



# Half Yearly Report

*Condensed Interim Financial Statements (Un-Audited)  
For The Half Year Ended December 31, 2012*

## Company Information

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<b>BOARD OF DIRECTORS</b>	MOHOMED BASHIR ZAIN BASHIR ZIAD BASHIR MOHAMMED ZAKI BASHIR ABDUL AZIZ YOUSUF S.M. NADIM SHAFIQULLAH ABDUL RAZAK BRAMCHARI DR. AMJAD WAHEED ADNAN AFRIDI	- Chairman & Chief Executive - Non Executive Director - Executive Director - Executive Director - Executive Director - Independent Non Executive Director - Non Executive Director - Independent Non Executive Director - Independent Non Executive Director
<b>CHIEF FINANCIAL OFFICER</b>	MOHAMMED SALEEM SATTAR	
<b>COMPANY SECRETARY</b>	MOHAMMED SALIM GHAFFAR	
<b>AUDIT COMMITTEE</b>	S.M. NADIM SHAFIQULLAH ZAIN BASHIR MOHAMMED ZAKI BASHIR MOHAMMED SALIM GHAFFAR	- Chairman & Member - Member - Member - Secretary
<b>BANKERS</b>	ALLIED BANK LIMITED BANK AL HABIB LIMITED BARCLAYS BANK PLC PAKISTAN BANK ALFALAH LIMITED - ISLAMIC BANKING BANKISLAMI PAKISTAN LIMITED BURJ BANK LIMITED CITIBANK, N.A. DUBAI ISLAMIC BANK PAKISTAN LIMITED FAYSAL BANK LIMITED HABIB BANK LIMITED HABIB METROPOLITAN BANK LIMITED HSBC BANK MIDDLE EAST LIMITED MCB BANK LIMITED MEEZAN BANK LIMITED NATIONAL BANK OF PAKISTAN NIB BANK LIMITED SAMBA BANK LIMITED SILKBANK LIMITED STANDARD CHARTERED BANK (PAKISTAN) LIMITED UNITED BANK LIMITED	
<b>AUDITORS</b>	HYDER BHIMJI & CO. Chartered Accountants	
<b>INTERNAL AUDITORS</b>	ANJUM ASIM SHAHID RAHMAN Chartered Accountants	
<b>LEGAL ADVISORS</b>	A.K. BROHI & CO ADVOCATES	
<b>REGISTERED OFFICE</b>	PLOT NO.82 MAIN NATIONAL HIGHWAY LANDHI, KARACHI-75120	
<b>SHARE REGISTRAR</b>	FAMCO ASSOCIATES (PRIVATE) LIMITED 1ST FLOOR, STATE LIFE BUILDING NO. 1-A OFF: I.I. CHUNDRIGAR ROAD, KARACHI-74000 PHONE NO. (021)32427012,32426597 & 32425467 FAX NO. (021)32426752	
<b>MILLS</b>	LANDHI INDUSTRIAL AREA KARACHI-75120	
<b>E-MAIL</b>	finance@gulahmed.com	
<b>URL</b>	www.gulahmed.com	



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

### **INTRODUCTION:**

We have reviewed the accompanying condensed interim balance sheet of **Gul Ahmed Textile Mills 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, together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the half year then ended. 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 and condensed interim statement of comprehensive income 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of condensed 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 December 31, 2012 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Karachi:  
February 27, 2013

HYDER BHIMJI & CO.  
CHARTERED ACCOUNTANTS  
ENGAGEMENT PARTNER: SHAIKH MOHAMMAD TANVIR

**Condensed Interim Balance Sheet**  
**As at December 31, 2012**

	Un-audited December 31, 2012	Audited June 30, 2012
	------(Rupees '000s)-----	
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised capital 200,000,000 ordinary shares of Rs.10 each	<u>2,000,000</u>	<u>1,500,000</u>
Issued, subscribed and paid-up capital	1,269,571	1,269,571
Reserves	3,180,000	3,430,000
Unappropriated profit/(accumulated loss)	<u>194,201</u>	<u>(227,062)</u>
	<u>4,643,772</u>	<u>4,472,509</u>
Right shares application money	<u>139,959</u>	-
	<u>4,783,731</u>	<u>4,472,509</u>
<b>NON-CURRENT LIABILITIES</b>		
Long term financing	1,965,453	2,096,432
Deferred Liabilities		
Deferred taxation	<u>270,969</u>	<u>273,969</u>
Staff Retirement benefits	<u>21,188</u>	<u>23,894</u>
	<u>292,157</u>	<u>297,863</u>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<u>3,653,469</u>	<u>2,702,707</u>
Accrued Mark-up	<u>240,847</u>	<u>185,895</u>
Short term borrowings	<u>10,442,629</u>	<u>7,289,065</u>
Current maturity of long term financing	<u>610,986</u>	<u>664,636</u>
Provision for Income tax - net of payment	<u>-</u>	<u>9,651</u>
	<u>14,947,931</u>	<u>10,851,954</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>21,989,272</b></u>	<u><b>17,718,758</b></u>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	6,750,843	6,828,920
Intangible assets	25,112	26,535
Long term investment	58,450	58,450
Long term loans and advances	1,873	2,900
Long term deposits	<u>50,231</u>	<u>47,801</u>
	<u>6,886,509</u>	<u>6,964,606</u>
<b>CURRENT ASSETS</b>		
Stores,spares and loose tools	<u>809,879</u>	<u>739,986</u>
Stock-in-trade	<u>9,875,660</u>	<u>7,415,451</u>
Trade debts	<u>3,299,506</u>	<u>2,074,159</u>
Loans and advances	<u>358,333</u>	<u>169,612</u>
Income tax payments less provision	<u>40,578</u>	-
Short term prepayments	<u>96,346</u>	<u>27,361</u>
Other receivables	<u>251,789</u>	<u>182,699</u>
Tax refunds due from government	<u>59,631</u>	<u>24,871</u>
Cash and bank balances	<u>311,041</u>	<u>120,013</u>
	<u>15,102,763</u>	<u>10,754,152</u>
<b>TOTAL ASSETS</b>	<u><b>21,989,272</b></u>	<u><b>17,718,758</b></u>

