



# **TATA TEXTILE MILLS LIMITED**

**Condensed Interim Financial Information  
For The Nine - Month Period Ended March 31, 2014**

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**COMPANY INFORMATION****BOARD OF DIRECTORS  
CHAIRMAN:**

Mr. Anwar Ahmed Tata

**CHIEF EXECUTIVE:**

Mr. Shahid Anwar Tata

**DIRECTORS:**

Mr. Adeel Shahid Anwar  
 Mr. Bilal Shahid Anwar  
 Mr. Farooq Advani  
 Mr. Muhammad Salman H. Chawala (NIT)  
 Mr. Muhammad Naseem

**AUDIT COMMITTEE  
CHAIRMAN:**

Mr. Muhammad Naseem

**MEMBERS:**

Mr. Adeel Shahid Anwar  
 Mr. Bilal Shahid Anwar

**HUMAN RESOURCE &  
REMUNERATION COMMITTEE  
CHAIRMAN:**

Mr. Muhammad Naseem

**MEMBERS:**

Mr. Shahid Anwar Tata  
 Mr. Bilal Shahid Anwar

**COMPANY SECRETARY &  
CHIEF FINANCIAL OFFICER:**

Mr. Farooq Advani

**BANKERS:**

Faysal Bank Limited  
 Dubai Islamic Bank (Pakistan) Limited  
 Bank Alfalah Limited  
 Meezan Bank Limited  
 Habib Metropolitan Bank Limited  
 MCB Bank Limited  
 National Bank of Pakistan  
 Soneri Bank Limited  
 Allied Bank Limited  
 Bank Islami Pakistan Limited  
 JS Bank Limited

**AUDITORS:**

M/s. M. Yousuf Adil Saleem & Co.  
 Chartered Accountants

**LEGAL ADVISOR:**

Rajwana &amp; Rajwana Advocates

**SHARE REGISTRAR:**

Central Depository Company of Pakistan Limited  
 CDC House, 99 – B, Block 'B',  
 S.M.C.H.S., Main Shahra-e-Faisal, Karachi.  
 Tel# (Toll Free) 0800-CDCPL (23275)  
 Fax: (92-21) 34326053

**REGISTERED OFFICE:**

6th Floor Textile Plaza,  
 M.A Jinnah Road Karachi.  
 Tel# 32412955-3 Lines 32426761-2-4  
 Fax# 32417710

**WEB SITE ADDRESS:**

www.tatatex.com

**E- MAIL ADDRESS:**

ttm.corporate@tatatex.com

**MILLS:**

10th K.M. M.M. Road  
 Khanpur-Baggasher,  
 District Muzaffargarh

**DIRECTORS' REPORT**

Assalam-o-Alaikum,

The financial statements (un-audited) of the company for the 3rd Quarter ended on 31st March 2014 are being presented to you.

The company has earned an up to date pre-tax profit of Rs.231.42 million for the nine months period of the current financial year, however, in the third quarter the company made a pre-tax loss of Rs. 42.39 million.

The spinning industry is being faced with a difficult situation due to the following reasons: In order to buy quality cotton, we have no choice available other than to buy it during the Pakistani cotton season which starts from August and ends till December. During that buying period, the average dollar rate remained Rs. 106 and when we were converting the local price parity with international prices, we took Rs. 106 as a parity price and then sudden revaluation of Pak rupee by more than 10% in just a short span of time has render us loss with our inventories of cotton. Exchange rate uncertainty still looms large, and since we usually buy cotton for a very long term, therefore we have cotton stocks available with us till August end.

It must further be noted that when the average dollar rate was Rs. 98 and devaluation of rupee started then immediately the government decided to increase power tariffs from Rs. 9.5 to Rs. 16.5, minimum wage rate was also revised from Rs.9000 to Rs. 10,000, transportation cost, oil, packing material & spare parts became expensive and similarly there were other cost pushups, now if the government wants industry to flourish and run smoothly, it should bring all these prices down otherwise it is simply a recipe for disaster of this industry.

It's April end now and gas supplies to industries in Punjab still remain only six hours a day. It means that only 2 days gas is available to the industry in a week. Last year, we used to get gas for 6 days in a week, this has pushed our cost of power very high resulting in disparity between Punjab and Sindh industry.

