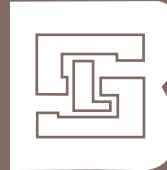


Half Yearly Accounts December, 2013

BIBOJEE GROUP



BANNU
WOOLLEN MILLS LIMITED

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BANNU WOOLLEN MILLS LIMITED

COMPANY'S PROFILE

BOARD OF DIRECTORS	Mr. RAZA KULI KHAN KHATTAK MRS. SHAHNAZ SAJJAD AHMAD LT. GEN. (RETD) ALI KULI KHAN KHATTAK MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA MRS. ZEB GOHAR AYUB DR. SHAHEEN KULI KHAN MR. SYED ZUBAIR AHMAD SHAH (NIT) MR. SHER ALI KHAN, (SLIC)	Chairman Chief Executive
AUDIT COMMITTEE	LT. GEN. (RETD) ALI KULI KHAN KHATTAK MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA	Chairman Member Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	LT. GEN. (RETD) ALI KULI KHAN KHATTAK MRS. SHAHNAZ SAJJAD AHMAD MR. AHMAD KULI KHAN KHATTAK MR. MUSHTAQ AHMAD KHAN, FCA	Chairman Member / CEO Member Member
COMPANY SECRETARY	MR. AMIN-UR-RASHEED B.COM (HONS) FICS Sr. General Manager Corporate Affairs	
CHIEF FINANCIAL OFFICER	Mr. A.R. Tahir Chief Operating Officer (COO)	
HEAD OF INTERNAL AUDIT	MR. SALMAN KHAN	
AUDITORS	M/S. HAMEED CHAUDHRI & CO Chartered Accountants	
BANKERS	NATIONAL BANK OF PAKISTAN BANK ALFALAH LTD	
LEGAL ADVISER	M/S HASSAN & HASSAN, Advocates PAAF Building, 1-D, Kashmir/ Egerton Road, Lahore	
TAX CONSULTANT	M. NAWAZ KHAN & CO 1-Ground Floor, Farrah Centre, 2 Mozang Road, Lahore	
REGISTRARS & SHARES REGISTRATION OFFICE	MANAGEMENT & REGISTRATION SERVICES (PVT) LIMITED. BUSINESS EXECUTIVE CENTRE, F/17/3, BLOCK 8, CLIFTON, KARACHI Phone 021-35369174, 35375127-29 Fax. 021-35820325 E-Mail registrationservices@live.co.uk	
REGISTERED OFFICE	BANNU WOOLLEN MILLS LTD HABIBABAD, KOHAT Tel. (0922) 862161 - 862162 - 510494 Fax. (0922) 510474 E-Mail janana@brain.net.pk Web Site " www.jdm.com.pk "	
MILLS	D.I.KHAN ROAD, BANNU Tel. (0928) 613151, 613250 Fax (0928) 611450 E-Mail bannuwoollen@yahoo.com Web Site " www.bwm.com.pk "	

BANNU WOOLLEN MILLS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

It is my pleasure to present the un-audited condensed interim financial information of the Company for the half year ended 31 December, 2013, duly reviewed by the statutory auditors of the Company.

THE ECONOMY

The Pakistan textile industry is largest manufacturing sector of Pakistan's economy, which is facing challenges like energy shortages, poor law and order situation along with other internal and external challenges. Despite all, the management will continue its best efforts to achieve growth and optimum results for the Company and its stakeholders.

FINANCIAL PERFORMANCE

We are pleased to report that your Company has earned net profit of Rs. 117.647 million after addition of share of profit of Associated Companies and incorporation of taxation. The actual profit before these adjustments for the period amounts to Rs. 93.768 million as compared to profit of Rs. 99.692 million of the corresponding period.

The net sales grew by 2.09% during the period under review and the gross profit has slightly been reduced to 31.96% from 32.48% mainly due to increased depreciation rates on operating fixed assets and major overhauling of Perkins & Mitsubishi DG Sets.

FINANCIAL RESULTS

These are summarised below:

	Half-Year Ended	
	31 Dec., 2013	31 Dec., 2012
	(Rupees in thousand)	
Sales - net	<u>572,104</u>	<u>560,376</u>
Gross profit	<u>182,862</u>	<u>182,008</u>
Profit before taxation	<u>147,981</u>	<u>125,627</u>
Profit after taxation	<u>117,647</u>	<u>90,625</u>
Earning per share	<u>12.38</u>	<u>9.53</u>

During the period, the Company has earned profit before tax Rs. 147.981 million (2012: Rs. 125.627 million), which included share of profit of Associated Companies amounting Rs. 54.213 million (2012: Rs. 25.935 million).

