

# **REPORT & ACCOUNTS**

**FOR THE HALF YEAR ENDED  
DECEMBER 31, 2012**



**Emco Industries Limited**

## *Directors' Report*

*Dear Shareholders*

On behalf of the Board of Directors, I am pleased to present Unaudited financial statement of the Company for the half year ended December 31, 2012.

Sale for the period under review is Rs. 731.80 million as compared to Rs.1,019.52 ,and your company has incurred net loss after tax of Rs. 61.103 million as compared to net profit after tax of Rs. 28.384 million in the same period last year. The directors have decided to convert an amount of Rs. 22 million from their short term loans into an interest free long term loan as a gesture of goodwill which shows the commitment of sponsors towards the company. The reported loss is mainly attributed to increase in raw material prices and unprecedented power shortages and the closure of the Karachi Port on various occasions resulting in shortages of imported raw materials and components.

The key highlights of the six months under review and plant wise performance are as under:

### *Insulator Plant*

The profit from operation is Rs.23.417 million in this period as compared to operating profit of Rs 35.345 million for the same period last year. Average monthly production has decreased from 323 tons to 220 tons against the corresponding period. Keeping in view the orders in hand we expect further improvement in results in subsequent quarters.

### *Wall Tile*

The operating loss of this division is Rs. 23.850 million as compared to operating profit of Rs. 89.250 million over the same period last year. The net sales have decreased from Rs.602.867 million to Rs.413.342 million over the same period last year. The average monthly production of wall tile plant has decreased from 258,503 M<sup>2</sup> to 153,909 M<sup>2</sup>. We are expecting improvement in the operating results of this division in coming quarters.

### *Floor Tile*

The operating loss of this plant is Rs.8.792 million as compared to operating profit of Rs. Rs.0.832 million from the correspondence period. The average monthly production of this plant has decreased from 69,205 M<sup>2</sup> to 48,753 M<sup>2</sup>. We are expecting improvement in the operating results of this division in coming quarters.

The directors are thankful to our valued customers, dealers, financial institutions and other stakeholders for their continued trust. The hard work of all employees is recognized and appreciated.

On behalf of board

Lahore  
February 28, 2013

**Tariq Rehman**  
Managing Director

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

### **Introduction**

We have reviewed the accompanying condensed interim balance sheet of EMCO Industries Limited as at December 31, 2012 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity for the half year then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2012 and 2011 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2012.

### **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 interim financial information as of and for the half year ended December 31, 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.

### **Emphasis of matter paragraph**

We draw attention to note 2.1 to the interim financial information which sets out in detail the uncertainties associated with the going concern of the Company. Our opinion is not qualified in respect of this matter.

### **Chartered Accountants**

Lahore,

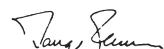
Name of engagement partner: Muhammad Masood

## CONDENSED INTERIM BALANCE SHEET

	Note	Unaudited December 31, 2012 Rupees	Audited June 30, 2012 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>CAPITAL AND RESERVES</b>			
Authorized capital 40,000,000 (June 2012: 40,000,000) ordinary shares of Rs 10 each		400,000,000	400,000,000
Issued, subscribed and paid up capital 35,000,000 (June 2012: 35,000,000) ordinary shares of Rs 10 each		350,000,000	350,000,000
Reserves		129,898,526	129,898,526
Accumulated loss		(498,575,366)	(447,269,291)
		(18,676,840)	32,629,235
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>		405,032,359	414,829,694
<b>NON-CURRENT LIABILITIES</b>			
Long term loans from directors - unsecured	6	136,071,523	114,071,523
Long term finances	7	169,644,048	181,373,772
Liabilities against assets subject to finance lease		-	4,609,791
Deferred liabilities		43,525,762	43,405,398
Deferred taxation		19,305,377	27,837,160
		368,546,710	371,297,644
<b>CURRENT LIABILITIES</b>			
Current portion of			
- Long term finances	7	132,024,321	157,245,166
- Liabilities against assets subject to finance lease		7,801,938	6,109,314
Short term borrowings from related parties - unsecured		94,416,571	139,245,882
Finances under mark up arrangements - secured		527,569,461	564,358,988
Trade and other payables		381,569,278	344,795,286
Accrued mark-up on loans and other payables		107,272,648	95,078,924
		1,250,654,217	1,306,833,560
<b>CONTINGENCIES AND COMMITMENTS</b>	8		
		2,005,556,446	2,125,590,133

