss and loss due to breach of contract for Rs. 63.624 million. Writ petition is pending for adjudication in Honorable Lahore High Court, Lahore.

10.5 The Company has filed suit for recovery of Rs. 34.027 million for unauthorized sale of shares by First Pakistan Limited. The case is pending before Senior Civil Judge Lahore.

10.6 The Company has filed suit for Recovery along with damages of Rs. 31.350 Millions against M/s Al-Abid Silk Ltd. (Suit No. 494 of 2014) in the Sindh High Court. The case is pending before in the Sindh High Court.

10.7 The Company has filed a suit against old tenants for vacation of property purchased by the Company situated at Ek Moria Pull Lahore. The matter is pending for adjudication. Certain suits were filed against the Company regarding the said property which are as under:

- Muhammad Sajid (the plaintiff) has filed a suit for permanent injunctions and declaration against interfering the possession of plaintiff property by pretending that the suit property has been purchased by Zephyr Textiles Limited (the defendant) through registered sales deed bearing distavez no. 2775 dated 01-09-2010, whereas the purchased property of the defendant is separate and different from the suit property of the plaintiff. The case is pending for framing of issues.

- Sh. Zafar Iqbal v/s. M/s Zephyr Textiles Limited. Sh. Zafar Iqbal has filed a suit for cancelation of registry with respect to the said property purchased by the Company. The case is pending for adjudication.

The Company is hopeful for settlement of the above stated suits in its favor.

10.8 Guarantees issued by various commercial banks, in respect of financial and operational obligations of the Company, to various institutions and corporate bodies aggregate to Rs. 43.508 million (2015: Rs. 43.508 million).

10.9 Foreign bills purchased by banks amounting to Rs. 195.251 million (2015: Rs. 174.816 million).

Commitments

10.10 Contracts for capital expenditure are Rs. 29.592 million (2015: Rs. Nil million).

10.11 Letters of credit other than for capital expenditure are Rs. 7.530 million (2015: Rs. 13.414 million).

10.12 Outstanding foreign currency forward contracts of Rs. 797.910 million (2015: Rs. 276.040 million).

Notes to the Condensed Interim Financial Information

for the half year ended December 31, 2015 (Un-Audited)

	Note	Un-audited December 31, 2015 (Rupees)	Audited June 30, 2015 (Rupees)
11	PROPERTY, PLANT AND EQUIPMENT		
Opening written down value		1,836,218,130	1,927,075,074
Additions during the period	11.1	39,350,174	66,074,398
Net book value of assets disposed off during the period	11.2	-	(1,473,063)
Depreciation charge for the period		(74,125,318)	(155,458,279)
		1,801,442,986	1,836,218,130
11.1	Cost of additions		
Factory building on free-hold land		-	3,111,982
Plant and machinery		30,564,743	50,419,109
Furniture and fixtures		-	83,000
Vehicles		8,327,267	8,350,471
Electric installation		-	3,449,905
Office equipments		458,164	659,931
		39,350,174	66,074,398
11.2	Net book value of deletions		
Vehicles		-	1,277,128
Electric installation		-	195,935
		-	1,473,063
12	LOANS AND ADVANCES		
Advances - unsecured but considered good:			
- To suppliers		25,942,167	22,889,666
- To employees		15,478,668	11,232,602
- To suppliers against letter of credit		12,640,140	6,995,289
		54,060,975	41,117,557
13	TRADE DEPOSITS, PREPAYMENTS & OTHER RECEIVABLES		
Prepayments		4,094,201	2,318,354
Advance income tax		-	1,661,586
Margin deposits		19,552,772	10,105,000
Sales tax refundable		74,950,596	90,202,771
Export rebate receivable		10,223,338	9,235,519
Other receivables		27,891,988	20,876,283
		136,712,895	134,399,513
14	SHORT TERM INVESTMENTS		
Investment at fair value through profit and loss account			
- Listed securities		663,145	665,870
Investment in funds		917,989	860,784
		1,581,134	1,526,654

Notes to the Condensed Interim Financial Information

for the half year ended December 31, 2015 (Un-Audited)

	Un-Audited For half year ended December 31, 2015 (Rupees)	Un-Audited For half year ended December 31, 2014 (Rupees)
Raw materials consumed	992,985,637	1,172,050,936
Salaries, wages and other benefits	147,331,851	131,472,765
Production overheads	523,210,251	520,758,087
	1,663,527,739	1,824,281,788
(Increase) / decrease in work-in-progress		
Opening stock	141,720,387	156,166,104
Closing stock	(136,903,110)	(137,588,238)
Adjustment of work-in-process	4,817,277	18,577,866
(Increase) / decrease in finished goods		
Opening stock	417,543,176	400,903,665
Closing stock	(450,193,241)	(465,665,021)
Adjustment of finished goods	(32,650,065)	(64,761,356)
	1,635,694,951	1,778,098,298

16 CASH FLOW FROM OPERATING ACTIVITIES

(Loss)/Profit for the period before taxation	25,007,000	(5,666,834)
Adjustments for:		
- Depreciation	74,125,318	77,173,505
- Gain on sale of property, plant and equipment	-	(901,674)
- Change in fair value of short term investment	(20,178)	(488,232)
- Investment income	(36,188)	(605,034)
- Provision for staff retirement benefits - gratuity	10,483,209	9,494,598
- Finance cost	67,381,901	90,149,441
	176,941,062	169,155,770

Changes in:

- Stores, spares and loose tools	(11,179,579)	2,920,752
- Stock in trade	(31,414,739)	(33,905,253)
- Trade receivables	53,400,598	(34,403,240)
- Loans and advances	(12,943,418)	(10,658,087)
- Short Term Investments	(54,480)	(5,793,266)
- Trade deposits, prepayments & other receivables	(3,974,968)	16,432,487
- Creditors, accrued and other liabilities	(32,973,951)	17,035,650
Cash generated from operations	137,800,525	120,784,813
Interest paid	(47,657,413)	(58,294,547)
Taxes paid	(14,126,353)	(14,151,828)
Gratuity paid	(3,430,250)	(2,867,200)
	72,586,509	45,471,238

17 DATE OF AUTHORIZATION FOR ISSUE

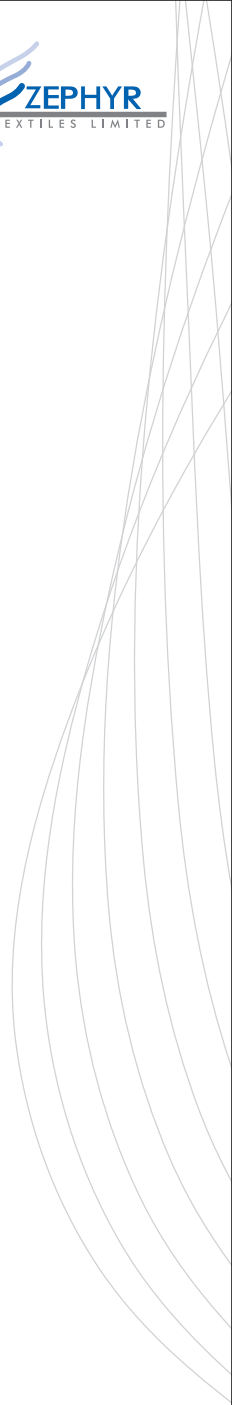
This condensed interim financial information was approved by the Board of Directors and authorized for issue on February 24, 2016.

18 GENERAL

Figures have been rounded off to the nearest Rupee unless otherwise stated.


CHIEF EXECUTIVE


DIRECTOR



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