



TATA TEXTILE MILLS LIMITED

**Condensed Interim Financial Information
For The Nine - Month Period Ended March 31, 2015**

TATA TEXTILE MILLS LIMITED

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TATA TEXTILE MILLS LIMITED

01

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. Asif Saleem Mr. Muhammad Salman H. Chawala (NIT) Mr. Muhammad Naseem

AUDIT COMMITTEE

CHAIRMAN:	Mr. Muhammad Naseem
MEMBERS:	Mr. Asif Saleem Mr. Bilal Shahid Anwar

SECRETARY	Mr. Owais Ahmed Abbasi
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HUMAN RESOURCE & REMUNERATION

COMMITTEE CHAIRMAN:	Mr. Muhammad Naseem
MEMBERS:	Mr. Shahid Anwar Tata Mr. Bilal Shahid Anwar

SECRETARY	Mr. Umar Khawajah
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COMPANY SECRETARY & CHIEF FINANCIAL OFFICER:	Mr. Farooq Advani
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BANKERS:	Faysal Bank Limited Dubai Islamic Bank (Pakistan) Limited Bank Alfalah Limited Meezan Bank Limited Habib Metropolitan Bank Limited The Bank of Punjab MCB Bank Limited National Bank of Pakistan Soneri Bank Limited Allied Bank Limited Bank Islami Pakistan Limited JS Bank Limited Askari Bank Limited Samba Bank Limited NIB Bank Limited
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AUDITORS:	M/s. M. Yousuf Adil Saleem & Co. Chartered Accountants
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LEGAL ADVISOR:	Rajwana & Rajwana Advocates
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SHARE REGISTRAR:	Central Depository Company of Pakistan Ltd. CDC House, 99 – B, Block 'B', S.M.C.H.S., Main Shahra-e-Faisal Tel# (Toll Free) 0800-CDCPL (23275) Fax: (92-21) 34326053
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REGISTERED OFFICE:	6th Floor Textile Plaza, M.A Jinnah Road Karachi. Tel# 32412955-3 Lines 32426761-2-4 Fax# 32417710
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WEB SITE ADDRESS:	www.tatatex.com
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E- MAIL ADDRESS:	ttm.corporate@tatatex.com
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MILLS:	10th K.M. M.M. Road Khanpur-Baggasher, District Muzaffargarh
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DIRECTORS' REPORT

Assalam-o-Alaikum,

The financial statements (un-audited) of the company for the 3rd Quarter ended on 31st March 2015 are being presented to you.

Alhamdulillah, during this Quarter the Company has made a pretax profit of Rs.35.290 million and we feel it is an achievement and a break through, during such crisis and difficult times and we are hopeful with the blessings of Almighty Allah, profit will be remarkably better at the closing of the year.

Cotton situation

Internationally the Prices of Cotton have increased by 4 to 5 cents and locally also the Prices have increased by Rs.400 to 500/- per mound. The Indian Cotton which was selling at 65/ 66 cents is now selling at 72 cents. The crop in Pakistan during the current year has been a record crop and we have harvested about 15 Million bales, which has greatly helped the domestic Textile Industry. However, on Imported Cotton, the Government has imposed various duties i.e. 1% Custom Duty, 5% Sales Tax and 5.5% withholding tax, which is unnecessary impediment in consumption of imported cotton for specialized yarns, i.e. contamination free Cotton, so these taxes should be done away with.

Power Availability

We have confronted black shut down for a number of hours in the third quarter as well. Benefit in reduction in power tariff for two months have been received and still more adjustments in power tariff are awaited from the Government. Further, non-availability of Gas has resulted in higher dependency on MEPCO supply which results in higher costs than our own Generation.

Pakistan Textile challenges

It seems Textile Industry in Pakistan is a neglected Industry as the Government is not showing any concern about the declining Textile Exports. A real costs escalations has taken place and rupee / dollar parity rate does not account for all the costs escalations, therefore, while selling in the International market, we are not able to pass on our inflationary pressures, which puts us in a difficult situation and that is why not only our Cotton Yarn exports have reduced by approx. 7% but other sectors of Textile have also dropped, e.g. fabric by 13% and home textile by 3%.

Global Textile Situation

China being the major player in the World Economy at present, when it slows down, everything seems to slow down so the GDP growth rate in China has slowed down and that has affected the overall growth and demand for Textile products as well. There is a capacity building in other countries like India and Bangladesh, for Spinning as well as for other segments of Textile and because of the incentives provided by their respective Governments, the exports of India and Bangladesh are rising and they have become more competitive than us.

Going Forward

We are in a wait-and-see situation and no plans for modernization and expansion is being considered at present.