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

**Condensed Interim Profit and Loss Account (Un-audited)**  
**For The Half Year Ended December 31, 2012**

	Quarted ended		Half year ended	
	October to December 2012	October to December 2011	July to December 2012	July to December 2011
------(Rupees '000s)-----				
Sales	7,363,929	5,962,807	13,163,171	11,658,362
Cost of sales				
Opening stock of finished goods	5,622,173	6,356,139	4,945,924	6,216,883
Cost of goods manufactured	5,452,567	4,263,158	10,259,690	8,883,660
Purchases and processing charges	1,720,402	414,466	2,490,473	907,166
Closing stock of finished goods	(6,453,998)	(5,861,624)	(6,453,998)	(5,861,624)
	<u>6,341,144</u>	<u>5,172,139</u>	<u>11,242,089</u>	<u>10,146,085</u>
Gross profit	1,022,785	790,668	1,921,082	1,512,277
Distribution cost	344,826	299,745	640,698	536,579
Administrative expenses	256,541	225,635	482,739	439,304
Other operating expenses	11,415	-	19,606	-
	<u>612,782</u>	<u>525,380</u>	<u>1,143,043</u>	<u>975,883</u>
	410,003	265,288	778,039	536,394
Other operating income	15,790	4,049	22,120	9,764
Operating profit	425,793	269,337	800,159	546,158
Finance cost	305,024	338,031	569,896	667,822
Profit/(loss) before taxation	120,769	(68,694)	230,263	(121,664)
Provision for taxation	15,459	58,441	59,000	115,454
Profit/(loss) after taxation	<u>105,310</u>	<u>(127,135)</u>	<u>171,263</u>	<u>(237,118)</u>
------(Rupees)-----				
Earnings/(loss) per share - basic and diluted (Rs.)	0.83	(1.00)	1.35	(1.87)

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

**Condensed Interim Statement Of Comprehensive Income (Un-audited)  
For The Half Year Ended December 31, 2012**

	Quarted ended		Half year ended	
	October to December 2012	October to December 2011	July to December 2012	July to December 2011
	------(Rupees '000s)-----			
Profit/(loss) after taxation	<b>105,310</b>	(127,135)	<b>171,263</b>	(237,118)
Other comprehensive income	-	-	-	-
Total comprehensive income	<b>105,310</b>	(127,135)	<b>171,263</b>	(237,118)

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director



## Condensed Interim Cash Flow Statement (Un-audited) For The Half Year Ended December 31, 2012

	Half year ended	
	December 31, 2012	December 31, 2011
------(Rupees '000s)-----		
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before taxation	230,263	(121,664)
Adjustments for:		
Depreciation	365,398	355,861
Amortisation	5,593	6,818
Provision for gratuity	5,055	1,503
Finance cost	569,896	667,822
Provision for slow moving/obsolete items	6,144	5,152
Provision for doubtful debts	14,913	14,600
Profit on sale of property, plant and equipment	(15,563)	(5,690)
	1,181,699	924,402
Changes in working capital:		
(Increase)/decrease in current assets		
Stores, spares and loose tools	(76,036)	(19,155)
Stock-in-trade	(2,460,209)	862,357
Trade debts	(1,240,260)	(414,339)
Loans and advances	(188,721)	(185,088)
Prepayments	(68,985)	(56,928)
Other receivables	(69,090)	(37,606)
Tax refunds due from government	(34,760)	(3,809)
	(4,138,061)	145,432
Increase in current liabilities		
Trade and other payables	950,762	474,997
	(3,187,299)	620,429
Cash (used in)/generated from operations	(2,005,600)	1,544,831
Payments for:		
Gratuity	(7,761)	(3,023)
Finance cost	(514,944)	(651,821)
Income tax paid	(112,229)	(85,761)
Long term loans and advances	1,027	(597)
Long term deposits	(2,430)	(7,791)
Net cash (used in)/generated from operating activities	(2,641,937)	795,838



Half year ended	
December 31, 2012	December 31, 2011
------(Rupees '000s)-----	

#### CASH FLOWS FROM INVESTING ACTIVITIES

Addition to property, plant and equipment	<b>(336,824)</b>	(369,386)
Addition to intangible assets	<b>(4,170)</b>	(2,020)
Proceeds from sale of property, plant and equipment	<b>65,065</b>	15,058
Net cash used in investing activities	<b>(275,929)</b>	(356,348)

#### CASH FLOWS FROM FINANCING ACTIVITIES

Long term loans acquired	<b>164,367</b>	166,909
Repayments of long term loans	<b>(348,996)</b>	(306,552)
Right shares subscription	<b>139,959</b>	-

Net cash used in financing activities	<b>(44,670)</b>	(139,643)
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<b>Net (decreas)/increase in cash and cash equivalents</b>	<b>(2,962,536)</b>	299,847
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<b>Cash and cash equivalents - at the beginning of the period</b>	<b>(7,169,052)</b>	(9,675,835)
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<b>Cash and cash equivalents - at the end of the period</b>	<b>(10,131,588)</b>	(9,375,988)
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#### CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprises of :

Cash and bank balances	<b>311,041</b>	75,140
Short term borrowings	<b>(10,442,629)</b>	(9,451,128)
	<b>(10,131,588)</b>	(9,375,988)