EPS of corresponding period has been restated as the Company has issued 1,901,250 shares as fully paid bonus shares to its shareholders.

FUTURE OUTLOOK

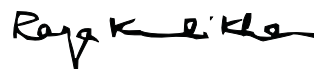
The weakening Pak Rupee, worsening energy crisis and poor law and order situation continue to hurt the business environment. Pakistan inflation rate slowed for the second straight month to 7.9 percent in the month of January, 2014.

Considering all macroeconomic factors, demand of Company's products and energy crisis, the Company has imported a 1275 KVA Caterpillar Diesel Generator to meet energy crisis and 02 Chinese Woollen Cards to augment with vintage spinning machinery to meet the increasing demand of shirting cloth. We hope that both will be in operation by June, 2014.

THANKS AND APPRECIATION

The management takes this opportunity to thank customers, shareholders, suppliers, bankers and other stakeholders. We also appreciate and acknowledge the continued support, commitment, loyalty and hard work of our employees.

For & on behalf of the Board of Directors,



RAZA KULI KHAN KHATTAK
Chairman

Date : 24 February, 2014

BANNU WOOLLEN MILLS LIMITED

AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of **BANNU WOOLLEN MILLS LIMITED** (the Company) as at 31 December, 2013 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half-year then ended (here-in-after referred to as the "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 profit and loss account for the quarters ended 31 December, 2013 and 2012 have not been reviewed, as we are required to review only the cumulative figures for the half-year ended 31 December, 2013.

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 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 31 December, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

LAHORE: 24 February, 2014

Hameed Chaudhri & Co.

HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS
Engagement Partner: Nafees ud din

BANNU WOOLLEN MILLS LIMITED

CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2013

		Dec. 31, 2013	June 30, 2013
	Note	Un-audited	Audited and Re-stated
ASSETS			
Non-current Assets			
Rupees in thousand			
Property, plant and equipment	6	806,979	814,678
Investments in Associated Companies	7	352,995	304,037
Security deposits		<u>2,809</u>	<u>2,809</u>
		1,162,783	1,121,524
Current Assets			
Stores and spares		37,277	32,121
Stock-in-trade		254,445	346,097
Trade debts		300,348	243,549
Current portion of loan to an executive		0	375
Advances to employees - unsecured, considered good		2,289	1,891
Advance payments		35	432
Trade deposits and prepayments		2,862	140
Other receivables		204	607
Sales tax refundable		7,344	11,662
Income tax refundable, advance tax and tax deducted at source		7,253	35,932
Cash and bank balances	8	<u>28,006</u>	<u>1,349</u>
		640,063	674,155
TOTAL ASSETS		<u>1,802,846</u>	<u>1,795,679</u>
EQUITY AND LIABILITIES			
Equity			
Authorised capital		100,000	100,000
Issued, subscribed and paid-up capital	9	<u>95,063</u>	<u>76,050</u>
Reserves		705,500	562,000
Unappropriated profit		81,725	128,105
Shareholders' Equity		882,288	766,155
Surplus on Revaluation of Property, Plant and Equipment		565,915	569,656
LIABILITIES			
Non-current Liabilities			
Staff retirement benefits - gratuity		130,322	120,830
Deferred taxation		82,678	84,284
		<u>213,000</u>	<u>205,114</u>
Current Liabilities			
Trade and other payables		99,510	70,351
Accrued mark-up		4,254	2,079
Short term finances		3,662	146,997
Taxation	10	<u>34,217</u>	<u>35,327</u>
		141,643	254,754
Total Liabilities		354,643	459,868
Contingencies and Commitments	11		
TOTAL EQUITY AND LIABILITIES		<u>1,802,846</u>	<u>1,795,679</u>