Two-third of world cotton stocks are lying with China and still an uncertainty exists about their policy going forward, this uncertainty has been very critical in hampering the world demand.

Indians have invested huge amount in textiles and their production of cotton crop has also increased many folds since last ten years, now they are producing nearly 40 million bales of cotton and their industry has already overtaken Pakistan as major yarn supplier so much so that they have even entered Pakistani market and huge amount of yarn is being imported from India narrowing local market.

In the last, it is necessary to recognize the hard work of our team members as it is their dedication and commitment which led the company to pass through all the difficult times. We also owe it to our suppliers, bankers, agents, and customers for their consistent support

On behalf of the Board of Directors



**SHAHID ANWAR TATA**  
Chief Executive

Karachi:  
Date: April 26, 2014

**TATA TEXTILE MILLS LIMITED****CONDENSED INTERIM BALANCE SHEET  
AS AT MARCH 31, 2014**

| Note | March 31,<br>2014<br>(Unaudited) | June 30,<br>2013<br>Restated<br>(Audited) |
|------|----------------------------------|---|
|      | .....Rupees in '000' .....       |   |

**SHARE CAPITAL AND RESERVES**

Authorised

|  |                  |                |
|--|------------------|----------------|
| 20,000,000 ordinary shares of Rs.10 each   | <u>200,000</u>   | <u>200,000</u> |
| Issued, subscribed and paid-up             | <u>173,248</u>   | 173,248        |
| 17,324,750 Ordinary shares of Rs.10/- each |                  |                |
| General Reserves                           | <u>1,000,000</u> | 1,000,000      |
| Unappropriated profits                     | <u>513,920</u>   | 299,004        |
|  | <u>1,687,168</u> | 1,472,252      |

**SURPLUS ON REVALUATION OF****PROPERTY, PLANT AND EQUIPMENT-net of tax**

|         |         |
|---------|---------|
| 892,678 | 936,597 |
|---------|---------|

**NON-CURRENT LIABILITIES**

|                      |                |         |
|----------------------|----------------|---------|
| Long-term financing  | <u>481,676</u> | 267,399 |
| Deferred liabilities | <u>62,604</u>  | 59,191  |
|                      | <u>544,280</u> | 326,590 |

**CURRENT LIABILITIES**

|  |                  |           |
|--|------------------|-----------|
| Trade and other payables                 | <u>460,727</u>   | 290,583   |
| Interest / mark-up accrued on loans      | <u>57,851</u>    | 31,904    |
| Short-term borrowings                    | <u>1,854,030</u> | 1,270,876 |
| Current portion of long - term financing | <u>36,540</u>    | 74,290    |
| Taxation - income tax                    | <u>39,178</u>    | 26,811    |
|  | <u>2,448,326</u> | 1,694,464 |

**CONTINGENCIES AND COMMITMENTS**

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|                  |                  |
|------------------|------------------|
| <u>5,572,452</u> | <u>4,429,903</u> |
|------------------|------------------|

**NON-CURRENT ASSETS**

|                               |           |           |
|-------------------------------|-----------|-----------|
| Property, plant and equipment | 2,604,204 | 2,454,098 |
| Intangible assets             | 5,461     | 6,530     |
| Long-term deposits            | 1,964     | 1,964     |

**CURRENT ASSETS**

|   |                  |                  |
|---|------------------|------------------|
| Stores, spares and loose tools            | <u>60,694</u>    | 44,130           |
| Stock-in-trade                            | <u>2,233,000</u> | 1,486,943        |
| Trade debts                               | <u>252,564</u>   | 187,118          |
| Loans and advances                        | <u>293,184</u>   | 105,138          |
| Trade deposits and short term prepayments | <u>7,415</u>     | 2,672            |
| Other receivable                          | <u>3,286</u>     | 1,304            |
| Other financial assets                    | <u>5,852</u>     | 5,352            |
| Sales tax refundable                      | <u>21,641</u>    | 22,961           |
| Cash and bank balances                    | <u>83,187</u>    | 111,693          |
|   | <u>2,960,823</u> | 1,967,311        |
|   | <u>5,572,452</u> | <u>4,429,903</u> |