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director



**Condensed Interim Statement of Changes in Equity (Un-audited)  
For the Half Year Ended December 31, 2012**

	Share capital	Revenue reserve	Capital reserve	Reserve for Issue of bonus share	Un-appropriated profit	Total
(Rupees '000s)						
Balance as at June 30, 2011	634,785	2,430,000	450,446	-	1,197,642	4,712,873
Transfer to reserve for issue of bonus shares	-	-	(450,446)	634,786	(184,340)	-
Transfer to revenue reserve	-	1,000,000	-	-	(1,000,000)	-
<b>Transaction with owners</b>						
Issuance of bonus shares for the year ended June 30, 2011	634,786	-	-	(634,786)	-	-
<b>Total comprehensive income</b>						
Loss for the half year ended December 31, 2011	-	-	-	-	(237,118)	(237,118)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	(237,118)	(237,118)
Balance as at December 31, 2011	<b>1,269,571</b>	<b>3,430,000</b>	-	-	<b>(223,816)</b>	<b>4,475,755</b>
<b>Total comprehensive income</b>						
Loss for the year	-	-	-	-	(3,246)	(3,246)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(3,246)	(3,246.00)
Balance as at June 30, 2012	<b>1,269,571</b>	<b>3,430,000</b>	-	-	<b>(227,062)</b>	<b>4,472,509</b>
Transfer to revenue reserve	-	(250,000)	-	-	250,000	-
<b>Total comprehensive income</b>						
Profit for the half year ended December 31, 2012	-	-	-	-	171,263	171,263
Other comprehensive income	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	171,263	171,263
Balance as at December 31, 2012	<b>1,269,571</b>	<b>3,180,000</b>	-	-	<b>194,201</b>	<b>4,643,772</b>
Right shares application money						139,959
						<b>4,783,731</b>

The annexed notes 1 to 10 form an integral part of these condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

## Notes To The Condensed Interim Financial Information (Un-audited) For The Half Year Ended December 31, 2012

### 1. THE COMPANY AND ITS OPERATIONS

Gul Ahmed Textile Mills Limited was incorporated in 1953 in Pakistan as a private limited company, converted into public limited company in 1955 and was listed on Karachi and Lahore Stock Exchanges in 1970 and 1971 respectively. Gul Ahmed is a composite textile mill and is engaged in the manufacture and sale of textile products.

The Company's registered office is situated at Plot No. 82, Main National Highway, Landhi, Karachi.

### 2. BASIS OF PREPARATION

These condensed interim financial information of the Company for the half year ended December 31, 2012 have been prepared in accordance with the requirements of the International Accounting Standards 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.

These condensed interim financial information comprise of the condensed interim balance sheet as at December 31, 2012 and the 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 ended December 31, 2012 which have been subjected to a review in accordance with the listing regulations but not audited. These condensed interim financial information also include the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended December 31, 2012 as the same is not subjected to review.

The comparatives balance sheet, presented in these condensed interim financial information, as at June 30, 2012 has been extracted from the audited financial statements of the Company for the year ended June 30, 2012 whereas the comparative 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 are for the half year ended December 31, 2011 have been extracted from the condensed interim financial information of the Company for the half year then ended, which were subjected to a review but not audited. The comparative condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended December 31, 2011 is also included in these condensed interim financial information.

### 3. ACCOUNTING POLICIES

Accounting policies and the methods of computation adopted in the preparation of these condensed interim financial information are the same as those applied in the preparation of financial statements for the year ended June 30, 2012.

### 4. CONTINGENCIES AND COMMITMENTS

#### Contingencies

The status of contingencies, as reported in the annual financial statements for the year ended June 30, 2012 except as stated below, remained unchanged during the current period.

- (a) Guarantees issued by Bank on behalf of the Company as at period end for Rs.267 million (June-2012: Rs.260 million) were outstanding.
- (b) Post dated cheques Rs. 171 million (June-2012: Rs. 153 million) issued to various Government Agencies.
- (c) Bills discounted Rs. 886 million (June-2012: Rs. 1,731 million)
- (d) Corporate guarantee of Rs. 104.085 million (June-2012: Rs. 96.420 million) has been issued to a bank in favour of subsidiary company.

## Notes To The Condensed Interim Financial Information (Un-audited) For The Half Year Ended December 31, 2012

### Commitments

Company is committed for certain expenditures which are stated as follows:

	December 31, 2012	June 30, 2012
	------(Rupees '000s)-----	
- Capital expenditure	545,791	196,876
- Non capital expenditure items under letters of credits	2,195,047	373,728
	<u>2,740,838</u>	<u>570,604</u>

### 5. PROPERTY, PLANT AND EQUIPMENT

#### Operating assets

Opening book value 6,606,533 6,582,082

#### Additions during the period:

Buildings and structures on leasehold land	3,025	98,876
Plant and machinery	421,964	531,789
Office equipment	8,138	51,563
Furniture and fixtures	1,978	6,490
Vehicles	31,508	99,020
	<u>466,613</u>	<u>787,738</u>

#### Book values of assets disposed-off during the period

Plant and machinery	(46,661)	(4,200)
Office equipment	(32)	(2,440)
Vehicles	(2,809)	(14,668)
	<u>(49,502)</u>	<u>(21,308)</u>

Depreciation charge for the period (365,398) (741,979)

**Book value of operating fixed assets** 6,658,246 6,606,533

#### Capital work in progress

**Opening** 222,387 71,643

Addition - Machinery	219,499	716,067
- Building	29,793	64,895
- Others	12,844	9,302
	<u>262,136</u>	<u>790,264</u>

Transferred - Machinery	(391,926)	(540,890)
- Building	-	(82,617)
- Others	-	(16,013)
	<u>(391,926)</u>	<u>(639,520)</u>

**Closing** 92,597 222,387

**Book Value of property, plant and equipment** 6,750,843 6,828,920

### 6. INTANGIBLE ASSETS

Opening book value	26,535	38,630
Additions during the period	4,170	746
Amortisation charge for the period	(5,593)	(12,841)
Closing net book value	<u>25,112</u>	<u>26,535</u>

## Notes To The Condensed Interim Financial Information (Un-audited) For The Half Year Ended December 31, 2012

### 7. SEGMENT INFORMATION

The Company has the following two reportable business segments:

- Spinning:** Production of different qualities of yarn using both natural and artificial fibers
- Processing:** Production of grey fabric, its processing into various types of fabrics for sale as well as to manufacture home textile products  
Transactions among the business segments are recorded at cost.