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

Shahnaz Sajjad Ahmad
Shahnaz Sajjad Ahmad
Chief Executive

Mushtaq Ahmad Khan
Mushtaq Ahmad Khan, FCA
Director

BANNU WOOLLEN MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND HALF-YEAR ENDED DECEMBER 31, 2013

Note	For the 2nd Quarter		Cumulative		
	Oct. - Dec., 2013	Oct. - Dec., 2012	July - Dec., 2013	July - Dec., 2012	
----- (Rupees in thousand) -----					
Sales - net	321,709	332,635	572,104	560,376	
Cost of Sales	218,022	221,114	389,242	378,368	
Gross Profit	103,687	111,521	182,862	182,008	
Distribution Cost	13,063	15,482	23,263	24,899	
Administrative Expenses	29,773	26,255	48,129	40,640	
Other Expenses	6,348	5,170	9,800	9,173	
Other Income	(528)	(235)	(972)	(862)	
	48,656	46,672	80,220	73,850	
Profit from Operations	55,031	64,849	102,642	108,158	
Finance Cost	4,054	3,811	8,874	8,466	
	50,977	61,038	93,768	99,692	
Share of Profit of Associated Companies	7	54,213	25,935	54,213	25,935
Profit before Taxation	105,190	86,973	147,981	125,627	
Taxation					
- current	20,468	19,806	33,488	34,820	
- prior year	(1,548)	0	(1,548)	0	
- deferred	6,978	16,028	(1,606)	182	
	25,898	35,834	30,334	35,002	
Profit after Taxation	79,292	51,139	117,647	90,625	
Other Comprehensive Income	0	0	0	0	
Total Comprehensive Income for the period	79,292	51,139	117,647	90,625	
----- Rupees -----					
Earnings per Share	8.34	5.38	12.38	9.53	

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

Shahnaz Sajjad Ahmad
Shahnaz Sajjad Ahmad
Chief Executive

Mushtaq Ahmad Khan
Mushtaq Ahmad Khan, FCA
Director

BANNU WOOLLEN MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE HALF-YEAR ENDED DECEMBER 31, 2013

	Half-year ended	
	Dec. 31, 2013	Dec. 31, 2012
	Rupees in thousand	
Cash flow from operating activities		
Profit for the period - before taxation and share of profit of Associated Companies	93,768	99,692
Adjustments for non-cash charges and other items:		
Depreciation	16,741	8,679
Staff retirement benefits - gratuity (net)	9,492	9,657
Mark-up on bank deposits, dealers' and Associated Companies balances	(401)	(541)
Finance cost	8,874	8,466
Profit before working capital changes	128,474	125,953
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Stores and spares	(5,156)	(8,906)
Stock-in-trade	91,652	89,225
Trade debts	(56,799)	(194,227)
Advances to employees	(23)	(1,041)
Advance payments	397	542
Trade deposits and prepayments	(2,722)	(1,507)
Due from Associated Companies	0	951
Other receivables	403	0
Sales tax refundable	4,318	2,059
Increase in trade and other payables	29,168	4,914
	61,238	(107,990)
Cash generated from operations	189,712	17,963
Taxes paid	(4,371)	(1,613)
Net cash generated from operating activities	185,341	16,350
Cash flow from investing activities		
Fixed capital expenditure	(9,042)	(5,376)
Mark-up received on bank deposits, dealers' and Associated Companies' balances	401	1,320
Net cash used in investing activities	(8,641)	(4,056)
Cash flow from financing activities		
Short term finances - net	(143,335)	20,964
Dividend paid	(9)	(22,372)
Finance cost paid	(6,699)	(7,767)
Net cash used in financing activities	(150,043)	(9,175)
Net increase in cash and cash equivalents	26,657	3,119
Cash and cash equivalents - at beginning of the period	1,349	1,453
Cash and cash equivalents - at end of the period	28,006	4,572

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

Shahnaz Sajjad Ahmad
Shahnaz Sajjad Ahmad
Chief Executive

Mushtaq Ahmad Khan
Mushtaq Ahmad Khan, FCA
Director

BANNU WOOLLEN MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF-YEAR ENDED DECEMBER 31, 2013

	Reserves					Unappropriated profit	Total
	Share capital	Capital	Revenue	For issue of bonus shares	Sub-total		
		Share premium	General				
----- (Rupees in thousand) -----							
Balance as at June 30, 2012 (audited)	76,050	19,445	419,055	0	438,500	146,787	661,337
Effect of change in accounting policy (note 4)	0	0	0	0	0	(23,366)	(23,366)
Balance as at June 30, 2012 (audited and re-stated)	76,050	19,445	419,055	0	438,500	123,421	637,971
Transfer	0	0	123,500	0	123,500	(123,500)	0
Transactions with owners:							
Final cash dividend for the year ended June 30, 2012 at the rate of Rs.3 per share	0	0	0	0	0	(22,815)	(22,815)
Total comprehensive income for the half-year ended December 31, 2012	0	0	0	0	0	90,625	90,625
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the half-year - net of deferred taxation	0	0	0	0	0	2,046	2,046
Effect of items directly credited in equity by the Associated Companies	0	0	0	0	0	4,063	4,063
Balance as at December 31, 2012 (un-audited and re-stated)	76,050	19,445	542,555	0	562,000	73,840	711,890
Total comprehensive income for the half-year ended June 30, 2013	0	0	0	0	0	53,832	53,832
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the half-year - net of deferred taxation	0	0	0	0	0	6,142	6,142
Effect of items directly credited in equity by the Associated Companies	0	0	0	0	0	5,953	5,953
Effect of change in accounting policy (note 4)	0	0	0	0	0	(11,662)	(11,662)
Balance as at June 30, 2013 (audited and re-stated)	76,050	19,445	542,555	0	562,000	128,105	766,155
Transfer	0	0	143,500	19,013	162,513	(162,513)	0
Transaction with owners:							
Nominal value of bonus shares issued	19,013	0	0	(19,013)	(19,013)	0	0
Total comprehensive income for the half-year ended December 31, 2013	0	0	0	0	0	117,647	117,647
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the half-year - net of deferred taxation	0	0	0	0	0	3,741	3,741
Effect of items directly credited in equity by the Associated Companies	0	0	0	0	0	(5,255)	(5,255)
Balance as at December 31, 2013	95,063	19,445	686,055	0	705,500	81,725	882,288