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:
Dated: April 27, 2015

TATA TEXTILE MILLS LIMITED**03****CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2015**

Note

**March 31,
2015
(Unaudited)****June 30,
2014
(Audited)**

.....Rupees in '000'

ASSETS**NON-CURRENT ASSETS**Property, plant and equipment
Intangible assets
Long term deposits

3

2,340,443
4,049
1,964
2,346,456**2,556,791**
5,336
1,964
2,564,091**CURRENT ASSETS**Stores, spares and loose tools
Stock-in-trade
Trade debts
Loans and advances
Trade deposits and short term prepayments
Other receivables
Other financial assets
Sales tax refundable
Cash and bank balances**63,430**
1,620,591
553,897
290,718
7,368
319
10,102
54,962
20,268
2,621,655
4,968,111**54,044**
1,203,400
257,670
118,166
1,667
466
-
27,049
129,168
1,791,630
4,355,721**TOTAL ASSETS****EQUITY AND LIABILITIES**Share capital
General reserves
Unappropriated profit**173,248**
1,000,000
452,887
1,626,135**173,248**
1,000,000
425,197
1,598,445

Surplus on revaluation of property, plant and equipment

827,247**868,349****NON-CURRENT LIABILITIES**Long-term finance
Deferred liabilities**170,754**
91,730
262,484**215,347**
82,572
297,919**CURRENT LIABILITIES**Trade and other payables
Interest / mark-up accrued on borrowings
Short-term borrowings
Current portion of long-term finance
Provision for income tax**326,896**
19,997
1,819,585
52,833
32,934
2,252,245**275,889**
24,351
1,209,994
52,061
28,713
1,591,008**CONTINGENCIES AND COMMITMENTS**

2

TOTAL EQUITY AND LIABILITIES**4,968,111****4,355,721**

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 PROFIT & LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE-MONTH PERIOD ENDED MARCH 31, 2015

Note	Nine-month period ended		Three-month period ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
.....Rupees in '000'.....				
Sales	3,953,812	3,941,648	1,252,390	1,315,923
Cost of goods sold	4 (3,602,068)	(3,296,354)	(1,099,838)	(1,202,730)
Gross profit	351,744	645,294	152,552	113,193
Distribution cost	(139,523)	(176,293)	(43,202)	(59,451)
Administrative expenses	(87,181)	(82,254)	(28,304)	(26,908)
Other operating expenses	(28,257)	(23,408)	(14,048)	(3,338)
Finance cost	(61,521)	(194,023)	(28,471)	(74,180)
	35,262	169,316	38,527	(50,684)
Other income	1,151	62,102	(3,237)	8,298
Profit before taxation	36,413	231,418	35,290	(42,386)
Provision for taxation	(32,501)	(25,771)	(14,399)	(13,801)
Profit for the period	3,912	205,647	20,891	56,187
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	3,912	205,647	20,891	(56,187)
Earnings per share				
- Basic and diluted (Rupees)	0.23	11.87	1.21	(3.24)

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, 2015**

	March 31, 2015	March 31, 2014
Rupees in '000'.....	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	36,413	231,418
Adjustments for :		
Depreciation of property, plant and equipment	93,008	95,143
Amortization of intangibles assets	1,307	1,250
Unrealized (gain) / loss on forward contracts	-	-
Provision for staff gratuity and compensated absences	20,325	19,033
Finance cost	61,521	194,023
Loss on disposal of property, plant and equipment	11,689	5,439
Operating cash flows before movements in working capital	224,263	546,306
(Increase) / decrease in current assets		
Stores, spares and loose tools	(9,386)	(16,564)
Stock-in-trade	(417,191)	(746,057)
Trade debts	(296,227)	(65,446)
Loans and advances	(154,465)	(168,893)
Trade deposits and short-term prepayments	(5,701)	(4,743)
Other receivables	147	(1,982)
Other financial assets	(10,102)	(500)
Sales tax refundable	(27,913)	1,320
Increase/ (decrease) in current liabilities		
Trade and other payables	50,645	169,464
Cash used in operations	(645,930)	(287,095)
Finance cost paid	(65,875)	(168,074)
Income taxes paid	(46,486)	(38,363)
Staff gratuity and compensated absences paid	(11,047)	(9,814)
Net cash used in operating activities	(769,338)	(503,346)
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(102,531)	(261,089)
Proceeds from disposal of property, plant and equipment	214,182	10,400
Purchase of Intangible Assets	(21)	(182)
Net cash generated from / (used) in investing activities	111,630	(250,871)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long-term financing	-	239,843
Repayment of long - term financing	(43,820)	(63,316)
Proceed/(Repayment) from short-term borrowings	344,435	(23,572)
Dividend paid	(16,963)	(33,970)
Net cash generated from financing activities	283,652	118,985
Net decreased in cash and cash equivalents (A+B+C)	(374,056)	(635,232)
Cash and cash equivalents at July 1	37,491	(675,481)
Cash and cash equivalents at March 31	(336,565)	(1,310,713)
CASH AND CASH EQUIVALENTS		
Cash and bank balances	20,268	83,187
Short - term running finance under markup arrangements	(356,833)	(1,393,900)
	<u>(336,565)</u>	<u>(1,310,713)</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, 2015

