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CORPORATE PROFILE

BOARD OF DIRECTORS

Mian Hassan Mansha
Mr. Khalid Qadeer Qureshi
Mr. Ahmad Aqeel
Mr. Asad Farooq
Mr. Saeed Ahmed Alvi
Mr. Mahmood Akthar
Mr. Shahzad Ahmad Malik

Chief Executive/Director
Chairman

AUDIT COMMITTEE

Mr. Khalid Qadeer Qureshi
Mr. Shahzad Ahmad Malik
Mr. Ahmad Aqeel

Member
Member/Chairman
Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Saeed Ahmad Alvi
Mian Hassan Mansha
Mr. Khalid Qadeer Qureshi

Member/Chairman
Member
Member

CHIEF FINANCIAL OFFICER

Mr. Tanvir Khalid

COMPANY SECRETARY

Mr. Khalid Mahmood Chohan

BANKERS OF THE COMPANY

Habib Bank Limited
United Bank Limited
Allied Bank Limited
National Bank of Pakistan
Bank Alfalah Limited
Faysal Bank Limited
Askari Bank Limited
Habib Metropolitan Bank Limited
Soneri Bank Limited
Silk Bank Limited
BankIslami Pakistan Limited
Meezan Bank Limited
HSBC Bank Middle East Limited
Dubai Islamic Bank Pakistan Limited
Burj Bank Limited
Albaraka Bank Pakistan Limited
First Women Bank Limited
The Bank of Punjab
MCB Bank Limited
Pak Kuwait Investment Co. (Pvt) Limited

AUDITORS

A. F. Ferguson & Co. Chartered Accountants

LEGAL ADVISOR

Cornelius, Lane & Mufti Advocates & Solicitors

REGISTERED OFFICE

53 - A, Lawrence Road, Lahore - Pakistan
UAN: 042-111-11-33-33

HEAD OFFICE

1-B, Aziz Avenue, Canal Bank,
Gulberg-V, Lahore - Pakistan
Tel: +92-42-35717090-96, 35717159-63
Fax: +92-42-35717239
Website: www.nishatpower.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.
Financial & Management Consultants
H.M. House, 7-Bank Square, Lahore - Pakistan.
Tel: 042-37235081-2

PLANT

66-K.M, Multan Road, Jambar Kalan,
Tehsil Pattoki, District Kasur, Punjab - Pakistan.

DIRECTORS' REPORT

The Board of Directors of Nishat Power Limited (the Company) is pleased to present their report together with the Condensed Interim Financial Information of the Company for the first quarter ended September 30, 2014.

FINANCIAL RESULTS:

During the period, the Company had turnover of Rs 7,016 million (2013: Rs 6,580 million) against operating cost of Rs 5,759 million (2013: Rs 5,656 million) resulting in a gross profit of Rs 1,258 million (2013: Rs 924 million). The Company earned profit before tax of Rs 792 million compared to Rs 542 million in the same period last year.

The current quarter's net profit after tax amounts to Rs 792 million resulting earnings per share of Rs 2.24 compared to previous year's quarterly profit after tax of Rs 542 million and earnings per share of Rs 1.53.

Included in trade debts is an amount of Rs 816 million deducted by National Transmission & Dispatch Company Limited ('NTDCL') from the Capacity Purchase Price invoices, as the plant was not fully available for power generation. Please refer note 8.1 to this Condensed Interim Financial Information for further details. In this regard, with the consent of NTDCL, the Company has taken up this matter to the Expert as per dispute resolution mechanism envisaged in the Power Purchase Agreement ('PPA') and the proceedings are underway. Based on the advice of the company's legal counsel, management feels that there are meritorious grounds to support the company's stance and such amounts are likely to be recovered. Consequently, no provision for the abovementioned amount has been made in this Condensed Interim Financial Information.

NTDCL continues to default on its payment obligations. The Company took up the matter with NTDCL and Private Power & Infrastructure Board ('PPIB') by giving notices of default pursuant to provisions of PPA and Implementation Agreement. Total receivables from NTDCL on September 30, 2014 stand at Rs 10,722 million, out of which overdue receivables are Rs 5,757 million.

The plant operated at optimal efficiency and dispatched 391.861 GWh of electricity to its customer (NTDCL) during the quarter with 90.87% average capacity factor.