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

Shahnaz Sajjad Ahmad
Shahnaz Sajjad Ahmad
Chief Executive

Mushtaq Ahmad Khan
Mushtaq Ahmad Khan, FCA
Director

BANNU WOOLLEN MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF-YEAR ENDED DECEMBER 31, 2013

1. Legal Status and Operations

Bannu Woollen Mills Ltd. (the Company) was incorporated in Pakistan as a Public Company in the year 1960 and its shares are quoted on Karachi and Islamabad Stock Exchanges. It is principally engaged in manufacture and sale of woollen yarn, cloth and blankets. The Company's registered office is located at Habibabad, Kohat and its Mills are located at D.I.Khan Road, Bannu.

2. Basis of Preparation

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984 (the Ordinance). It has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. The figures for the half-year ended December 31, 2013 have, however, been subjected to limited scope review by the external Auditors as required by the Code of Corporate Governance. This condensed interim financial information does not include all the information required for annual financial statements and, therefore, should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2013.

3. Significant Accounting Policies

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual financial statements of the Company for the year ended June 30, 2013 except for the adoption of a new accounting policy as referred to in note 4.

4. Amendments to Published Standards Effective in the Current Period

Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 01, 2013 but are considered not to be relevant or to have any significant effect on the Company's operations and are, therefore, not detailed in this condensed interim financial information except for IAS 19 (Amendment), 'Employee Benefits'. The impact of this amendment on the condensed interim financial information is as follows:

IAS 19 (revised) has eliminated the corridor approach and requires to calculate finance cost on net funding bases. The Company has applied this change in accounting policy retrospectively in accordance with the requirements of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' and recorded unrecognised actuarial losses associated with retirement benefits - gratuity by adjusting the opening balance of unappropriated profit and retirement benefits for the prior period presented. No actuarial assessment has been carried-out for the preparation of this condensed interim financial information.

BANNU WOOLLEN MILLS LIMITED

Effects of change in accounting policy are as follows:

	Staff retirement benefits - gratuity	Equity
	(Rupees in thousand)	
Balance as at June 30, 2012 - as previously reported	65,909	661,337
Recognition of unrecognised actuarial loss	23,366	(23,366)
Balance as at June 30, 2012 - as restated	89,275	637,971
Balance as at June 30, 2013 - as previously reported	85,802	801,183
Recognition of unrecognised actuarial loss		
- for the year ended June 30, 2012	23,366	(23,366)
- for the year ended June 30, 2013	11,662	(11,662)
	35,028	(35,028)
	120,830	766,155

5. Accounting Estimates and Judgements

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended June 30, 2013.

6. Property, Plant and Equipment

	Note	Un-audited Dec. 31, 2013	Audited June 30, 2013
		(Rupees in thousand)	
Operating fixed assets	6.1	800,731	812,988
Capital work-in-progress	6.2	6,248	1,690
		806,979	814,678

6.1 Operating Fixed Assets

Book value as at June 30, 2013

812,988

Additions during the period:

- electric fittings

133

- computers and T.V.

2,466

- vehicles

1,885

4,484

Depreciation charge for the period

(16,741)