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

Lahore  
February 28, 2013



(Tariq Rehman)  
Chief Executive

(UN-AUDITED) AS AT DECEMBER 31, 2012

ASSETS	Note	Unaudited December 31, 2012 Rupees	Audited June 30, 2012 Rupees
NON-CURRENT ASSETS			
Property, plant and equipment	9	1,045,531,635	1,087,203,565
Assets subject to finance lease		14,776,315	15,821,682
Intangible assets		4,029,236	4,266,250
Long term deposits		1,159,778	3,966,692
Long term loans		1,148,615	1,506,097
		1,066,645,579	1,112,764,286
CURRENT ASSETS			
Stores, spares and loose tools		122,056,030	111,479,777
Stock-in-trade		378,076,350	440,928,589
Trade debts		322,301,110	342,371,744
Loans, advances, deposits, prepayments and other receivables		48,084,417	44,663,180
Taxation - net		55,969,877	55,319,335
Cash and bank balances		12,423,083	18,063,222
		938,910,867	1,012,825,847
		2,005,556,446	2,125,590,133



(Haris Noorani)  
Director


## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2012

	Notes	October to December		July to December	
		December 31, 2012 Rupees	December 31, 2011 Rupees	December 31, 2012 Rupees	December 31, 2011 Rupees
Sales		365,185,142	497,371,423	731,802,193	1,019,516,168
Cost of goods sold	11	(320,881,771)	(391,855,056)	(644,902,175)	(776,728,273)
Gross profit		44,303,371	105,516,367	86,900,018	242,787,895
Administration expenses		(19,661,459)	(18,123,954)	(34,078,664)	(35,657,271)
Distribution and selling costs		(32,354,271)	(38,058,603)	(62,046,750)	(81,703,322)
Other operating expenses		(1,289,551)	(2,785,594)	(3,069,169)	(5,214,899)
		(53,305,281)	(58,968,151)	(99,194,583)	(122,575,492)
		(9,001,910)	46,548,216	(12,294,565)	120,212,403
Other operating income		5,188,212	2,332,594	5,343,319	2,769,136
(Loss) / profit from operations		(3,813,698)	48,880,810	(6,951,246)	122,981,539
Finance cost		(30,084,621)	(39,705,868)	(59,655,500)	(81,724,233)
(Loss) / profit before taxation		(33,898,319)	9,174,942	(66,606,746)	41,257,306
Taxation		7,336,421	(7,651,841)	5,503,336	(12,873,288)
(Loss) / profit after taxation		(26,561,898)	1,523,101	(61,103,410)	28,384,018
(Loss) / profit per share - basic and diluted		(0.76)	0.04	(1.75)	0.81

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

Lahore  
February 28, 2013

  
(Tariq Rehman)  
Chief Executive

  
(Haris Noorani)  
Director


**CONDENSED INTERIM STATEMENT OF  
COMPREHESIVE INCOME (UN-AUDITED)**

FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2012

	Quarter ended		Half year ended	
	December 31, 2012 Rupees	December 31, 2011 Rupees	December 31, 2012 Rupees	December 31, 2011 Rupees
(Loss) / Profit after taxation	(26,561,898)	1,523,101	(61,103,410)	28,384,018
Other comprehensive income for the period	-	-	-	-
Total comprehensive (loss)/ profit for the period	(26,561,898)	1,523,101	(61,103,410)	28,384,018