	Issued subscribed & paid up Capital	General Reserve	Revenue Reserve Unappropriated Profit	Total
	Rupees in 000.....			
Balance as at July 01, 2013-restated	173,248	1,000,000	299,053	1,472,301
Comprehensive Income				
Profit after taxation for the nine-month ended March 31, 2014	-	-	205,647	205,647
Other comprehensive income - net of tax	-	-	-	-
	-	-	205,647	205,647
Transferred from surplus on revaluation of property, plant and equipment on account of:				
- incremental depreciation - net of deferred tax	-	-	43,919	43,919
Transactions with owners				
Final cash dividend for the year ended June 30, 2013 @ Rs 2.00 per share	-	-	(34,650)	(34,650)
Balance as at March 31, 2014	173,248	1,000,000	513,969	1,687,217
Comprehensive Income				
Loss after taxation for the three-month ended June 30, 2014	-	-	(104,626)	(104,626)
Other comprehensive loss - net of tax	-	-	(4,798)	(4,798)
	-	-	(109,424)	(109,424)
Transferred from surplus on revaluation of property, plant and equipment on account of:				
- incremental depreciation	-	-	1,059	1,059
- disposal of Property, Plant & Equipment	-	-	19,593	19,593
	-	-	20,652	20,652
Balance as at June 30, 2014	173,248	1,000,000	425,197	1,598,445
Comprehensive Income				
Profit after taxation for the nine-month ended March 31, 2015	-	-	3,912	3,912
Other comprehensive income - net of tax	-	-	-	-
	-	-	3,912	3,912
Transferred from surplus on revaluation of property, plant and equipment on account of:				
- incremental depreciation	-	-	41,103	41,103
Transactions with owners				
Final cash dividend for the year ended June 30, 2014 @ Re 1 per share	-	-	(17,325)	(17,325)
Balance as at March 31, 2015	173,248	1,000,000	452,887	1,626,135

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


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, 2015**

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, 2014.

2. CONTINGENCIES AND COMMITMENTS

2.1 Contingencies

There is no contingency outstanding against the company as at March 31, 2015 and June 30, 2014.

2.2 Commitments

	March 31, 2015	June 30, 2014
	Note (Unaudited)	(Audited)
Rupees in 000	
(i) Letters of credit		
- plant and machinery	45,871	32,262
- store and spares	23,272	19,577
- raw material	190,507	30,145
	<u>259,650</u>	<u>81,984</u>
(ii) Bank guarantees issued on behalf of the Company	2.2.1 116,313	107,813
(iii) Bills discounted		
- Export	130,787	745,709
- Local	15,153	60,490
	<u>145,940</u>	<u>806,199</u>
(iv) Rental under ijara finance agreements		
- Not later than one year	54,634	10,259
- Later than one year and not later than five years	246,008	61,531
- Later than five years	28,269	-
	2.2.2 328,911	71,790

2.2.1 This includes bank guarantee related to infrastructure cess amounting to Rs. 48.40 million (June 30, 2014: Rs. 48.40 million) for which provision amounting to Rs. 53.27 million (June 2014 : Rs. 49.30 million) has been made.

2.2.2 The commitment represents an ijarah agreements entered into with an Islamic Bank in respect of machinery and are payable in quarterly installments latest by December 2021.

March 31, 2015 June 30, 2014
Note (Unaudited) (Audited)
.....Rupees in '000'

3. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets	3.1	2,246,601	2,514,482
Capital work-in-progress		93,842	42,309
		<u>2,340,443</u>	<u>2,556,791</u>

3.1 Following additions and disposals in operating fixed assets were made during the 3rd quarter ended March 31, 2015.

	Additions	Disposal (W.D.V)	Sale Proceed
 Rupees in '000'		
Plant and machinery	-	1,249	298
Furniture & fixtures	126	-	-
Vehicles	2,408	434	1,000
	<u>2,534</u>	<u>1,683</u>	<u>1,298</u>

Note	Nine-month period ended		Three-month period ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unaudited.....			
Rupees in '000'			

4. COST OF GOODS SOLD

Opening finished goods	345,633	294,727	210,057	522,207
Cost of goods manufactured	3,505,947	3,441,628	1,147,536	1,120,524
	3,851,580	3,736,355	1,357,593	1,642,731
Closing finished goods	(257,755)	(440,001)	(257,755)	(440,001)
Cost of goods manufactured sold	3,593,825	3,296,354	1,099,838	1,202,730
Cost of raw material sold	8,243	-	-	-
	<u>3,602,068</u>	<u>3,296,354</u>	<u>1,099,838</u>	<u>1,202,730</u>

4.1 Net realisable value of finished goods was lower than its cost, which resulted in write-down of Rs. 1.20 million (2014: Rs. 22.13 million) and was charged to cost of sales.