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

  
**SHAHID ANWAR TATA**  
Chief Executive

  
**ANWAR AHMED TATA**  
Chairman/Director

**TATA TEXTILE MILLS LIMITED****05****CONDENSED INTERIM PROFIT & LOSS ACCOUNT (UN-AUDITED)  
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2014**

| Note   | Nine-month period ended |                               | Three-month period ended |                               |
|--|-------------------------|-------------------------------|--------------------------|-------------------------------|
|  | March 31,<br>2014       | March 31,<br>2013<br>Restated | March 31,<br>2014        | March 31,<br>2013<br>Restated |
| .....Rupees in '000' .....   |                         |                               |                          |                               |
| Sales  | <b>3,941,648</b>        | 3,502,347                     | <b>1,315,923</b>         | 1,175,732                     |
| Cost of goods sold   | <b>(3,296,354)</b>      | (2,876,786)                   | <b>(1,202,730)</b>       | (946,136)                     |
| <b>Gross profit</b>  | <b>645,294</b>          | 625,561                       | <b>113,193</b>           | 229,596                       |
| Distribution cost  | <b>(176,293)</b>        | (152,142)                     | <b>(59,451)</b>          | (43,249)                      |
| Administrative expenses  | <b>(82,254)</b>         | (68,887)                      | <b>(26,908)</b>          | (23,966)                      |
| Other operating expenses   | <b>(23,408)</b>         | (36,153)                      | <b>(3,338)</b>           | (5,715)                       |
| Other income   | <b>62,102</b>           | 4,147                         | <b>8,298</b>             | 3,272                         |
| Finance cost   | <b>(194,023)</b>        | (123,593)                     | <b>(74,180)</b>          | (53,807)                      |
| <b>Profit/(Loss) before taxation</b>   | <b>231,418</b>          | 248,933                       | <b>(42,386)</b>          | 106,131                       |
| Provision for taxation   | <b>(25,771)</b>         | (29,818)                      | <b>(13,801)</b>          | (7,789)                       |
| <b>Profit/(Loss) for the period</b>  | <b>205,647</b>          | 219,115                       | <b>(56,187)</b>          | 98,342                        |
| <b>Other comprehensive income</b>  |                         |                               |                          |                               |
| Items that will not be reclassified subsequently through profit and loss account |                         |                               |                          |                               |
| Remeasurements of defined benefit liability                                      | -                       | (1,048)                       | -                        | (349)                         |
| Impact of deferred tax   | -                       | (14)                          | -                        | (5)                           |
| <b>Total items that will not be reclassified to profit and loss account</b>      | -                       | (1,061)                       | -                        | (353)                         |
| <b>Total comprehensive income/(loss) for the period</b>                          | <b>205,647</b>          | 218,054                       | <b>(56,187)</b>          | 97,989                        |
| <b>Earnings per share</b>  |                         |                               |                          |                               |
| - Basic and diluted (Rupees)   | <b>11.87</b>            | 12.65                         | <b>(3.24)</b>            | 5.68                          |

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



**SHAHID ANWAR TATA**  
Chief Executive



**ANWAR AHMED TATA**  
Chairman/Director

**CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)**  
**FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2014**