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

Lahore  
February 28, 2013

  
(Tariq Rehman)  
Chief Executive

  
(Haris Noorani)  
Director


## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2012

	Notes	Half year ended	
		December 31, 2012 Rupees	December 31, 2011 Rupees
<b>Cash flow from operating activities</b>			
Cash generated from operations	12	156,841,946	20,670,253
Finance cost paid		(47,461,776)	(59,849,935)
Taxes paid		(17,075,331)	(20,333,869)
Tax refunded during the period		12,000,000	-
Gratuity paid		(4,108,185)	(3,286,532)
<b>Net cash generated from / (used in) operating activities</b>		<b>100,196,654</b>	<b>(62,800,083)</b>
<b>Cash flow from investing activities</b>			
Purchase of property, plant and equipment		(9,514,615)	(17,013,496)
Decrease in long term loans and other receivables		357,482	514,810
Decrease in long term deposits		2,806,914	-
Proceeds from disposal of property, plant and equipment		-	1,251,989
<b>Net cash used in investing activities</b>		<b>(6,350,219)</b>	<b>(15,246,697)</b>
<b>Cash flow from financing activities</b>			
Repayment of long term finances		(36,950,569)	(33,453,913)
Proceeds from long term loans from directors		-	523
Short term loans - net		(22,829,311)	61,302,046
Lease rentals paid		(2,917,167)	(2,079,749)
<b>Net cash flows (used in) / generated from financing activities</b>		<b>(62,697,047)</b>	<b>25,768,907</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>		<b>31,149,388</b>	<b>(52,277,873)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>(546,295,766)</b>	<b>(460,601,108)</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>13</b>	<b>(515,146,378)</b>	<b>(512,878,981)</b>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

Lahore  
February 28, 2013

  
(Tariq Rehman)  
Chief Executive

  
(Haris Noorani)  
Director



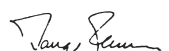
## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2012

	Share Capital Rupees	Share Premium Rupees	General Reserve Rupees	Accumulated Loss Rupees	Total Rupees
Balance as on June 30, 2012 (audited)	350,000,000	39,898,526	90,000,000	(447,269,291)	32,629,235
Total comprehensive loss for the period	-	-	-	(61,103,410)	(61,103,410)
Transfer from surplus on revaluation of property, plant and equipment net of deferred taxation: -Incremental depreciation	-	-	-	9,797,335	9,797,335
Balance as on December 31, 2012 (un-audited)	<u>350,000,000</u>	<u>39,898,526</u>	<u>90,000,000</u>	<u>(498,575,366)</u>	<u>(18,676,840)</u>
Balance as on June 30, 2011 (audited)	350,000,000	39,898,526	90,000,000	(443,905,070)	35,993,456
Total comprehensive income for the period	-	-	-	28,384,018	28,384,018
Transfer from surplus on revaluation of property, plant and equipment net of deferred taxation: -Incremental depreciation	-	-	-	10,050,022	10,050,022
Balance as on December 31, 2011 (un-audited)	<u>350,000,000</u>	<u>39,898,526</u>	<u>90,000,000</u>	<u>(405,471,030)</u>	<u>74,427,496</u>

The annexed notes 1 to 16 form an integral part of this condensed interim financial information.

Lahore  
February 28, 2013



(Tariq Rehman)  
Chief Executive



(Haris Noorani)  
Director

## SELECTED NOTES TO CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE QUARTER AND HALF YEAR ENDED DECEMBER 31, 2012

1. **The Company and its operations**  
The company is incorporated in Pakistan and listed on Karachi, Lahore and Islamabad Stock Exchanges. The company was incorporated as a Joint Stock Company in Pakistan under the Companies Act, 1913, (now Companies Ordinance 1984) as a private limited company on August 17, 1954 by the name of Electric Equipment Manufacturing Company (Private) Limited. Later it was converted into a public company on August 20, 1983 and its name was changed to EMCO Industries Limited on September 12, 1983. The company was listed on the stock exchange on December 29, 1983. Its registered and head offices are situated at 119 E/I, Hali Road, Gulberg III, Lahore. It is principally engaged in the manufacture and sale of high/low tension electrical porcelain insulators, switchgear and ceramic tiles.

2. **Basis of preparation**  
This condensed interim financial information is unaudited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The figures for the half year ended December 31, 2012 have, however, been subjected to limited scope review by the 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 for the year ended June 30, 2012.

- 2.1 The company has incurred a loss after taxation of Rs 61.103 million during the six months ended December 31, 2012 while the accumulated loss stands at Rs 498.575 million as at December 31, 2012. Current liabilities exceed current assets by Rs 311.743 million. The company, in order to carry on its business without material curtailment of operations and to meet its current obligations requires improvement in operating margins and increase in sale volumes through increased production quantities which is dependent on availability of uninterrupted gas supply. Continuation of the company as a going concern is dependent on its ability to attain satisfactory level of profitability in future and in the intervening period including continued support from sponsors.

The management of the company is confident that it will be able to meet its obligations and carry on business without any curtailment based on the grounds that the company will be able to achieve satisfactory level of profitability in the future based on the plans drawn up by the management for this purpose, which include continued support from sponsors and increased profitability through higher sale volumes and improved operating margins.