#### 7.1 Segmental profitability

	SPINNING		PROCESSING		ELIMINATION OF INTER SEGMENT TRANSACTION		TOTAL	
	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011
For the half year ended								
------(Rupees '000s)-----								
Sales	<b>5,187,057</b>	4,850,003	<b>8,921,505</b>	9,146,668	<b>(945,391)</b>	(2,338,309)	<b>13,163,171</b>	11,658,362
Cost of Sales	<b>4,755,351</b>	4,872,806	<b>7,432,129</b>	7,611,588	<b>(945,391)</b>	(2,338,309)	<b>11,242,089</b>	10,146,085
Gross Profit	<b>431,706</b>	(22,803)	<b>1,489,376</b>	1,535,080	-	-	<b>1,921,082</b>	1,512,277
Administrative & selling expenses	<b>119,159</b>	57,939	<b>1,004,278</b>	917,944			<b>1,123,437</b>	975,883
Profit/(loss) before tax and before charging following	<b>312,547</b>	(80,742)	<b>485,098</b>	617,136	-	-	<b>797,645</b>	536,394
Financial charges							<b>569,896</b>	667,822
Other operating expenses							<b>19,606</b>	-
Other operating income							<b>(22,120)</b>	(9,764)
Taxation							<b>59,000</b>	115,454
Profit/(loss) after taxation							<b>171,263</b>	(237,118)

#### 7.2 Segment assets and liabilities

	SPINNING		PROCESSING		UNALLOCATED		TOTAL	
	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012
Assets	<b>6,471,642</b>	5,214,791	<b>13,661,190</b>	11,008,064	<b>1,856,440</b>	1,495,903	<b>21,989,272</b>	17,718,758
Liabilities	<b>1,534,315</b>	1,181,037	<b>4,455,164</b>	3,429,356	<b>11,216,062</b>	8,635,856	<b>17,205,541</b>	13,246,249

7.3 Unallocated items represent those assets, liabilities, income and expenses which are common to all segments and investment in subsidiaries

## Notes To The Condensed Interim Financial Information (Un-audited) For The Half Year Ended December 31, 2012

### 7.4 Information by geographical area

	Revenue		Non-current assets	
	December 2012	December 2011	December 2012	June 2012
	(Rupees '000s)			
Pakistan	5,241,299	4,561,305	6,828,059	6,906,156
Germany	1,385,568	1,270,521	-	-
United Kingdom	1,172,951	1,469,234	-	-
United States	917,460	802,136	-	-
China	862,709	841,446	-	-
France	563,788	447,560	-	-
Netherland	537,671	496,989	-	-
United Arab Emirates	102,413	242,117	58,450	58,450
Other Countries	2,379,312	1,527,054	-	-
	<b>13,163,171</b>	<b>11,658,362</b>	<b>6,886,509</b>	<b>6,964,606</b>

### 8. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise subsidiaries, associated companies, companies where directors also hold directorship, directors of the Company and key management personnel. The Company in the normal course of business carried out transaction with various related parties.

Relationship with The Company	Nature of transaction	December 31, 2012	December 31, 2011
		(Rupees '000s)	
<b>Subsidiaries</b>	Purchase of goods	120	381
	Sale of goods	457,632	802,943
<b>Associated Companies &amp; other related parties</b>	Purchase of goods	29,712	22,153
	Sale of goods	650	1,283
	Rent paid	3,600	2,910
	Fees paid	1,250	1,000
	Commission / Rebate received	2,603	1,688
	Bills discounted	270,057	367,813
	Commission / Bank charges paid	9,810	11,719
	Mark up / Interest charged	56,498	57,626
	Provident Fund Contribution	26,337	24,699
		<b>December 31, 2012</b>	<b>June 30, 2012</b>
<b>Outstanding Balances</b>	<b>Nature of balances</b>		
<b>Subsidiaries</b>	Corporate guarantee issued in favour of Subsidiary Company	104,085	96,420
	Trade & other payable	14,606	2,858
	Long term investment	58,450	58,450
	Trade debts	215,469	139,703
	Advance from customer	-	15,897
<b>Associated Companies &amp; other related parties</b>	Deposit with bank	206,023	44,498
	Borrowing from bank	1,113,900	1,144,905
	Bank guarantee	203,472	203,472
	Trade & other payable	5,874	12,615
	Accrued Mark up	27,312	26,430
	Trade debts	1,001	759
	Loans to key management personnel	3,174	5,183

## Notes To The Condensed Interim Financial Information (Un-audited) For The Half Year Ended December 31, 2012

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There are no transactions with directors of the Company and key management personnel other than those under the terms of employment for the period ending Dec 2012 amounting to Rs. 206 million (Dec 2011: Rs. 191 million) on account of remuneration.

### 9. DATE OF AUTHORISATION

These condensed interim financial information were authorised for issue on February 27, 2013 by the Board of Directors of the Company.

### 10. GENERAL

Allocations for the workers' profit participation fund, workers' welfare fund and taxation are interim and final liability will be determined on the basis of annual results.

