



*Condensed Interim
Financial Information
for the quarter ended
September 30, 2014*

Shahtaj Textile Limited

Shahtaj Textile Limited

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Muneer Nawaz
Mr. M. Naeem
Mr. Mahmood Nawaz
Mr. Farooq Hassan (NIT)
Mr. Toqueer Nawaz
Mrs. Sadia Mohammad
Lt. Col. (Retd.) R.D. Shams
Mr. Muhammad Usman Khalid

Chairman
Chief Executive

COMPANY SECRETARY

Mr. Jamil Ahmad Butt, FCMA

AUDIT COMMITTEE OF THE BOARD

Mr. Muneer Nawaz
Mr. Mahmood Nawaz
Mr. Muhammad Usman Khalid
Syed Muhammad Farooq

Chairman
Member
Member
Secretary

HUMAN RESOURCE AND REMUNERATION COMMITTEE OF THE BOARD

Mr. Muneer Nawaz
Mr. Farooq Hassan
Mr. M. Naeem

AUDITORS

M. Yousuf Adil Saleem & Co.
Chartered Accountants.
Cavish Court, A-35, Block 7 & 8 KCHS,
Shahrah-e-Faisal, Karachi 75350.

BANKS

Habib Bank Limited
MCB Bank Limited
The Bank of Punjab
United Bank Limited
Bank Alfalah Limited
Standard Chartered Bank (Pakistan) Limited
Faysal Bank Limited

LEGAL ADVISOR

Mr. Ras Tariq Chowdhary
30-Mall Mansion
The Mall
Lahore.

HEAD OFFICE

Shahnawaz Building, 19-Dockyard Road,
West Wharf, Karachi-74000
Ph: 32313934-8, 32312834, 32310973
Fax: 32205723, 32310623
Website: www.shahtaj.com

REGISTERED OFFICE

27-C Abdalian Co-oporetive
Hosing Society, Lahore,
Ph: (042) 35313891-92, 35301596-99
Fax: (042) 35301594

MARKETING OFFICE

27-C Abdalian Co-oporetive
Hosing Society, Lahore,
Ph: (042) 35313891-92, 35301596-99
Fax: (042) 35301594

FACTORY

46 K.M. Lahore/Multan Road
Chunian Industrial Estate
Bhai Pheru, Distt. Kasur, Punjab.
Ph: (049) 4540430-32, 4540133, 4540234
Fax: (049) 4540031

SHARE REGISTRAR

Evolution Factor (Pvt.) Limited
Suite # 407,408, 4th Floor, Al-Ameera Centre,
Shahrah-e-Iraq, Near Passport Office, Saddar Karachi.
Tel: 35662023-24 Fax: 35221192

Shahtaj Textile Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS

Directors are pleased to present un-audited Condensed Interim Financial Information of the Company for the First Quarter ended September 30, 2014.

By the grace of Allah Almighty operating results for the quarter have been positive and Company has earned an after tax profit of Rs.4.758 million with an EPS of Rs.0.49. This profit however is less than the corresponding period mainly because of lesser sales. There was a slow-down in lifting at the quarter end in view of approaching long Eid holidays, thus profit remained unrealized to this extent.

Shipment against L/C for new 18 Looms opened in this quarter is scheduled to be received in November, 2014.

As before Company will continue to do its best to further improve financial strength of the Company.

Appreciation

Directors acknowledge with thanks the hard work put in by all employees of the Company.