This financial information consequently does not include any adjustments relating to the realization of its assets and liquidation of any liabilities that might be necessary should the company be unable to continue as a going concern.

3. **Significant accounting policies**

- 3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended June 30, 2012. Certain standards, amendments and interpretations to approved accounting standards are effective for accounting periods beginning on July 1, 2012 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.

- 3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

Standards or Interpretation	Effective date (accounting periods beginning on or after)
- IAS 19, 'Employee Benefits'- IAS 1 (amendments)	January 01, 2013

4. Estimates

The preparation of the condensed 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 expense. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgements made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2012 with the exception of changes in estimates that are required in determining the provision for income taxes.

4.1 Income tax expense is recognised based on management's estimate of the weighted average annual income tax rate expected for the full financial year.

5. Financial risk management

5.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual financial statements as at June 30, 2012.

There have been no changes in the risk management department since year end or in any risk management policies.

5.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash outflows for financial liabilities.

5.3 Fair value estimation

The carrying amount of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

	Note	Un-audited December 31, 2012 Rupees	Audited June 30, 2012 Rupees
6. Long term loans from directors - unsecured			
Opening balance as at July 1		114,071,523	114,071,000
Add:			
Conversion of short term loan into long term loans	6.1	22,000,000	-
Loan received during the year		-	523
		22,000,000	523
Less: Payments made during the year		-	-
		136,071,523	114,071,523

6.1 This amount has been reclassified from short term loans as it is no longer payable by December 31, 2013.

	Un-audited December 31, 2012 Rupees	Audited June 30, 2012 Rupees
7. Long term finances		
Opening balance	338,618,938	458,221,668
Add: Disbursement during the period/year	-	-
Less: Repayments during the period/year	36,950,569	119,602,730
	301,668,369	338,618,938
Less: Current portion shown under current liabilities	132,024,321	157,245,166
	169,644,048	181,373,772

7.1 The aggregate current portion includes over-due installments of principal aggregating to Rs 51.717 million (June 30, 2012: Rs 49.896 million).

## 8. Contingencies and commitments

### 8.1 Contingencies

There has been no material change in contingencies since last audited annual financial statements.

### 8.2 Commitments in respect of

(i) Letters of credit other than for capital expenditure amounting to Rs 10.37 million (June 2012: Rs 17.98 million).

(ii) Guarantees issued amounting to Rs 133.2 million (June 2012: Rs 146.3 million) against the performance of various contracts.

	Note	Un-audited December 31, 2012 Rupees	Audited June 30, 2012 Rupees
9. Property, plant and equipment			
Opening written down value		1,087,203,565	1,154,811,742
Add: Additions during the period	9.1	9,514,615	37,431,263
Transfers in during the period		-	777,743
		1,096,718,180	1,193,020,748
Less: Disposals during the period (at written down value)		411,502	1,820,152
Depreciation charged during the period		50,775,043	103,997,031
		51,186,545	105,817,183
		1,045,531,635	1,087,203,565
9.1 Additions during the period			
Building on freehold land		-	4,231,811
Plant and machinery		7,422,915	30,874,262
Office equipment		50,500	268,530
Furniture and fixtures		3,200	18,660
Vehicles		2,038,000	2,038,000
		9,514,615	37,431,263