|  | March 31,<br>2014         | March 31,<br>2013  |
|--|---------------------------|--------------------|
|  | .....Rupees in '000'..... |                    |
| <b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>            |                           |                    |
| Profit before taxation                                   | 231,418                   | 248,933            |
| Adjustments for :  |                           |                    |
| Depreciation of property, plant and equipment            | 95,143                    | 95,292             |
| Amortization on intangibles assets                       | 1,250                     | 1,169              |
| Provision for staff gratuity and compensated absences    | 19,033                    | 10,961             |
| Finance cost   | 194,023                   | 123,593            |
| Loss/(gain) on disposal of property, plant and equipment | 5,439                     | (3,570)            |
| Operating cash flows before movements in working capital | 546,306                   | 476,378            |
| Decrease / (Increase) in current assets                  |                           |                    |
| Stores, spares and loose tools                           | (16,564)                  | (169)              |
| Stock-in-trade   | (746,057)                 | (1,000,045)        |
| Trade debts  | (65,446)                  | (705,826)          |
| Loans and advances                                       | (168,893)                 | (77,848)           |
| Trade deposits and short-term prepayments                | (4,743)                   | (5,176)            |
| Other receivables  | (1,982)                   | 27,327             |
| Other financial assets                                   | (500)                     | 2,793              |
| Sales tax refundable                                     | 1,320                     | (7,320)            |
| Increase in current liabilities                          |                           |                    |
| Trade and other payables                                 | 169,464                   | 51,017             |
| Cash used in operations                                  | (287,095)                 | (1,238,868)        |
| Finance cost paid  | (168,074)                 | (131,719)          |
| Income taxes paid  | (38,363)                  | (22,503)           |
| Staff gratuity and compensated absences paid             | (9,814)                   | (6,927)            |
| Long term deposits                                       | -                         | (25)               |
| Net cash used in operating activities                    | (503,346)                 | (1,400,042)        |
| <b>B CASH FLOWS FROM INVESTING ACTIVITIES</b>            |                           |                    |
| Purchase of property, plant and equipment                | (261,089)                 | (190,886)          |
| Proceeds from disposal of property, plant and equipment  | 10,400                    | 14,007             |
| Purchase of intangible assets                            | (182)                     | -                  |
| Net cash used in investing activities                    | (250,871)                 | (176,879)          |
| <b>C CASH FLOWS FROM FINANCING ACTIVITIES</b>            |                           |                    |
| Proceeds from long-term financing                        | 239,843                   | 46,639             |
| Repayment of long - term financing                       | (63,316)                  | -                  |
| (Repayment)/proceeds of short-term borrowings            | (23,572)                  | 854,937            |
| Dividend paid  | (33,970)                  | (17,016)           |
| Net cash generated from financing activities             | 118,985                   | 884,560            |
| Net decrease in cash and cash equivalents (A+B+C)        | (635,232)                 | (692,361)          |
| <b>Cash and cash equivalents at July 1</b>               | <b>(675,481)</b>          | <b>(601,215)</b>   |
| <b>Cash and cash equivalents at March 31</b>             | <b>(1,310,713)</b>        | <b>(1,293,576)</b> |
| <b>CASH AND CASH EQUIVALENTS</b>                         |                           |                    |
| Cash and bank balances                                   | 83,187                    | 58,369             |
| Short - term running finance                             | (1,393,900)               | (1,351,945)        |
|  | <u>(1,310,713)</u>        | <u>(1,293,576)</u> |

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

  
**SHAHID ANWAR TATA**  
 Chief Executive

  
**ANWAR AHMED TATA**  
 Chairman/Director

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2014**

|   | Issued<br>subsribed &<br>paid up<br>Capital | General<br>Reserve | Revenue Reserve<br>Unappropriated<br>Profit | Total           |
|---|---|--------------------|---|-----------------|
|   | Rupees in 000.....                          |                    |   |                 |
| <b>Balance as at July 01, 2012<br/>as previously reported</b>   | 173,248                                     | -                  | 946,390                                     | 1,119,638       |
| Impact of change in<br>accounting policy  | -   | -                  | (5,144)                                     | (5,144)         |
| <b>Balance as at July 01, 2012 - restated</b>   | 173,248                                     | -                  | 941,246                                     | 1,114,494       |
| <b>Comprehensive Income</b>   |   |                    |   |                 |
| Profit after taxation for the nine-month<br>ended March 31, 2013  | -   | -                  | 219,115                                     | 219,115         |
| Total other comprehensive loss for<br>the period  | -   | -                  | (1,061)                                     | (1,061)         |
| Total comprehensive income for<br>the period - restated   | -   | -                  | 218,054                                     | 218,054         |
| Transferred from surplus on revaluation of<br>property, plant and equipment on account of:<br>- incremental depreciation - net of deferred tax                        | -   | -                  | 29,542                                      | 29,542          |
| <b>Transactions with owners</b>   |   |                    |   |                 |
| Final cash dividend for the year<br>ended June 30, 2012 @ Re 1 per share  | -   | -                  | (17,325)                                    | (17,325)        |
| <b>Balance as at March 31, 2013 - restated</b>  | 173,248                                     | -                  | 1,171,517                                   | 1,344,765       |
| <b>Comprehensive Income</b>   |   |                    |   |                 |
| Profit after taxation for the three-month<br>ended June 30, 2013  | -   | -                  | 109,389                                     | 109,389         |
| Other comprehensive loss - net of tax   | -   | -                  | (354)                                       | (354)           |
|   | -   | -                  | 109,035                                     | 109,035         |
| Transferred from surplus on revaluation of<br>property, plant and equipment on account of:<br>- incremental depreciation<br>- disposal of Property, Plant & Equipment | -   | -                  | 15,015<br>3,437                             | 15,015<br>3,437 |
|   | -   | -                  | 18,452                                      | 18,452          |
| Transfer to general reserve   | -   | 1,000,000          | (1,000,000)                                 | -               |
| <b>Balance as at June 30, 2013 - restated</b>   | 173,248                                     | 1,000,000          | 299,004                                     | 1,472,252       |
| <b>Comprehensive Income</b>   |   |                    |   |                 |
| Profit after taxation for the nine months<br>ended March 31, 2014   | -   | -                  | 205,647                                     | 205,647         |
| Other comprehensive income - net of tax   | -   | -                  | -   | -               |
|   | -   | -                  | 205,647                                     | 205,647         |
| Transferred from surplus on revaluation of<br>property, plant and equipment on account of<br>- incremental depreciation   | -   | -                  | 43,919                                      | 43,919          |
| <b>Transactions with owners</b>   |   |                    |   |                 |
| Final cash dividend for the year<br>ended June 30, 2013 @ Rs 2 per share  | -   | -                  | (34,650)                                    | (34,650)        |
| <b>Balance as at March 31, 2014</b>   | 173,248                                     | 1,000,000          | 513,920                                     | 1,687,168       |