for and on behalf of the Board of Directors

Karachi:
October 27, 2014


(M. Naeem)
Chief Executive


Shahtaj Textile Limited

CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2014

	September 30, 2014 Unaudited	June 30, 2014 Audited
	-----Rupees-----	
SHARE CAPITAL AND RESERVES		
Authorised 10,000,000 Ordinary shares of Rs.10/-each	100,000,000	100,000,000
Issued, subscribed and paid-up capital	96,600,000	96,600,000
General reserve	590,000,000	550,000,000
Unappropriated profits	94,167,752	126,172,939
	780,767,752	772,772,939
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - net of tax		
	181,336,484	184,572,820
NON-CURRENT LIABILITIES		
Long-term financing	158,372,310	159,893,081
Deferred liabilities	110,918,150	108,746,642
	269,290,460	268,639,723
CURRENT LIABILITIES		
Trade and other payables	206,768,011	255,975,688
Interest accrued	11,001,008	13,893,670
Short term borrowings	254,072,907	200,434,419
Current portion of long-term financing	107,441,541	116,823,541
	579,283,467	587,127,318
CONTINGENCIES AND COMMITMENTS		
	-	-
	1,810,678,163	1,813,112,800
NON-CURRENT ASSETS		
Property, plant and equipment	963,942,885	987,473,676
Long-term loans	698,641	665,075
Long-term deposits	27,317,444	27,317,444
	991,958,970	1,015,456,195
CURRENT ASSETS		
Stores, spares and loose tools	46,612,851	44,409,630
Stock-in-trade	324,180,109	306,773,757
Trade debts	249,797,131	277,489,046
Loans and advances	9,863,655	5,273,975
Trade deposits and short-term prepayments	7,461,273	174,989
Other receivables	6,156,975	5,728,568
Taxation - net	61,469,593	55,192,947
Sales tax refundable	91,519,097	79,406,359
Other financial assets	6,984,661	6,085,466
Cash and bank balances	14,673,848	17,121,868
	818,719,193	797,656,605
	1,810,678,163	1,813,112,800

The annexed notes from 1 to 7 form an integral part of this condensed interim financial information.


(M.NAEEM)
Chief Executive


(MUNEER NAWAZ)
Chairman

Shahtaj Textile Limited

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE QUARTER ENDED SEPTEMBER 30, 2014 (UNAUDITED)

	Note	First Quarter ended on	
		September 30 2014	September 30 2013
		----- Rupees -----	
Sales - net	2	861,926,028	1,054,082,499
Cost of goods sold	3	(802,828,339)	(976,624,161)
Gross profit		59,097,689	77,458,338
Distribution cost		(17,112,014)	(16,136,582)
Administrative expenses		(21,493,422)	(15,681,706)
Other operating expenses		(526,372)	(2,357,585)
Finance cost		(13,938,824)	(13,667,218)
		(53,070,632)	(47,843,091)
Other income	4	1,075,159	2,195,075
Profit before taxation		7,102,216	31,810,322
Taxation		(2,343,731)	(10,815,509)
Profit after taxation		4,758,485	20,994,813
Other comprehensive income		-	-
Total comprehensive income		4,758,485	20,994,813
Earnings per share - basic and diluted		0.49	2.17

The annexed notes from 1 to 7 form an integral part of this condensed interim financial information.


(M.NAEEM)
Chief Executive


(MUNEER NAWAZ)
Chairman

Shahtaj Textile Limited

CONDENSED INTERIM CASH FLOW STATEMENT FOR THE QUARTER ENDED SEPTEMBER 30, 2014 (UNAUDITED)

	First Quarter ended on	
	September 30 2014	September 30 2013
-----Rupees-----		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	7,102,216	31,810,322
Adjustments for:		
Depreciation	24,296,434	24,486,170
Finance cost	13,938,824	13,667,218
Gain on disposal of property plant and equipment	-	(683,327)
Provision for gratuity and leave encashment	3,869,013	3,767,174
Interest income	(14,843)	(119,141)
Operating cash flows before movements in working capital	49,191,644	72,928,416
(Increase) / decrease in current assets		
Stores, spares and loose tools	(2,203,221)	(5,350,840)
Stock-in-trade	(17,406,352)	24,165,922
Trade debts	27,691,915	49,435,265
Loans and advances	(4,589,680)	5,386,510
Trade deposits and short term prepayments	(7,286,284)	93,417
Other receivables	(428,407)	(101,874)
Other financial assets	(899,195)	5,984,397
Sale tax refundable	(12,112,738)	(19,033,161)
(Decrease) in current liabilities		
Trade and other payables	(49,207,677)	(43,470,566)
Cash generated from operations	(17,249,995)	90,037,486
Gratuity and leave encashment paid	(1,697,505)	(3,377,958)
Interest paid	(16,831,486)	(15,646,501)
Income taxes paid	(8,620,377)	(10,473,022)
Net cash (used in) / generated from operating activities	(44,399,363)	60,540,005
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of property, plant and equipment	(765,651)	(361,996)
Proceeds from disposal of property, plant and equipment	-	940,000
Long-term loans	(33,566)	(42,812)
Interest received	14,843	119,141
Net cash (used in)/generated from investing activities	(784,374)	654,333
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term financing	(10,902,771)	(10,902,770)
Dividend paid	-	(11,825)
Net cash used in financing activities	(10,902,771)	(10,914,595)
Net decrease in cash and cash equivalents	(56,086,508)	50,279,743
Cash and cash equivalents at beginning of the period	(183,312,551)	(177,409,819)
Cash and cash equivalents at the end of the period	(239,399,059)	(127,130,076)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	14,673,848	10,091,412
Short term borrowings	(254,072,907)	(137,221,488)
	(239,399,059)	(127,130,076)