Figures have been rounded off to the nearest thousand rupees.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director



# **Consolidated Accounts**

*Consolidated Condensed Interim Financial Statements (Un-Audited)  
For The Half Year Ended December 31, 2012*

**Consolidated Condensed Interim Balance Sheet**  
**As at December 31, 2012**

	Un-audited December 31, 2012	Audited June 30, 2012
	------(Rupees '000s)-----	
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
Authorised capital 200,000,000 ordinary shares of Rs.10 each	<b>2,000,000</b>	1,500,000
Issued, subscribed and paid-up capital	1,269,571	1,269,571
Reserves	3,266,004	3,507,237
Unappropriated profit/ (accumulated loss)	<b>303,695</b>	(123,758)
	<b>4,839,270</b>	4,653,050
Right shares application money	<b>139,959</b>	-
	<b>4,979,229</b>	4,653,050
<b>NON-CURRENT LIABILITIES</b>		
Long term financing	1,965,453	2,096,432
Deferred Liabilities		
Deferred taxation	<b>281,467</b>	284,467
Staff Retirement benefits	<b>25,139</b>	27,952
	<b>306,606</b>	312,419
<b>CURRENT LIABILITIES</b>		
Trade and other payables	<b>3,735,857</b>	2,703,860
Accrued Mark-up	<b>240,847</b>	185,895
Short term borrowings	<b>10,458,951</b>	7,349,525
Current maturity of long term financing	<b>610,986</b>	664,636
Provision for Income tax - net of payment	-	11,293
	<b>15,046,640</b>	10,915,209
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>22,297,928</b>	<b>17,977,110</b>
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	6,760,947	6,839,436
Intangible assets	28,050	29,465
Long term loans and advances	1,873	2,900
Long term deposits	<b>50,231</b>	47,801
	<b>6,841,102</b>	6,919,602
<b>CURRENT ASSETS</b>		
Stores,spares and loose tools	<b>809,879</b>	739,986
Stock-in-trade	<b>10,017,750</b>	7,481,834
Trade debts	<b>3,372,802</b>	2,272,265
Loans and advances	<b>363,408</b>	175,611
Income tax payments less provision	<b>40,578</b>	-
Short term prepayments	<b>108,341</b>	39,487
Other receivables	<b>256,072</b>	182,699
Tax refunds due from government	<b>84,450</b>	25,903
Cash and bank balances	<b>403,547</b>	139,723
	<b>15,456,827</b>	11,057,508
<b>TOTAL ASSETS</b>	<b>22,297,928</b>	<b>17,977,110</b>

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director



**Consolidated Condensed Interim  
Profit And Loss Account (Un-audited)  
For The Half Year Ended December 31, 2012**

	Quarted ended		Half year ended	
	October to December 2012	October to December 2011	July to December 2012	July to December 2011
------(Rupees '000s)-----				
Sales	<b>7,469,907</b>	6,117,234	<b>13,332,235</b>	11,865,878
Cost of sales				
Opening stock of finished goods	<b>5,713,741</b>	6,475,378	<b>5,012,308</b>	6,312,737
Cost of goods manufactured	<b>5,452,567</b>	4,263,158	<b>10,259,690</b>	8,883,660
Purchases and processing charges	<b>1,823,464</b>	474,017	<b>2,654,875</b>	1,005,530
Closing stock of finished goods	<b>(6,596,088)</b>	(5,939,949)	<b>(6,596,088)</b>	(5,939,949)
	<b>6,393,684</b>	5,272,604	<b>11,330,784</b>	10,261,978
Gross profit	<b>1,076,223</b>	844,630	<b>2,001,451</b>	1,603,900
Distribution cost	<b>348,922</b>	304,383	<b>649,501</b>	545,403
Administrative expenses	<b>285,832</b>	252,378	<b>541,849</b>	488,735
Other operating expenses	<b>11,413</b>	-	<b>19,606</b>	-
	<b>646,166</b>	556,761	<b>1,210,955</b>	1,034,138
	<b>430,057</b>	287,869	<b>790,495</b>	569,762
Other operating income	<b>15,635</b>	4,045	<b>22,120</b>	10,270
Operating profit	<b>445,692</b>	291,914	<b>812,615</b>	580,032
Finance cost	<b>310,744</b>	347,552	<b>576,146</b>	687,779
Profit/(loss) before taxation	<b>134,948</b>	(55,638)	<b>236,469</b>	(107,747)
Provision for Taxation	<b>15,460</b>	60,360	<b>59,016</b>	117,766
Profit/(loss) after taxation	<b>119,488</b>	(115,998)	<b>177,453</b>	(225,513)
------(Rupees)-----				
Earning/(loss) per share - basic and diluted (Rs.)	<b>0.94</b>	(0.91)	<b>1.40</b>	(1.78)

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

**Consolidated Condensed Interim  
Statement Of Comprehensive Income (Un-audited)  
For The Half Year Ended December 31, 2012**

	Quarted ended		Half year ended	
	October to December 2012	October to December 2011	July to December 2012	July to December 2011
	------(Rupees '000s)-----			
Profit/(loss) after taxation	<b>119,488</b>	(115,998)	<b>177,453</b>	(225,513)
Other comprehensive income	<b>4,362</b>	3,812	<b>8,767</b>	15,047
Total comprehensive income	<b>123,850</b>	(112,186)	<b>186,220</b>	(210,466)

