

# 14

Nine Months Report  
March 31,



## Company Information



## Company Information

|  |                    |  |
|--|--------------------|--|
| Mrs. Sharmeen Imran<br>Mr. Imran Ghafoor<br>Mr. Muhammad Adrees<br>Mr. Muhammad Asif Pasha<br>Mr. Muhammad Khalil<br>Mr. Saim Bin Saeed<br>Mr. Waleed Asif   | Chairperson<br>CEO | Board of Directors                           |
| Mr. Waqas Ashraf (FCA)   |                    | Chief Financial Officer                      |
| Mr. Mazhar Ali Khan  |                    | Company Secretary                            |
| Mr. Zia-ul-Mustafa   |                    | Head of Internal Audit                       |
| Mr. Saim Bin Saeed (Chairman)<br>Mrs. Sharmeen Imran (Member)<br>Mr. Waleed Asif (Member)<br>Mr. Zia-ul-Mustafa (Secretary)  |                    | Audit Committee                              |
| Mr. Muhammad Asif Pasha (Chairman)<br>Mr. Saim Bin Saeed (Member)<br>Mr. Waleed Asif (Member)  |                    | Human Resource and<br>Remuneration Committee |
| M/s. M. Yousuf Adil Saleem & Co.,<br>Chartered Accountants   |                    | External Auditors                            |
| Sahibzada Waqar Arif   |                    | Legal Advisor                                |
| 601-602 Business Centre, Mumtaz Hassan Road,<br>Off. I.I. Chundrigar Road, Karachi-74000.<br>Ph: 021 32401373, 32413944  |                    | Registered Office                            |
| <a href="http://www.sitaraperoxide.com">www.sitaraperoxide.com</a>   |                    | Company Website                              |
| Askari Bank Limited<br>Al-Baraka Islamic Bank Limited<br>Bank Alfalah Limited<br>Faysal Bank Limited<br>Habib Bank Limited<br>MCB Bank Limited<br>Meezan Bank Limited<br>National Bank Limited<br>Silk Bank Limited<br>Soneri Bank Limited<br>Standard Chartered Bank (Pakistan) Limited<br>Summit Bank Limited<br>United Bank Limited |                    | Bankers                                      |
| THK Associates (Private) Limited<br>Ground Floor, State Life Building No. 3,<br>Dr. Ziauddin Ahmed Road, Karachi, 75530<br>P.O. Box No. 8533<br>UAN : +92 (21) 111-000-322<br>Fax: +92 (21) 35655595,  |                    | Share Registrar                              |
| 26 - KM Sheikhpura Road, Faisalabad.<br>Ph : (92 41) 2400900 - 5   |                    | Head Office & Project Location               |

## Directors' Review

On behalf of Board of Directors of Sitara Peroxide Limited, I am pleased to present un-audited results of the Company for the third quarter ended March 31, 2014.

During first nine months, capacity utilization remained 83% of the total installed capacity as against 72% in the corresponding period of previous year.

Net sales of your Company for the nine months remained Rs. 1,096 million against Rs. 788 million for the corresponding period of the last year registering net increase of 28%. Cost of sales during nine month period remained Rs. 854 million which is 26% higher than same period of the last year.

Gross profit in first nine months remained Rs. 243 million against Rs. 160 million in the same period of last year. Significant rise in revenue and gross profit was attributed to higher sales volume. Distribution and administrative expenses were marginally lower than the corresponding period despite high inflationary environment. It enabled your Company to earn profit before tax of Rs. 47 million against the loss of Rs. 56 million in the corresponding period of the previous year.

Periodic repair and maintenance of Plant and Machinery was due in current financial year. First phase of this repair and maintenance has been completed in this quarter incurring expense of Rs. 13 million. Second phase is expected to be carried out in last quarter of current financial year.

The board is pleased about the efforts of the management, staff and workers.