  
**SHAHID ANWAR TATA**  
Chief Executive

  
**ANWAR AHMED TATA**  
Chairman/Director



**SELECTED EXPLANATORY NOTES TO THE  
CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2014**

**1. STATUS AND NATURE OF BUSINESS**

- 1.1** Tata Textile Mills Limited (the company) was incorporated in Pakistan on April 15, 1987 as a public limited company under the Companies Ordinance, 1984 and is listed on Karachi and Lahore Stock Exchanges. The registered office of the company is situated at 6th floor Textile Plaza M.A Jinnah Road, Karachi. The principal activity of the company is manufacturing and sale of yarn. The company's manufacturing facilities are located at District of Muzaffargarh in province of Punjab.
- 1.2** This condensed interim financial information has been prepared under historical cost convention modified by:
- revaluation of certain property, plant and equipment
  - recognition of certain staff retirement benefits at fair value
  - financial instruments at fair value
- 1.3** These condensed interim financial statements have been prepared in accordance with the International Financial Reporting Standards, International Accounting Standard (IAS) 34: Interim Financial Reporting and in compliance with the requirement of section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi and Lahore Stock Exchanges.
- 1.4** The accounting policies and methods of computation followed in the preparation of the 3rd quarterly financial statements are the same as those of the published annual financial statements for the period ended June 30, 2013.

**2. CONTINGENCIES AND COMMITMENTS**

**2.1 Contingencies**

There is no contingency outstanding against the company as at March 31, 2014 and June 30, 2013.

**2.2 Commitments**

|   | <b>March 31,<br/>2014</b>       | June 30,<br>2013 |
|---|---------------------------------|------------------|
|   | <b>Note (Unaudited)</b>         | (Audited)        |
|   | <b>.....Rupees in 000 .....</b> |                  |
| Letters of credit                                     |                                 |                  |
| - plant and machinery                                 | <b>198,033</b>                  | 27,742           |
| - store and spares                                    | <b>12,144</b>                   | 10,691           |
| - raw material  | <b>19,110</b>                   | -                |
| Bank guarantees issued on behalf of the Company 2.2.1 | <b>94,267</b>                   | 94,267           |
| Foreign bills discounted                              | <b>1,118,844</b>                | 979,183          |
| Local bills discounted                                | <b>25,097</b>                   | -                |
| Forward Contracts                                     | <b>10,960</b>                   | -                |

- 2.2.1** This includes bank guarantee related to infrastructure cess amounting to Rs. 48.40 million (June 2013: Rs. 48.40 million) for which provision amounting to Rs. 48.68 million (June 2013 : Rs. 48.33 million) has been made.