Note	Nine-month period ended		Three-month period ended	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Unaudited.....			
Rupees in '000'.....			
4.2 Cost of goods manufactured				
Raw material consumed 4.2.1	2,615,916	2,623,263	841,454	838,846
Stores and spares consumed	67,051	71,701	23,660	28,278
Packing material consumed	70,724	61,410	24,673	20,383
Power and fuel	383,270	381,166	119,353	124,672
Salaries, wages and benefits	213,439	180,400	75,525	58,471
Depreciation	86,092	87,657	27,578	29,553
Insurance	18,810	14,148	6,125	5,411
Repairs and maintenance	11,461	12,871	5,637	3,289
Ijarah rentals	19,524	-	13,500	-
Other overheads	13,193	7,698	6,678	2,911
	3,499,480	3,440,314	1,144,183	1,111,814
Work-in-process				
Opening stock	47,745	38,752	44,631	46,148
Closing stock	(41,278)	(37,438)	(41,278)	(37,438)
	6,467	1,314	3,353	8,710
	3,505,947	3,441,628	1,147,536	1,120,524
4.2.1 Raw material consumed				
Opening stock	810,022	1,153,464	1,487,374	2,562,117
Purchases - net	3,127,453	3,225,360	675,639	32,290
	3,937,475	4,378,824	2,163,013	2,594,407
Closing stock	(1,321,559)	(1,755,561)	(1,321,559)	(1,755,561)
	2,615,916	2,623,263	841,454	838,846

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, 2015	March 31, 2014
	Un-audited.....	
		...Rupees in '000'...	
Associated undertakings			
	Share of expenses received	597	315
	Share of expenses paid	209	989
	Purchase of asset	6,500	
Key Management personnel	Short-term benefits	15,518	12,275
Directors	Short-term benefits	2,809	2,736
	Meetings fee	60	30
	Rent expense		
	-godown	60	60
	-office premises	716	716

6. APPROVAL OF FINANCIAL STATEMENTS

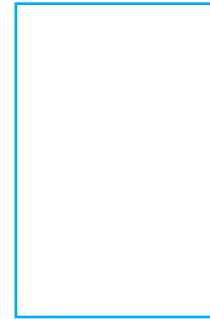
This condensed interim financial information was authorized for issue on April 27, 2015 by the Board of Directors of the Company.


SHAHID ANWAR TATA
 Chief Executive


ANWAR AHMED TATA
 Chairman/Director

BOOK POST

Printed Matter



If Undelivered please return to :
TATA TEXTILE MILLS LIMITED
6th Floor, Textile Plaza,
M. A. Jinnah Road,
Karachi-74000

TATA TEXTILE MILLS LIMITED

Notice to the Shareholders of Tata Textile Mills Limited

April 28, 2015

Dear Shareholder,

Subject: Consent for Circulation of Annual Audited Financial Statements through email

The Securities & Exchange Commission of Pakistan (SECP) through its Notification (SRO 787(I)2014) dated 8th September 2014 has allowed the circulation of company's annual balance sheet and profit and loss account, auditor's report and directors' report etc. (the "Audited Annual Financial Statements") to shareholders along with notice of Annual General Meeting (AGM) through e-mail. Therefore, if you wish to receive Audited Annual Financial Statements of Tata Textile Mills Limited (the Company) along with notice of AGM via e-mail, you are requested to provide a copy of this letter duly filled and signed, being your consent to the Company's Share Registrar at the address mentioned below. The consent form is also available at the Company's website.

FOLIO# / CDC SUB-ACCOUNT # / IAS ACCOUNT #	
E-MAIL ADDRESS	
CNIC NUMBER	
NAME OF SHAREHOLDER	
SIGNATURE OF SHAREHOLDER	

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 immediately at our Share Registrar's address mentioned below. Kindly ignore if you have already provided your CNIC number. Corporate Shareholders are requested to provide their National Tax Number (NTN).

Share Registrar:

Central Depository Company of Pakistan Limited,
CDC House, 99-B, Block-B, S.M.C.H.S.,
Main Shahra-e-Faisal
Karachi.

Customer Support Services: 0800 - CDCPL(23275)

Email: info@cdcpak.com

Website: www.cdcpakistan.com

Yours truly,

Farooq Advani

Company Secretary

This is computer generated letter and does not require signature.