For and on the behalf of Board of Directors

On behalf of Board of Directors



IMRAN GHAFOOR  
Chief Executive Officer

## Condensed Interim Balance Sheet (Un-audited) As At March 31, 2014

|   | Un-Audited<br>March 31,<br>2014 | Audited<br>June 30,<br>2013 |
|---|---------------------------------|-----------------------------|
| Note  | ----- Rupees -----              |                             |
| <b>NON-CURRENT ASSETS</b>                               |                                 |                             |
| Property, plant and equipment                           | 1,707,547,232                   | 1,832,861,429               |
| Long term deposits                                      | 14,905,000                      | 46,205,000                  |
|   | <u>1,722,452,232</u>            | <u>1,879,066,429</u>        |
| <b>CURRENT ASSETS</b>                                   |                                 |                             |
| Stores, spare parts and loose tools                     | 75,600,850                      | 70,054,497                  |
| Stock-in-trade  | 417,181,006                     | 438,579,847                 |
| Trade debts   | 61,737,641                      | 35,557,733                  |
| Advances  | 85,768,272                      | 62,212,816                  |
| Deposits and short term prepayments                     | 36,292,588                      | 22,792,839                  |
| Sales tax refundable                                    | 69,504,571                      | 64,808,319                  |
| Cash and bank balances                                  | 44,975,170                      | 15,972,007                  |
|   | <u>791,060,098</u>              | <u>709,978,058</u>          |
|   | <u>2,513,512,330</u>            | <u>2,589,044,487</u>        |
| <b>SHARE CAPITAL AND RESERVES</b>                       |                                 |                             |
| Share capital   | 551,000,000                     | 551,000,000                 |
| Accumulated losses                                      | (242,870,851)                   | (289,753,009)               |
|   | <u>308,129,149</u>              | <u>261,246,991</u>          |
| Surplus on revaluation of property, plant and equipment | 405,325,234                     | 427,709,455                 |
| <b>NON-CURRENT LIABILITIES</b>                          |                                 |                             |
| Long-term financing                                     | 964,697,612                     | 987,829,376                 |
| Liabilities against assets subject to finance lease     | 832,723                         | 6,255,827                   |
| Deferred liabilities                                    | 38,041,953                      | 27,042,661                  |
| Deferred mark-up  | 130,813,889                     | 73,544,266                  |
|   | <u>1,134,386,177</u>            | <u>1,094,672,130</u>        |
| <b>CURRENT LIABILITIES</b>                              |                                 |                             |
| Trade and other payables                                | 207,220,817                     | 126,249,012                 |
| Accrued markup  | 6,738,296                       | 33,005,516                  |
| Running finance under markup arrangement                | 205,080,818                     | 415,612,810                 |
| Current portion of                                      |                                 |                             |
| - long term financing                                   | 235,003,211                     | 220,291,677                 |
| - liabilities against assets subject to finance lease   | 544,909                         | 4,540,246                   |
| Provision for income tax                                | 11,083,719                      | 5,716,650                   |
|   | <u>665,671,770</u>              | <u>805,415,911</u>          |
| <b>CONTINGENCIES AND COMMITMENTS</b>                    |                                 |                             |
|   | -                               | -                           |
|   | <u>2,513,512,330</u>            | <u>2,589,044,487</u>        |

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Condensed Interim Profit and Loss Account (Un-audited) for the Nine Months Ended March 31, 2014

|  | Note | Nine months ended |                   | Quarter ended     |                   |
|--|------|-------------------|-------------------|-------------------|-------------------|
|  |      | March 31,<br>2014 | March 31,<br>2013 | March 31,<br>2014 | March 31,<br>2013 |
| ----- Rupees -----                     |      |                   |                   |                   |                   |
| Sales - net                            | 8    | 1,096,317,278     | 788,165,992       | 375,387,875       | 254,133,916       |
| Cost of sales                          | 9    | 853,628,191       | 628,294,373       | 307,409,879       | 198,613,663       |
| <b>Gross profit</b>                    |      | 242,689,087       | 159,871,619       | 67,977,996        | 55,520,253        |
| Other operating income                 |      | 5,459,278         | 1,093,154         | 1,222,081         | 178,694           |
|  |      | 248,148,365       | 160,964,773       | 69,200,077        | 55,698,947        |
| Distribution expenses                  |      | 25,870,823        | 27,730,138        | 9,089,969         | 7,414,609         |
| Administrative expenses                |      | 41,075,780        | 41,391,966        | 11,765,540        | 13,773,532        |
| Other operating expenses               |      | 8,442,189         | 2,120,039         | -                 | 305,012           |
| Finance cost                           |      | 125,977,478       | 146,104,647       | 40,387,610        | 48,258,731        |
|  |      | 201,366,270       | 217,346,790       | 61,243,119        | 69,751,884        |
| <b>Profit / (loss) before taxation</b> |      | 46,782,095        | (56,382,017)      | 7,956,958         | (14,052,937)      |
| Provision for income tax               |      | 22,284,158        | 4,116,274         | 7,638,015         | 1,333,581         |
| <b>Profit / (loss) for the period</b>  |      | 24,497,937        | (60,498,291)      | 318,943           | (15,386,518)      |
| Other comprehensive income             |      | -                 | -                 | -                 | -                 |
| <b>Total comprehensive income</b>      |      |                   |                   |                   |                   |
| <b>/ (loss) for the period</b>         |      | 24,497,937        | (60,498,291)      | 318,943           | (15,386,518)      |
| <b>Earning per share</b>               |      |                   |                   |                   |                   |
| - basic and diluted                    |      | 0.44              | (1.10)            | 0.01              | (0.28)            |