**3. PROPERTY, PLANT AND EQUIPMENT**

|                          |                         |                         |
|--------------------------|-------------------------|-------------------------|
| Operating fixed assets   | <b>3.1 2,390,192</b>    | 2,429,349               |
| Capital work-in-progress | <b>214,012</b>          | 24,749                  |
|                          | <b><u>2,604,204</u></b> | <b><u>2,454,098</u></b> |

- 3.1 Following additions, transfers and disposals in operating fixed assets were made during the 3rd quarter ended March 31, 2014.

|                            | Additions                   | Disposal<br>(W.D.V) | Sale<br>Proceed |
|----------------------------|-----------------------------|---------------------|-----------------|
|                            | ..... Rupees in '000' ..... |                     |                 |
| Land                       | 19,132                      | -                   | -               |
| Building on free hold Land | 1,235                       | -                   | -               |
| Plant and machinery        | 9,939                       | 15,839              | 10,400          |
| Furniture & fixtures       | 174                         | -                   | -               |
| Office equipment           | 420                         | -                   | -               |
| Vehicles                   | 832                         | -                   | -               |
|                            | <u>31,732</u>               | <u>15,839</u>       | <u>10,400</u>   |

|      | Nine-month period ended   |                   | Three-month period ended |                   |
|------|---------------------------|-------------------|--------------------------|-------------------|
| Note | March 31,<br>2014         | March 31,<br>2013 | March 31,<br>2014        | March 31,<br>2013 |
|      | .....Unaudited.....       |                   |                          |                   |
|      | .....Rupees in '000'..... |                   |                          |                   |

#### 4. COST OF GOODS SOLD

|                                 |                  |                  |                  |                  |
|---------------------------------|------------------|------------------|------------------|------------------|
| Opening finished goods          | 294,727          | 135,407          | 522,207          | 87,530           |
| Cost of goods manufactured      | 4.2 3,441,628    | 2,928,474        | 1,120,524        | 1,059,438        |
|                                 | <u>3,736,355</u> | <u>3,063,881</u> | <u>1,642,731</u> | <u>1,146,968</u> |
| Closing finished goods          | (440,001)        | (200,832)        | (440,001)        | (200,832)        |
| Cost of goods manufactured sold | <u>3,296,354</u> | <u>2,863,049</u> | <u>1,202,730</u> | <u>946,136</u>   |
| Cost of raw material sold       | -                | 13,737           | -                | -                |
|                                 | <u>3,296,354</u> | <u>2,876,786</u> | <u>1,202,730</u> | <u>946,136</u>   |

- 4.1 Net realisable value of finished goods was lower than its cost, which resulted in write-down of Rs. 22.13 million (2013: Rs. 0.46 million ) and was charged to cost of sales.

#### 4.2 Cost of goods manufactured

|                              |                  |                  |                  |                  |
|------------------------------|------------------|------------------|------------------|------------------|
| Raw material consumed        | 4.2.1 2,623,263  | 2,236,392        | 838,846          | 794,573          |
| Packing material consumed    | 61,410           | 51,610           | 20,383           | 15,418           |
| Stores and spares consumed   | 71,701           | 77,851           | 28,278           | 29,552           |
| Salaries, wages and benefits | 180,400          | 166,413          | 58,471           | 57,266           |
| Power and fuel               | 381,166          | 274,180          | 124,672          | 122,030          |
| Insurance                    | 14,148           | 13,832           | 5,411            | 4,943            |
| Repairs and maintenance      | 12,871           | 6,412            | 3,289            | 2,035            |
| Depreciation                 | 87,657           | 88,905           | 29,553           | 30,639           |
| Other overheads              | 7,698            | 11,602           | 2,911            | 4,013            |
|                              | <u>3,440,314</u> | <u>2,927,197</u> | <u>1,111,814</u> | <u>1,060,469</u> |

##### Work-in-process

|               |              |              |              |                |
|---------------|--------------|--------------|--------------|----------------|
| Opening stock | 38,752       | 39,454       | 46,148       | 37,146         |
| Closing stock | (37,438)     | (38,177)     | (37,438)     | (38,177)       |
|               | <u>1,314</u> | <u>1,277</u> | <u>8,710</u> | <u>(1,031)</u> |

|  |                  |                  |                  |                  |
|--|------------------|------------------|------------------|------------------|
|  | <u>3,441,628</u> | <u>2,928,474</u> | <u>1,120,524</u> | <u>1,059,438</u> |
|--|------------------|------------------|------------------|------------------|