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

**Consolidated Condensed Interim  
Cash Flow Statement (Un-audited)  
For The Half Year Ended December 31, 2012**

	December 31, 2012	December 31, 2011
	------(Rupees '000s)-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) before taxation	<b>236,469</b>	(107,747)
Adjustments for:		
Depreciation	<b>367,435</b>	357,354
Amortisation	<b>6,647</b>	7,707
Provision for gratuity	<b>4,948</b>	2,110
Finance cost	<b>576,146</b>	687,779
Provision for slow moving/obsolete items	<b>6,144</b>	5,152
Provision for doubtful debts	<b>14,913</b>	14,600
Profit on sale of property, plant and equipment	<b>(15,563)</b>	(6,196)
	<b>1,197,139</b>	960,759
Changes in working capital:		
(Increase)/decrease in current assets		
Stores, spares and loose tools	<b>(76,036)</b>	(19,155)
Stock-in-trade	<b>(2,535,916)</b>	879,834
Trade debts	<b>(1,115,450)</b>	(390,342)
Loans and advances	<b>(189,506)</b>	(189,210)
Prepayments	<b>(68,854)</b>	(57,182)
Other receivables	<b>(73,373)</b>	(37,606)
Tax refunds due from government	<b>(58,547)</b>	(3,019)
	<b>(4,117,682)</b>	183,320
Increase in current liabilities		
Trade and other payables	<b>1,031,996</b>	439,260
	<b>(3,085,685)</b>	622,580
Cash (used in)/generated from operations	<b>(1,888,546)</b>	1,583,339
Payments for:		
Gratuity	<b>(7,761)</b>	(3,023)
Finance cost	<b>(521,194)</b>	(671,778)
Income tax paid	<b>(112,178)</b>	(85,728)
Long term loans and advances	<b>1,027</b>	(597)
Long term deposits	<b>(2,430)</b>	(7,791)
Net cash (used in)/generated from operating activities	<b>(2,531,082)</b>	<b>814,422</b>

**Consolidated Condensed Interim  
Cash Flow Statement (Un-audited)  
For The Half Year Ended December 31, 2012**

	Half year ended	
	December 31, 2012	December 31, 2011
	------(Rupees '000s)-----	
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition to property, plant and equipment	(338,449)	(372,456)
Addition to intangible assets	(5,232)	(2,020)
Proceeds from sale of property, plant and equipment	65,065	17,171
Net cash used in investing activities	(278,616)	(357,305)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term loans acquired	164,367	166,909
Repayments of long term loans	(348,996)	(306,552)
Right shares subscription	139,959	-
Net cash used in financing activities	(44,670)	(139,643)
Exchange difference on translation of foreign subsidiaries	8,767	15,047
<b>Net (decrease)/ increase in cash and cash equivalents</b>	<b>(2,845,601)</b>	<b>332,521</b>
<b>Cash and cash equivalents - at the beginning of the period</b>	<b>(7,209,802)</b>	<b>(9,731,717)</b>
<b>Cash and cash equivalents - at the end of the period</b>	<b>(10,055,403)</b>	<b>(9,399,196)</b>
<b>CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents comprises of :		
Cash and bank balances	403,547	93,400
Short term borrowings	(10,458,951)	(9,492,596)
	<u>(10,055,403)</u>	<u>(9,399,196)</u>

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

**Consolidated Condensed Interim  
Statement Of Changes In Equity (Un-audited)  
For The Half Year Ended December 31, 2012**

	Share capital	Revenue reserve	Exchange difference on translation of foreign subsidiaries	Capital reserve	Statutory reserve	Reserve for issue of bonus share	Un-appropriated profit	Total
(Rupees '000s)								
Balance as at June 30, 2011	634,785	2,430,000	44,788	450,446	8,290	-	1,278,023	4,846,332
Transfer to reserve for issue of bonus shares	-	-	-	(450,446)	-	634,786	(184,340)	-
Transfer to revenue reserve	-	1,000,000	-	-	-	-	(1,000,000)	-
<b>Transaction with owners</b>								
Issuance of bonus shares for the year	634,786	-	-	-	-	(634,786)	-	-
<b>Total comprehensive income</b>								
Loss for the half year ended December 31, 2011	-	-	-	-	-	-	(225,513)	(225,513)
Other comprehensive income	-	-	15,047	-	-	-	-	15,047
Total comprehensive income for the period	-	-	15,047	-	-	-	(225,513)	(210,466)
Balance as at December 31, 2011	<b>1,269,571</b>	<b>3,430,000</b>	<b>59,835</b>	-	<b>8,290</b>	-	<b>(131,830)</b>	<b>4,635,866</b>
Transfer to statutory reserve	-	-	-	-	1,856	-	(1,856)	-
<b>Total comprehensive income</b>								
Profit for the period ended June 30, 2012	-	-	-	-	-	-	9,928	9,928
Other comprehensive income	-	-	7,256	-	-	-	-	7,256
Total comprehensive income for the year	-	-	7,256	-	-	-	9,928	17,184
<b>Balance as at June 30, 2012</b>	<b>1,269,571</b>	<b>3,430,000</b>	<b>67,091</b>	-	<b>10,146</b>	-	<b>(123,758)</b>	<b>4,653,050</b>
Transfer from revenue reserve	-	(250,000)	-	-	-	-	250,000	-
<b>Total comprehensive income</b>								
Profit for the half year ended December 31, 2012	-	-	-	-	-	-	177,453	177,453
Other comprehensive income	-	-	8,767	-	-	-	-	8,767
Total comprehensive income for the period	-	-	8,767	-	-	-	177,453	186,220
<b>Balance as at December 31, 2012</b>	<b>1,269,571</b>	<b>3,180,000</b>	<b>75,858</b>	-	<b>10,146</b>	-	<b>303,695</b>	<b>4,839,270</b>
Right shares application money								139,959
								<u>4,979,229</u>

The annexed notes 1 to 10 form an integral part of these consolidated condensed interim financial information

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

**GulAhmed** Half Yearly Report 2012

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**Consolidated Condensed Interim  
Notes To The Accounts (Un-audited)  
For The Half Year Ended December 31, 2012**

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**1 THE GROUP AND ITS OPERATIONS**

1.1 Gul Ahmed Group comprises the following:

- Gul Ahmed Textile Mills Limited
- Gul Ahmed International Limited (FZC)- UAE
- GTM (Europe) Limited -UK
- GTM USA Corp. - USA

Gul Ahmed International Limited (FZC) -UAE is a wholly owned subsidiary of Gul Ahmed Textile Mills Limited, GTM (Europe) Limited is a wholly owned subsidiary of Gul Ahmed International Limited (FZC) - UAE and GTM USA Corp. is a wholly owned subsidiary of GTM (Europe) Limited.