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Condensed Interim Cash Flow Statement (Un-audited) for the Nine Months Ended March 31, 2014

| Note  | Nine months ended  |                   |
|---|--------------------|-------------------|
|   | March 31,<br>2014  | March 31,<br>2013 |
|   | ----- Rupees ----- |                   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>             |                    |                   |
| Profit / (loss) before taxation                         | 46,782,095         | (56,382,017)      |
| Adjustments for:  |                    |                   |
| Depreciation of property, plant and equipment           | 127,258,785        | 128,183,313       |
| Gain on disposal of property, plant and equipment       | (1,731,159)        |                   |
| Profit on bank deposits                                 | (2,415,486)        | (980,054)         |
| Provision for deferred employee benefits                | 1,171,464          | 3,120,366         |
| Finance cost  | 125,977,478        | 146,104,647       |
|   | 250,261,082        | 276,428,272       |
|   | 297,043,177        | 220,046,255       |
| Working capital changes                                 |                    |                   |
| (Increase) / decrease in current assets:                |                    |                   |
| Stores, spare parts and loose tools                     | (5,546,353)        | (3,447,849)       |
| Stock-in-trade  | 21,398,841         | 19,658,525        |
| Trade debts   | (26,179,908)       | (19,501,743)      |
| Advances  | (23,555,456)       | 23,996,486        |
| Deposits and prepayments                                | (13,499,749)       | (6,373,390)       |
| Increase / (decrease) in current liabilities:           |                    |                   |
| Trade and other payables                                | 80,971,805         | 6,050,113         |
|   | 33,589,180         | 20,382,142        |
| Cash generated from operations                          | 330,632,357        | 240,428,397       |
| Finance cost paid                                       | (94,323,573)       | (144,914,907)     |
| Markup paid on finance lease                            | (651,502)          | (1,091,210)       |
| Sales tax (paid) / refunded                             | (4,696,252)        | (5,334,257)       |
| Employee benefits paid                                  | (1,228,678)        | (774,755)         |
| Income tax paid   | (5,860,583)        | (14,341,364)      |
|   | (106,760,588)      | (166,456,493)     |
| Net cash generated from operating activities            | 223,871,769        | 73,971,904        |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>             |                    |                   |
| Purchase of property, plant and equipment               | (11,663,429)       | (23,983,702)      |
| Proceeds from suppliers of capital work                 | 11,450,000         | 41,378,563        |
| Profit received on bank deposits                        | 2,415,486          | 980,054           |
| Decrease / (increase) in long term deposits             | 31,300,000         | (218,525)         |
| Net cash generated from investing activities            | 33,502,057         | 18,156,390        |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>             |                    |                   |
| Proceeds from long term financing                       | 135,000,000        | 7,642,758         |
| Repayment of long-term financing                        | (143,420,230)      | (49,847,764)      |
| Net decrease in short-term borrowings                   | (210,531,992)      | (59,239,573)      |
| Lease rental paid                                       | (9,418,441)        | (608,800)         |
| Net cash used in financing activities                   | (228,370,663)      | (102,053,379)     |
| Decrease in cash and cash equivalents                   | 29,003,163         | (9,925,085)       |
| <b>Cash and cash equivalents at beginning of period</b> | 15,972,007         | 10,953,312        |
| <b>Cash and cash equivalents at end of period</b>       | 44,975,170         | 1,028,227         |