#### 4.2.1 Raw material consumed

|                 |                  |                  |                  |                  |
|-----------------|------------------|------------------|------------------|------------------|
| Opening stock   | 1,153,464        | 733,989          | 2,562,119        | 1,012,651        |
| Purchases - net | <u>3,225,360</u> | <u>3,196,550</u> | <u>32,290</u>    | <u>1,476,069</u> |
|                 | <u>4,378,824</u> | <u>3,930,539</u> | <u>2,594,409</u> | <u>2,488,720</u> |
| Closing stock   | (1,755,561)      | (1,694,147)      | (1,755,561)      | (1,694,147)      |
|                 | <u>2,623,263</u> | <u>2,236,392</u> | <u>838,848</u>   | <u>794,573</u>   |

## 5. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings and key management personnel. The transactions between the Company and the related parties are carried out as per agreed terms. Significant transactions with related parties are as follows:

| Relationship with the party | Nature of transactions     | Three-month period ended                      |                   |
|-----------------------------|----------------------------|---|-------------------|
|                             |                            | March 31,<br>2014                             | March 31,<br>2013 |
|                             |                            | .....Un-audited.....<br>...Rupees in '000'... |                   |
| Associated undertakings     | Share of expenses received | 315   | 44                |
|                             | Share of expenses paid     | 989   | 310               |
|                             |                            |   |                   |
| Key Management personnel    | Short-term benefits        | 12,275  | 10,756            |
|                             |                            |   |                   |
| Directors                   | Short-term benefits        | 2,736   | 2,398             |
|                             | Meetings fee               | 30  | 80                |
|                             | Rent expense               |   |                   |
|                             | - godown                   | 60  | 60                |
|                             | - office premises          | 716   | 716               |

## 6. APPROVAL OF FINANCIAL STATEMENTS

These condensed interim financial statements were authorized for issue on April 26, 2014 by the Board of Directors of the Company.



**SHAHID ANWAR TATA**  
Chief Executive



**ANWAR AHMED TATA**  
Chairman/Director

## **TATA TEXTILE MILLS LIMITED**

### **Notice to the Shareholders of Tata Textile Mills Limited**

Dear Sir / Madam,

#### **Submission of Copy of CNIC (Mandatory):**

The Securities and Exchange Commission of Pakistan (SECP) vide their S.R.O. 779(i) 2011 dated August 18, 2011 has directed the company to print your Computerized National Identity Card (CNIC) number on your dividend warrants and if your CNIC number is not available in our records, your dividend warrant will not be issued / dispatched to you. In order to comply with this regulatory requirement, physical shareholders are requested to kindly send photocopy of their CNIC to us immediately at our Share Registrar's address 'Share Registrar Department, Central Depository Company of Pakistan Limited, CDC House, 99-B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal, Karachi-74400, Pakistan'. Kindly ignore if you have already provided your CNIC number to us. Corporate Shareholders are requested to provide their National Tax Number (NTN) to us.