Book value as at December 31, 2013

800,731

6.2 Capital Work-in-Progress

- factory buildings

5,102

- plant and machinery

936

- advance made for purchase of computer

210

6,248

BANNU WOOLLEN MILLS LIMITED

7. Investments in Associated Companies - Quoted	Note	Un-audited Dec. 31, 2013 (Rupees in thousand)	Audited June 30, 2013
Babri Cotton Mills Ltd. (BCM)			
144,421 (June 30, 2013:144,421) ordinary shares of Rs.10 each - cost	7.1	1,632	1,632
Equity held 3.95% (June 30, 2013: 3.95%)			
Post acquisition profit brought forward including effect of items directly credited in equity by BCM		21,474	13,305
Profit for the period / year - net of taxation		<u>3,016</u>	<u>8,517</u>
		26,122	23,454
Janana De Malucho Textile Mills Ltd. (JDM)			
1,559,230 (June 30, 2013:1,559,230) ordinary shares of Rs.10 each - cost	7.1	27,762	27,762
Equity held 32.59% (June 30, 2013: 32.59%)			
Post acquisition profit brought forward including effect of items directly credited in equity by JDM		247,914	176,378
Profit for the period / year - net of taxation		<u>51,197</u>	<u>76,443</u>
		326,873	280,583
		352,995	304,037

7.1 Market values of the Company's investments in BCM and JDM as at December 31, 2013 were Rs.11.676 million (June 30, 2013: Rs.9.083 million) and Rs.148.127 million (June 30, 2013: Rs.101.350 million) respectively.

8. Cash and Bank Balances

Period-end bank balances include letter of credit cash margin deposit amounting Rs.25,272 thousand held by a commercial bank.

9. Issued, Subscribed and Paid-up Capital

The Company, during the period, has issued 1,901,250 fully paid ordinary shares as stock dividend to its existing shareholders.

10. Taxation

10.1 There has been no significant change in the status of tax cases as detailed in the notes 24.3 to 24.6 to the preceding financial statements of the Company for the year ended June 30, 2013.

10.2 Due to location of the mills in the most affected area, the income of the Company was exempt from tax under clause 126F of the second schedule to the Income Tax Ordinance, 2001 (the Ordinance) starting from the tax year 2010. As per the management's contention, exemption available under clause 126F was a specific exemption granted by the Federal Board of Revenue to the specific areas of Khyber Pakhtunkhwa. The Company had filed a writ petition before the Islamabad High Court, Islamabad praying exemption from levy of minimum tax under section 113 of the Ordinance. The Peshawar High Court, Peshawar, in an identical writ petition concerning exemption of minimum tax filed by a Group Company, had granted exemption from levy of minimum tax. The management is confident that Islamabad High Court will also grant exemption from levy of minimum tax; accordingly, no provision for minimum tax for the financial year ended June 30, 2012 was made in the books of account as well as provisions for minimum tax made during the financial years ended June 30, 2010 and June 30, 2011 aggregating Rs.7.777 million were written-back in the books of account. An adverse judgment by the Islamabad High Court will create tax liability under section 113 of the Ordinance aggregating Rs.14.417 million.

BANNU WOOLLEN MILLS LIMITED

11. Contingencies and Commitments

11.1 Commitments against irrevocable letters of credit outstanding as at December 31, 2013 aggregated Rs.56,655 thousand (June 30, 2013: Rs.9,643 thousand).

11.2 Refer contents of taxation note 10.

12. Transactions with Related Parties

12.1 Aggregate transactions made during the period with the Associated Companies were as follows:

	Half-year ended December 31, 2013 2012 (Rupees in thousand)	
- mark-up:		
earned	0	46
expensed	214	0
- purchase of goods and services	0	233
- insurance premium paid	238	217
- dividend paid	0	7,766
- rent paid	1,001	0
Period / year-end balances	Un-audited	Audited
	December 31,	June 30,
	2013	2013
	(Rupees in thousand)	
Due to Associated Companies on account of:		
- normal business transactions	1,514	5,288
- mark-up	317	103

12.2 The Company, during the period, has issued 647,688 bonus shares to its Associates.

12.3 No other transactions, other than remuneration and benefits paid to key management personnel aggregating Rs.31,082 thousand (December 31, 2012: Rs.29,819 thousand) under the terms of their employment, were executed with other related parties during the period.

13. Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. This condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements and should, therefore, be read in conjunction with the Company's financial statements for the year ended June 30, 2013. There have been no significant changes in the risk management policies since the year-end.

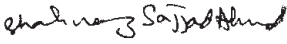
14. Date of Authorisation for Issue

This condensed interim financial information was authorised for issue on February 24, 2014 by the Board of Directors of the Company.

15. Corresponding Figures

In order to comply with the requirements of IAS 34 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of the preceding financial year, whereas, the condensed interim profit and loss account and condensed interim cash flow statement have been compared with the balances of comparable period of the immediately preceding financial year.

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made except for re-statement made in accordance with IAS 19 (revised) as reflected in note 4 to this condensed interim financial information and earnings per share due to issuance of bonus shares during the current period.


Shahnaz Sajjad Ahmad
Chief Executive


Mushtaq Ahmad Khan, FCA
Director

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