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Condensed Interim Statement Of Changes In Equity (Un-audited) for the Nine Months Ended March 31, 2014

|  | Share<br>capital   | Accumulated<br>losses | Total              |
|--|--------------------|-----------------------|--------------------|
|  | ..... Rupees ..... |                       |                    |
| <b>Balance as at July 01, 2012</b>   | 551,000,000        | (302,450,712)         | 248,549,288        |
| Total comprehensive loss for the period<br>ended March 31, 2013                            |                    |                       |                    |
| Loss for the period  | -                  | (60,498,291)          | (60,498,291)       |
| Other comprehensive income   | -                  | -                     | -                  |
|  | -                  | (60,498,291)          | (60,498,291)       |
| Incremental depreciation for the period on<br>surplus on revaluation - net of deferred tax | -                  | 33,915,486            | 33,915,486         |
| Deferred tax relating to incremental<br>depreciation on surplus on revaluation             | -                  | 11,870,419            | 11,870,419         |
|  | -                  | 22,045,067            | 22,045,067         |
| <b>Balance as at March 31, 2013</b>  | <u>551,000,000</u> | <u>(340,903,936)</u>  | <u>210,096,064</u> |
| <b>Balance as at July 01, 2013</b>   | 551,000,000        | 289,753,009           | 261,246,991        |
| Total comprehensive income for the period<br>ended March 31, 2013                          |                    |                       |                    |
| Profit for the period  | -                  | 24,497,937            | 24,497,937         |
| Other comprehensive income   | -                  | -                     | -                  |
|  | -                  | 24,497,937            | 24,497,937         |
| Incremental depreciation charged during the<br>period transferred to accumulated losses    | -                  | 33,915,486            | 33,915,486         |
| Deferred tax relating to incremental<br>depreciation on surplus on revaluation             | -                  | 11,531,265            | 11,531,265         |
|  |                    | 22,384,221            | 22,384,221         |
| <b>Balance as at March 31, 2014</b>  | <u>551,000,000</u> | <u>(242,870,851)</u>  | <u>308,129,149</u> |

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR



## Notes to the Condensed Interim Financial Information - (Un-audited) for the Nine Months Ended March 31, 2014

### 1. GENERAL INFORMATION

Sitara Peroxide Limited (the Company) is limited by shares, incorporated in Pakistan on March 08, 2004 as a public limited company under the Companies Ordinance, 1984. The Company has been listed on Karachi Stock Exchange since July 23, 2007. Registered office of the Company is situated at 601-602, Business Centre, Mumtaz Hassan Road, Karachi in the province of Sindh and the manufacturing facilities are located at 26 KM Sheikhpura Road, Faisalabad in the province of Punjab. The principal activity of the Company is manufacturing and sale of hydrogen peroxide.

This condensed interim financial information is presented in Pak Rupee, which is the Company's functional and presentation currency.

### 2. STATEMENT OF COMPLIANCE

This condensed interim financial information is un-audited and is being submitted to the shareholders as required by the Securities and Exchange Commission of Pakistan u/s 245 of the Companies Ordinance, 1984.

This condensed interim financial information has been prepared in compliance with the requirements of IAS-34 - "Interim Financial Reporting". This condensed interim financial information does not include all of the information required for full financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2013.

Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2013 whereas comparative profit and loss account, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited condensed interim financial information for the nine months ended March 31, 2013.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the company for preparation of this condensed interim financial information are the same as those applied in the preparation of the last audited published financial statements for the financial year ended June 30, 2013.