#### **Dividend Mandate (Optional):**

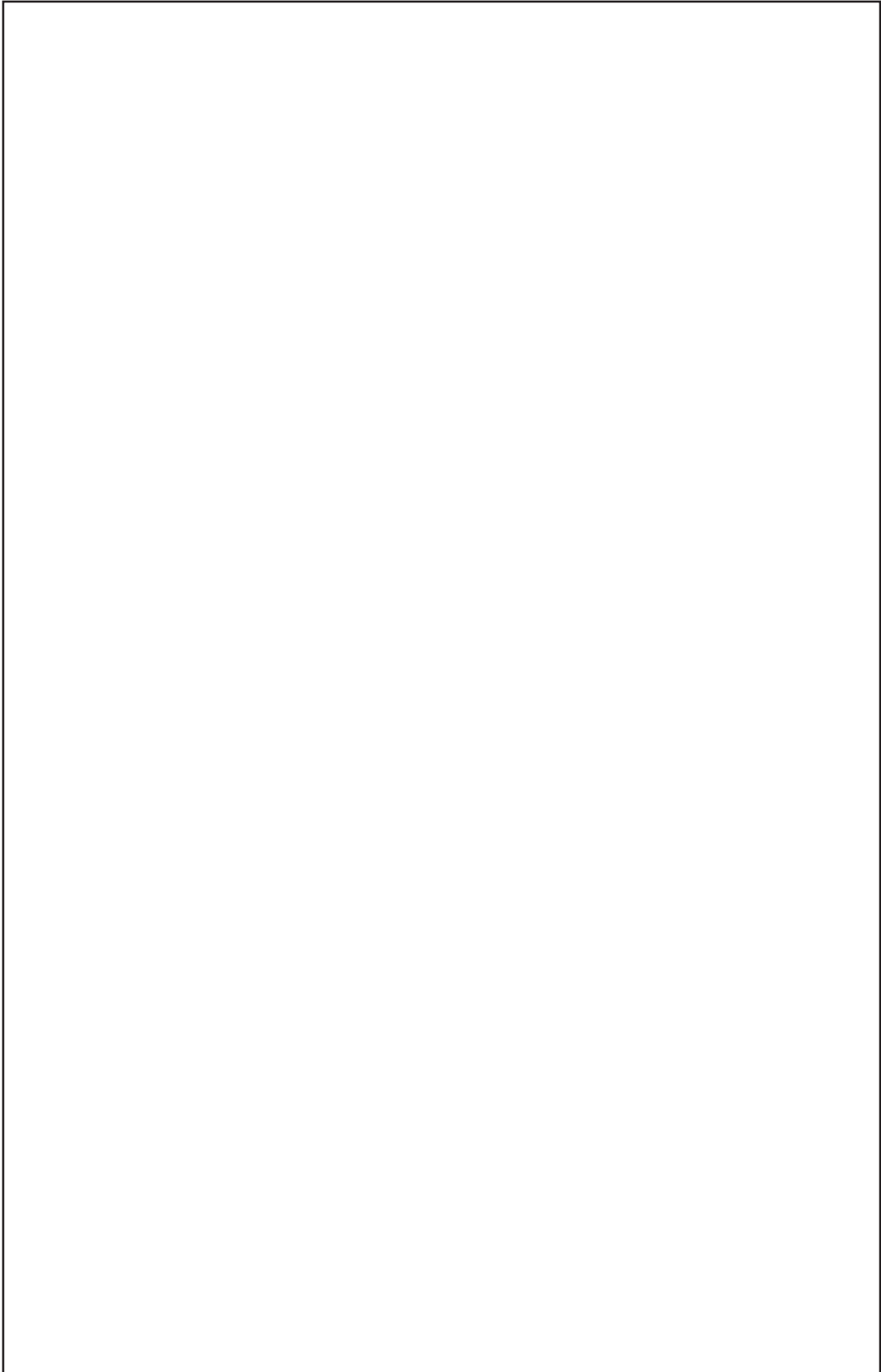
Under Section 250 of the Companies Ordinance 1984 a shareholder may, if so desires, direct the Company to pay dividend through his / her / its bank account. In pursuance of the directions given by Securities and Exchange Commission of Pakistan (SECP) vide Circular Number 18 of 2012 dated June 05, 2012, kindly authorized the company for direct credit of your cash dividend in your bank account (please note that giving bank mandate for dividend payments is optional, in case you do not wish to avail this facility please ignore this notice, dividend will be paid to you through dividend warrant at your registered address). If you want to avail the facility of direct credit of dividend amount in your bank account, please provide following information:

| Bank Account Details of Shareholder  |  |
|--|--|
| Title of Bank Account  |  |
| Bank Account Number  |  |
| Bank's Name  |  |
| Branch name and Address  |  |
| Cell number of Shareholder   |  |
| Landline number of shareholder, if any   |  |
| It is stated that the above mentioned information is correct and in case of any change therein, I/we will immediately intimate to the company and the concerned share registrar. |  |
| Name, Signature, Folio # and CNIC number of Shareholder  |  |
| Notes:   |  |
| (1)  | Those shareholders, who hold shares in book entry form in their CDS accounts, will provide the above dividend mandate information directly to their respective Participant / CDC Investor Account Services Department. |
| (2)  | If dividend mandate information has already been provided by you, ignore this request.   |

#### **Unclaimed Shares / Dividends:**

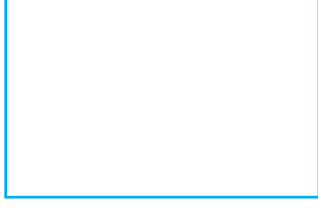
You may also write to us for any outstanding / unclaimed cash dividend or bonus shares issued to you by company in past years.

Dated: April 26, 2014



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