Gul Ahmed Textile Mills Limited was incorporated on 1st April 1953 Pakistan as a private limited company, converted into public limited company on 7th January 1955 and was listed on Karachi and Lahore Stock Exchanges in 1970 and 1971 respectively. Gul Ahmed is a composite textile mill and is engaged in the manufacture and sale of textile products.

The Group's registered office is situated at Plot No. 82, Main National Highway, Landhi, Karachi.

All three subsidiaries are engaged in trading of textile related products.

1.2 **Basis Of Consolidation**

The consolidated financial statements include the financial statements of the Holding Company and subsidiaries - "the Group".

Subsidiary companies are consolidated from the date on which more than 50% voting rights are transferred to the Holding Company or power to govern the financial and operating policies over the subsidiary and is excluded from consolidation from the date of disposal or cessation of control.

The financial statements of the subsidiaries are prepared for the same reporting period as the Holding Company, using consistent accounting policies.

The assets and liabilities of the subsidiary company have been consolidated on a line-by-line basis and the carrying value of investment held by the Holding Company is eliminated against the subsidiary's share capital.

Material intra-group balances and transactions are eliminated.

**2. BASIS OF PREPARATION**

The consolidated accounts comprise the consolidated balance sheet of Gul Ahmed Textile Mills Limited, its wholly owned subsidiary company Gul Ahmed International Limited (FZC), GTM (Europe) Limited which is the wholly owned subsidiary of Gul Ahmed International Limited (FZC) and GTM USA Corporation which is the wholly owned subsidiary of GTM (Europe) Limited, as at December 31, 2012 and the related consolidated profit and loss account, consolidated cash flow statement and statement of changes in equity together with the notes forming part thereof for the period then ended. The financial statements of the subsidiary companies have been consolidated on a line by line basis.

## Notes to the Condensed Interim Consolidated Financial Information (Un-audited) For The Half Year Ended December 31, 2012

These consolidated condensed interim financial information of the Group for the half year ended December 31, 2012 have been prepared in accordance with the requirements of the International Accounting Standards 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.

These consolidated condensed interim financial information comprise of the consolidated condensed interim balance sheet as at December 31, 2012 and the consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity for the half year ended December 31, 2012.

The comparative balance sheet, presented in these consolidated condensed interim financial information, as at June 30, 2012 has been extracted from the audited financial statements of the Group for the year ended June 30, 2012 whereas the comparative consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity are for the half year ended December 31, 2012 have been extracted from the consolidated condensed interim financial information of the Group for the half year ended December 31, 2011.

### 3. ACCOUNTING POLICIES

Accounting policies and method of computations adopted for the preparation of these consolidated condensed interim financial information are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2012

### 4. CONTINGENCIES AND COMMITMENTS

The status of contingencies, as reported in the annual financial statements for the year ended June 30, 2012 except as stated below, remained unchanged during the current period.

- (a) Guarantees issued by Bank on behalf of the Group as at period end for Rs.267 million (June-2012: Rs.260 million) were outstanding.
- (b) Post dated cheques Rs. 171 million (June-2012: Rs.153 million) issued to various Government Agencies.
- (c) Bills discounted Rs. 886 million (June-2012: Rs. 1,731 million)
- (d) Corporate guarantee of Rs. 104.085 million (June-2012: Rs. 96.420) has been issued to a bank in favour of subsidiary company.

#### Commitments

Group is committed for certain expenditures which are stated as follows:

	<b>December 31, 2012</b>	<b>June 30, 2012</b>
	------(Rupees '000s)-----	
- Capital expenditure	<b>545,791</b>	196,876
- Non capital expenditure items under letters of credits	<b>2,195,047</b>	373,728
	<b>2,740,838</b>	570,604

**Notes to the Condensed Interim Consolidated Financial Information (Un-audited)  
For The Half Year Ended December 31, 2012**

	December 31, 2012	June 30, 2012
	------(Rupees '000s)-----	
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>		
<b>Operating assets</b>		
Opening book value	6,613,267	6,589,869
<b>Additions during the period</b>		
Building on leasehold land	8,225	98,876
Plant and machinery	421,962	531,789
Office equipment	8,283	51,693
Furniture and fixtures	2,040	6,490
Transport equipment	31,509	102,605
	<b>472,019</b>	<b>791,453</b>
<b>Book values of assets disposed-off during the period</b>		
Plant and machinery	(46,661)	(4,200)
Office equipment	(32)	(2,440)
Vehicles	(2,809)	(16,276)
	<b>(49,502)</b>	<b>(22,916)</b>
Depreciation charge for the period	(367,435)	(745,139)
<b>Book value of operating fixed assets</b>	<b>6,668,349</b>	<b>6,613,267</b>
<b>Capital work in progress</b>		
<b>Opening</b>	<b>226,169</b>	<b>71,643</b>
Addition		
- Machinery	219,499	716,067
- Building	29,793	68,677
- Others	12,844	9,302
Transferred		
- Machinery	(391,926)	(540,890)
- Building	(3,782)	(82,617)
- Others	-	(16,013)
<b>Closing</b>	<b>92,597</b>	<b>226,169</b>
<b>Book value of property, plant and equipment</b>	<b>6,760,947</b>	<b>6,839,436</b>
<b>6 INTANGIBLE ASSETS</b>		
Opening book value	29,465	42,322
Addition during the period	5,232	1,811
Amortization charge for the period	(6,647)	(14,668)
Closing net book value	<b>28,050</b>	<b>29,465</b>



**Notes to the Condensed Interim Consolidated Financial Information (Un-audited)  
For The Half Year Ended December 31, 2012**

**7. SEGMENT INFORMATION**

The Group has the following three reportable business segments:

- a) **Spinning:** Production of different qualities of yarn using both natural and artificial fibers
- b) **Processing:** Production of grey fabric, its processing into various types of fabrics for sale as well as to manufacture home textile products
- c) **Overseas subsidiaries:** These subsidiaries are also in the textile business reselling product to the ultimate customers, imported from Parent Company

Transactions among the business segments are recorded at cost.