### 4. ESTIMATES

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

## Notes to the Condensed Interim Financial Information - (Un-audited) for the Nine Months Ended March 31, 2014

|  | (Un-Audited)<br>March 31,<br>2014 | (Audited)<br>June 30,<br>2013 |
|--|-----------------------------------|-------------------------------|
|  | ----- Rupees -----                |                               |
| <b>5. PROPERTY PLANT AND EQUIPMENT</b>               |                                   |                               |
| Operating assets                                     | 1,701,210,232                     | 1,826,370,173                 |
| Capital work-in-progress                             | 6,337,000                         | 6,491,256                     |
|  | <u>1,707,547,232</u>              | <u>1,832,861,429</u>          |
| <b>5.1 Operating assets</b>                          |                                   |                               |
| Written down value at beginning of the period / year | 1,826,370,173                     | 1,971,872,231                 |
| Additions / transfer during the period / year        | 11,817,685                        | 25,674,720                    |
|  | <u>1,838,187,858</u>              | <u>1,997,546,951</u>          |
| Deletions during the period                          | 9,718,841                         | -                             |
| Less: depreciation charge during the period / year   | 127,258,785                       | 171,176,778                   |
|  | <u>1,701,210,232</u>              | <u>1,826,370,173</u>          |
| <b>6. LONG TERM FINANCING</b>                        |                                   |                               |
| Secured  |                                   |                               |
| From banking companies                               |                                   |                               |
| Under diminishing musharaka arrangements             |                                   |                               |
| Balance at beginning of period / year                | 1,178,921,055                     | 1,243,421,053                 |
| Less: paid during the period / year                  | 135,753,561                       | 64,500,000                    |
| Less: current portion                                | 216,303,211                       | 213,091,677                   |
|  | 826,864,283                       | 965,829,376                   |
| Under diminishing musharaka arrangements             |                                   |                               |
| Balance at beginning of period / year                | -                                 | 20,347,762                    |
| Less: paid during the period / year                  | -                                 | 20,347,762                    |
|  | -                                 | -                             |
| Under diminishing musharaka arrangements             |                                   |                               |
| Balance at beginning of period / year                | 135,000,000                       | -                             |
| Less: paid during the period / year                  | 7,666,671                         | -                             |
| Less: current portion                                | 11,500,000                        | -                             |
|  | 115,833,329                       | -                             |
| Un-secured   |                                   |                               |
| Other  |                                   |                               |
| Balance at beginning of period / year                | 29,200,000                        | 29,200,000                    |
| Less: current portion                                | 7,200,000                         | 7,200,000                     |
| Balance at the end of period / year                  | 22,000,000                        | 22,000,000                    |
|  | <u>964,697,612</u>                | <u>987,829,376</u>            |

Notes to the Condensed Interim Financial Information - (Un-audited)  
 for the Nine Months Ended March 31, 2014

(Un-Audited)                      (Audited)  
 March 31,                              June 30,  
 2014                                      2013  
 ----- Rupees -----

**7. CONTINGENCIES AND COMMITMENTS**
**7.1 Contingencies**

|   |            |            |
|---|------------|------------|
| Bank guarantee issued by a bank in favour of Sui Northern Gas Pipelines Limited for supply of gas | 53,538,000 | 53,538,000 |
|---|------------|------------|

**7.2 Commitments**

|                               |             |            |
|-------------------------------|-------------|------------|
| Irrevocable letters of credit | 128,451,848 | 41,614,000 |
|-------------------------------|-------------|------------|

| Nine months ended                 |                                   | Three months ended                |                                   |
|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| March 31,<br>2014<br>(Un-Audited) | March 31,<br>2013<br>(Un-Audited) | March 31,<br>2014<br>(Un-Audited) | March 31,<br>2013<br>(Un-Audited) |
| ----- Rupees -----                |                                   |                                   |                                   |

**8 SALES - NET**

|                           |               |             |             |             |
|---------------------------|---------------|-------------|-------------|-------------|
| Local sales               | 1,109,305,714 | 820,366,015 | 378,213,465 | 260,678,620 |
| Export sales              | 14,380,531    | 3,672,036   | 6,182,560   | 1,914,066   |
|                           | 1,123,686,245 | 824,038,051 | 384,396,025 | 262,592,686 |
| Less: Commission on sales | 26,513,850    | 31,384,405  | 8,476,258   | 8,185,591   |
| Less: Trade discount      | 855,117       | 4,487,654   | 531,892     | 273,179     |
|                           | 1,096,317,278 | 788,165,992 | 375,387,875 | 254,133,916 |