	Un-audited Quarter ended		Un-audited Half year ended	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	Rupees	Rupees	Rupees	Rupees
11. Cost of goods sold				
Raw and packing materials consumed	107,575,192	155,630,435	222,659,344	333,608,255
Stores and spares consumed	12,488,134	17,725,776	27,984,555	39,408,010
Salaries, wages and benefits	69,248,121	63,789,707	131,282,065	131,562,567
Power and gas	94,247,232	116,055,657	175,711,279	237,618,386
Depreciation on owned assets	24,217,197	25,021,279	49,657,865	49,597,843
Depreciation on leased assets	320,341	318,365	640,682	647,758
Vehicle maintenance	170,209	300,720	268,429	300,720
Repairs and maintenance	2,503,454	5,248,838	3,515,543	5,248,838
Insurance	898,461	926,473	1,776,565	1,804,804
Communication and stationery	457,909	624,914	1,094,134	1,217,556
Rent, rates and taxes	4,878,505	4,976,078	9,342,567	9,542,808
Travelling and conveyance	1,053,278	1,257,444	2,576,946	3,233,482
Provision for obsolete stock	-	2,260,888	-	2,260,888
Others	935,938	584,146	2,981,129	7,365,400
	318,993,971	394,720,720	629,491,103	823,417,315
Add: Opening work in process	35,048,635	31,524,400	37,114,281	28,837,020
	354,042,606	426,245,120	666,605,384	852,254,335
Less: Closing work in process	39,675,749	24,194,994	39,675,749	24,194,994
Cost of goods produced	314,366,857	402,050,126	626,929,635	828,059,341
Add: Opening stock of finished goods	209,422,907	301,761,398	220,880,533	260,625,400
	523,789,764	703,811,524	847,810,168	1,088,684,741
Less: Closing stock of finished goods	202,907,993	311,956,468	202,907,993	311,956,468
Cost of goods sold - own manufactured	320,881,771	391,855,056	644,902,175	776,728,273
Cost of goods sold - purchased for resale	-	-	-	-
	320,881,771	391,855,056	644,902,175	776,728,273

		Half year ended	
		December 31, 2012 Rupees	December 31, 2011 Rupees
12.	Cash generated from operations		
	(Loss)/ Profit before taxation	(66,606,746)	41,257,306
	Adjustments for:		
	Depreciation on property, plant and equipment	50,775,043	50,620,556
	Depreciation on leased assets	1,045,367	1,090,064
	Amortization of intangibles	237,014	237,014
	Provision for gratuity	4,228,549	4,368,807
	Provision for doubtful receivables	1,226,549	1,612,598
	Provision for obsolete stocks	-	2,260,888
	Liability written back	(5,063,475)	-
	Receivable written off	466,180	-
	Gain on disposal of property, plant and equipment	46,502	(149,732)
	Financial charges	59,655,500	81,724,233
		112,617,229	141,764,428
	Profit before working capital changes	46,010,483	183,021,734
	Effect on cash flow due to working capital changes:		
	- Increase in stores and spares	(10,576,253)	(2,816,234)
	- Decrease / (increase) in stock-in-trade	62,852,239	(59,339,696)
	- Decrease / (increase) in trade debts	18,377,905	(135,669,744)
	- (Increase) / decrease in loans, advances, deposits, prepayments and other receivables	(3,421,237)	9,464,433
	- Increase in creditors, accrued and other liabilities	43,598,809	26,009,760
		110,831,463	(162,351,481)
		156,841,946	20,670,253
13.	Cash and cash equivalents		
	Cash and bank balances	12,423,083	49,129,821
	Finances under mark-up arrangements - secured	(527,569,461)	(562,008,802)
		(515,146,378)	(512,878,981)
14.	Transactions with related parties		
	Relationship with the company	December 31, 2012 Rupees	December 31, 2011 Rupees
	i. Associated undertakings		
	Mark-up on long term finances	394,052	395,129
	Purchase of goods and services	733,297	883,954
	ii. Directors and close relatives thereof		
	Short term borrowings obtained	44,624,800	76,299,116
	Short term borrowings repaid	72,454,111	15,097,070
	Sales of goods	-	1,485
	Rent Paid	2,243,261	3,000,000
	Short term loan converted to long term	22,000,000	-
	iii. Post employment benefit plans		
	Expense charged in respect of retirement benefit plans	9,279,793	13,568,807
	Mark up on long term loan	10,281,163	16,119,878
	iv. Key management personnel		
	Salaries and other employee benefits	22,866,400	30,117,054
	Short term borrowings obtained	3,066,200	885,000
	Short term borrowings repaid	3,066,200	785,000

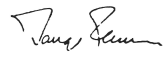
	December 31, 2012 Rupees	June 30, 2012 Rupees
Balances due to:		
- Associated companies	<u>278,073,907</u>	<u>270,537,013</u>

15. Date of authorization for issue  
This interim financial information was authorised for issue on 28 February 2013 by the Board of Directors of the company.

16. Corresponding figures  
In order to comply with the requirements of International Accounting Standard 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 preceding financial year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year.

Corresponding figures have been rearranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made.

Lahore  
February 28, 2013

  
(Tariq Rehman)  
Chief Executive

  
(Haris Noorani)  
Director