**7.1 Segmental Profitability**

	SPINNING		PROCESSING		GUL AHMED INTERNATIONAL LIMITED FZC- UAE		GTM (EUROPE) LIMITED UK		GTM USA CORP.		ELIMINATION OF INTER SEGMENT TRANSACTION		TOTAL COMPANY	
	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011	December 2012	December 2011
	For the half year													
	(Rs. 000s)													
Sales	5,187,057	4,850,004	8,921,505	9,146,668	229,100	230,085	447,518	776,126	5,555	-	(1,458,499)	(3,137,005)	13,332,235	11,865,878
Cost of Sales	4,755,351	4,872,806	7,432,129	7,611,588	183,903	185,988	425,777	737,035	-	-	(1,466,376)	(3,145,439)	11,330,784	10,261,978
Gross profit	431,706	(22,802)	1,489,376	1,535,080	45,197	44,097	21,741	39,091	5,555	-	7,877	8,434	2,001,451	1,603,900
Administrative & selling expenses	119,159	57,939	1,004,278	917,944	35,916	31,391	25,141	26,864	6,855	-	-	-	1,191,349	1,034,138
Profit/(loss) before tax and before charging following	312,547	(80,741)	485,098	617,136	9,281	12,706	(3,400)	12,227	(1,300)	-	7,877	8,434	810,102	569,762
Financial charges														576,146
Other operating expenses														19,606
Other operating income														(22,120)
Taxation														59,016
Profit/(loss) after taxation														177,453

**7.2 Segment assets and liabilities**

	Spinning		Processing		GUL AHMED INTERNATIONAL LIMITED FZC- UAE		GTM (EUROPE) LIMITED UK		GTM USA CORP.		Unallocated		Total Company	
	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012	December 2012	June 2012
Assets	6,471,642	5,214,791	13,559,770	10,811,953	262,830	208,829	140,093	236,046	8,862	9,588	1,854,731	1,495,903	22,297,928	17,977,110
Liabilities	1,534,315	1,181,037	4,444,916	3,409,313	41,760	15,056	82,014	80,173	1,341	2,625	11,214,353	8,635,856	17,318,699	13,324,060

7.3 Unallocated items represent those assets, liabilities income and expenses which are common to all segments and investment in subsidiaries.

**Notes to the Condensed Interim Consolidated Financial Information (Un-audited)  
For The Half Year Ended December 31, 2012**

**7.4 Information by geographical area**

	Revenue		Non-current assets	
	December 2012	December 2011	December 2012	June 2012
	----- (Rs. 000s) -----			
Pakistan	5,295,235	4,561,692	6,828,059	6,906,156
Germany	1,385,568	1,270,521	-	-
United Kingdom	1,157,007	1,302,912	2,750	3,621
United States	917,460	802,136	4,564	3,782
China	862,709	841,446	-	-
France	567,486	496,989	-	-
Netherland	537,671	550,302	-	-
United Arab Emirates	219,842	391,418	5,729	6,043
Other Countries	2,389,257	1,648,462	-	-
<b>Total</b>	<b>13,332,235</b>	<b>11,865,878</b>	<b>6,841,102</b>	<b>6,919,602</b>

**8. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

The related parties comprise subsidiaries, associated companies, companies where directors also hold directorship, directors of the Group and key management personnel. The Group in the normal course of business carried out transaction with various related parties.

Relationship with The Company	Nature of transaction	December 31, 2012	December 31, 2011
		----- (Rupees '000s) -----	
<b>Associated Companies &amp; other related parties</b>	Purchase of goods	29,712	22,153
	Sale of goods	650	1,283
	Rent paid	3,600	2,910
	Fees paid	1,250	1,000
	Commission / Rebate received	2,603	1,688
	Bills discounted	270,057	367,813
	Commission / Bank charges paid	9,810	11,719
	Mark up / Interest charged	56,498	57,626
	Provident Fund Contribution	26,337	24,699
<b>Outstanding Balances</b>	<b>Nature of balances</b>	<b>December 31, 2012</b>	<b>June 30, 2012</b>
<b>Associated Companies &amp; other related parties</b>	Deposit with bank	206,023	44,498
	Borrowing from bank	1,113,900	1,144,905
	Bank guarantee	203,472	203,472
	Trade & other payable	5,874	12,615
	Accrued Mark up	27,312	26,430
	Trade debts	1,001	759
	Loans to key management personnel	3,174	5,183

There are no transactions with directors of the Group and key management personnel other than those under the terms of employment for the period ending Dec-2012 amounting to Rs. 222 million (Dec-2011: Rs. 205 million) on account of remuneration.

## Notes to the Condensed Interim Consolidated Financial Information (Un-audited) For The Half Year Ended December 31, 2012

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### 9. DATE OF AUTHORISATION

These consolidated condensed interim financial information were authorised for issue on February 27, 2013 by the Board of Directors of the Group.

### 10. GENERAL

Allocations for the workers' profit participation fund, workers' welfare fund and taxation are interim and final liability will be determined on the basis of annual results.

Figures have been rounded off to the nearest thousand rupees.

**MOHOMED BASHIR**  
Chairman and Chief Executive

**ZIAD BASHIR**  
Director