## Notes to the Condensed Interim Financial Information - (Un-audited) for the Nine Months Ended March 31, 2014

|   | Nine months ended                 |                                   | Three months ended                |                                   |
|---|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
|   | March 31,<br>2014<br>(Un-Audited) | March 31,<br>2013<br>(Un-Audited) | March 31,<br>2014<br>(Un-Audited) | March 31,<br>2013<br>(Un-Audited) |
| ----- Rupees -----                              |                                   |                                   |                                   |                                   |
| <b>9. COST OF SALES</b>                         |                                   |                                   |                                   |                                   |
| Raw material consumed                           | 118,151,314                       | 92,114,177                        | 41,900,492                        | 21,045,750                        |
| Fuel and power                                  | 189,442,542                       | 181,227,862                       | 62,985,539                        | 62,675,713                        |
| Packing material<br>consumed                    | 183,601,138                       | 133,947,733                       | 61,268,200                        | 43,655,178                        |
| Stores, spare parts and<br>loose tools consumed | 13,674,469                        | 12,309,855                        | 4,919,675                         | 4,518,757                         |
| Salaries wages and<br>benefits                  | 40,137,088                        | 34,000,203                        | 13,714,285                        | 10,494,352                        |
| Major overhauling of<br>plant and machinery     | 13,018,738                        | -                                 | 13,018,738                        | -                                 |
| Repairs and maintenance                         | 19,367,544                        | 18,537,821                        | 3,783,896                         | 4,357,519                         |
| Insurance                                       | 4,914,761                         | 4,525,614                         | 1,638,255                         | 1,508,538                         |
| Depreciation                                    | 125,693,440                       | 124,997,137                       | 42,068,827                        | 41,818,177                        |
| Traveling and conveyance                        | 1,122,215                         | 290,136                           | 552,425                           | 213,000                           |
| Vehicle running and<br>maintenance              | 1,187,723                         | 1,496,393                         | 231,513                           | 529,535                           |
| Entertainment                                   | 672,515                           | 903,999                           | 240,596                           | 114,344                           |
|   | 710,983,487                       | 604,350,930                       | 246,322,441                       | 190,930,863                       |
| Work-in-process                                 |                                   |                                   |                                   |                                   |
| Balance at<br>beginning of period               | 341,025,388                       | 319,414,175                       | 329,958,890                       | 321,304,623                       |
| Balance at end<br>of period                     | 327,941,480                       | 315,098,075                       | 327,941,480                       | 315,098,075                       |
|   | 13,083,908                        | 4,316,100                         | 2,017,410                         | 6,206,548                         |
| Cost of goods<br>manufactured                   | 724,067,395                       | 608,667,030                       | 248,339,851                       | 197,137,411                       |
| Finished goods                                  |                                   |                                   |                                   |                                   |
| Balance at<br>beginning of period               | 11,545,648                        | 25,103,496                        | 8,645,964                         | 7,649,035                         |
| Balance at end<br>of period                     | 6,562,096                         | 6,172,783                         | 6,562,096                         | 6,172,783                         |
|   | 4,983,552                         | 18,930,713                        | 2,083,868                         | 1,476,252                         |
| Cost of goods sold -<br>own manufactured goods  | 729,050,947                       | 627,597,743                       | 250,423,719                       | 198,613,663                       |
| Purchased goods                                 | 124,577,244                       | 696,630                           | 56,986,160                        | -                                 |
| Cost of goods sold                              | 853,628,191                       | 628,294,373                       | 307,409,879                       | 198,613,663                       |

Notes to the Condensed Interim Financial Information - (Un-audited)  
for the Nine Months Ended March 31, 2014

**10 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

| Relationship             | Nature of transactions                       | Ninth months ended                |                                   |
|--------------------------|--|-----------------------------------|-----------------------------------|
|                          |  | March 31,<br>2014<br>(Un-Audited) | March 31,<br>2013<br>(Un-Audited) |
|                          |  | Rupees                            |                                   |
| Associated companies     | Organizational expenses charged              | 254,878                           | 1,072,180                         |
|                          | Purchases                                    | 25,550,594                        | 19,699,013                        |
| Key management personnel | Loan obtained from Chief Executive Officer   | -                                 | 7,642,756                         |
|                          | Repayment of loan to Chief Executive Officer | 14,800,465                        | -                                 |
|                          | Remuneration and other benefits              | 18,397,131                        | 11,876,111                        |
| Employee benefit plan    | Provision for the period                     | 1,171,464                         | 3,120,366                         |
|                          | Payment during the period                    | 1,228,678                         | 774,755                           |

**11. DATE OF AUTHORISATION FOR ISSUE**

These condensed interim financial statements have been approved on April 26, 2014 by the Board of Directors of the Company.

**12. GENERAL**

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR







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