The annexed notes from 1 to 7 form an integral part of this condensed interim financial information.


(M.NAEEM)
Chief Executive


(MUNEER NAWAZ)
Chairman

Shahtaj Textile Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED SEPTEMBER 30, 2014 (UNAUDITED)

	Share capital	Revenue Reserves		Total
		General reserve	Unappropriated profit	
	Rupees			
Balance as at July 01, 2013	96,600,000	470,000,000	154,724,849	721,324,849
Comprehensive income				
Profit after taxation for the year ended June 30, 2014	-	-	71,177,584	71,177,584
Other comprehensive income - net of tax	-	-	(4,179,863)	(4,179,863)
Total comprehensive income	-	-	66,997,721	66,997,721
Transferred from surplus on revaluation of property, plant and equipment on account of:				
- incremental depreciation net of deferred taxation	-	-	20,745,097	20,745,097
- disposal of net of deferred tax	-	-	2,345,272	2,345,272
Transferred to general reserve	-	80,000,000	(80,000,000)	-
Transactions with owners				
Final Dividend for the year ended June 30, 2013 @ Rs. 4 per share	-	-	(38,640,000)	(38,640,000)
Balance as at June 30, 2014	96,600,000	550,000,000	126,172,939	772,772,939
Comprehensive income				
Profit after taxation for the quarter ended September 30, 2014	-	-	4,758,485	4,758,485
Other comprehensive income - net of tax	-	-	-	-
Total comprehensive income	-	-	4,758,485	4,758,485
Transferred from surplus on revaluation of property, plant and equipment on account of:				
- incremental depreciation net of deferred taxation	-	-	3,236,328	3,236,328
Transferred to general reserve	-	40,000,000	(40,000,000)	-
Balance as at September 30, 2014	96,600,000	590,000,000	94,167,752	780,767,752

The annexed notes from 1 to 7 form an integral part of this condensed interim financial information.


(M.NAEEM)
Chief Executive


(MUNEER NAWAZ)
Chairman

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED SEPTEMBER 30, 2014 (UNAUDITED)

1. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies, estimates, judgments and methods of computation followed in the preparation of this condensed interim financial information, are the same as those applied in the preparation of the published annual audited financial statements for the year ended June 30, 2014.

2. SALES-NET

Gross Sales
Less: Commission

First Quarter ended on	
Sep 30, 2014	Sep 30, 2013

Rupees

867,379,011	1,060,787,749
(5,452,983)	(6,705,250)
861,926,028	1,054,082,499

3. COST OF GOODS SOLD

Cost of goods manufactured
Opening stock of finished goods
Closing stock of finished goods

824,479,239	932,594,081
168,009,080	179,911,840
(189,659,980)	(135,881,760)
802,828,339	976,624,161

4. OTHER INCOME

Net loss from trading
Profit on bank deposits
Exchange gain/(loss)
Gain on sale of fixed assets

(24,293)	(33,864)
156,303	119,141
943,149	1,426,471
-	683,327
1,075,159	2,195,075

5. DATE OF AUTHORISATION FOR ISSUE

The condensed interim financial information was authorised for issue on October 27, 2014 by the Board of Director of the Company.

6. GENERAL

Figures have been rounded off to the nearest rupee.

7. CORRESPONDING FIGURES

No significant rearrangements or reclassifications were made in these financial information except the following:

Description	Reclassified		2013
	From	To	
Waste sales	Other income	Sales-Net	2,380,285


(M.NAEEM)
Chief Executive


(MUNEER NAWAZ)
Chairman

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