KEY OPERATING AND FINANCIAL DATA:

Quarter Ended September 30,	2014	2013
	(Rupees in Million)	
Turnover	7,016	6,580
Net Profit	792	542
Total non-current assets	12,990	13,831
Issued, subscribed and paid up capital	3,541	3,541
Long term financing	10,541	11,545
Short term financing	2,953	815
Generation (MW)	391,861	349,532
Earnings per share-basic and diluted (Rs.)	2.24	1.53
Share prices (Market value rupees per share)	38.30	30.80

DIVIDENDS

The directors have recommended an interim cash dividend of 10% i.e. Rupee 1 per ordinary share, amounting to Rs. 354.089 million.



DIRECTOR

Lahore: October 28, 2014



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984

This condensed interim financial information has been signed by two directors instead of chief executive and one director, as the chief executive is for the time being not in Pakistan.

CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)

AS AT SEPTEMBER 30, 2014

	Note	Un-audited September 30, 2014 -----Rupees in thousand-----	Audited June 30, 2014
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 500,000,000 (June 30, 2014: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid up share capital 354,088,500 (June 30, 2014: 354,088,500) ordinary shares of Rs 10 each		3,540,885	3,540,885
Revenue reserve: Un-appropriated profit		7,606,038	6,814,438
		11,146,923	10,355,323
NON-CURRENT LIABILITY			
Long term financing - secured	5	9,374,370	9,682,778
CURRENT LIABILITIES			
Current portion of long term financing - secured	5	1,166,954	1,123,854
Short term borrowings - secured		2,952,920	3,042,030
Trade and other payables		2,116,571	1,917,757
Accrued finance cost		387,781	400,826
		6,624,226	6,484,467
CONTINGENCIES AND COMMITMENTS			
	6	27,145,519	26,522,568

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



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984

This condensed interim financial information has been signed by two directors instead of chief executive and one director, as the chief executive is for the time being not in Pakistan.

	Note	Un-audited September 30, 2014	Audited June 30, 2014
-----Rupees in thousand-----			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	7	12,990,192	13,259,224
CURRENT ASSETS			
Stores, spares and loose tools		767,914	528,731
Inventories		1,331,994	968,978
Trade debts	8	10,722,484	10,348,174
Advances, deposits, prepayments and other receivables		517,557	349,638
Income tax receivable		6,605	28,397
Cash and bank balances		808,773	1,039,426
		14,155,327	13,263,344
		27,145,519	26,522,568



DIRECTOR

**CONDENSED INTERIM
PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	Note	Quarter ended	
		September 30, 2014	September 30, 2013
-----Rupees in thousand-----			
Sales		7,016,380	6,579,919
Cost of sales	9	(5,758,659)	(5,655,513)
Gross profit		1,257,721	924,406
Administrative expenses		(45,679)	(29,563)
Other expenses		(588)	(5,791)
Other income		3,324	20,564
Finance cost		(423,178)	(368,028)
Profit before taxation		791,600	541,588
Taxation		-	-
Profit for the period		791,600	541,588
Earnings per share - basic and diluted - rupees	10	2.236	1.530

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



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984



DIRECTOR

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**CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	Note	Quarter ended	
		September 30, 2014	September 30, 2013
-----Rupees in thousand-----			
Profit for the period		791,600	541,588
Other comprehensive income:		-	-
Items that may be reclassified subsequently to profit or loss		-	-
Items that will not be reclassified subsequently to profit or loss		-	-
		-	-
Total comprehensive income for the period		791,600	541,588

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



DIRECTOR



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984

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**CONDENSED INTERIM
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	Share capital	Revenue reserve: Un-appropriated profit	Total
	-----Rupees in thousand-----		
Balance as on July 01, 2013 - audited	3,540,885	5,667,550	9,208,435
Profit for the period	-	541,588	541,588
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	541,588	541,588
Balance as on September 30, 2013 (un-audited)	3,540,885	6,209,138	9,750,023
Balance as on July 01, 2014 - audited	3,540,885	6,814,438	10,355,323
Profit for the period	-	791,600	791,600
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	791,600	791,600
Balance as on September 30, 2014 (un-audited)	3,540,885	7,606,038	11,146,923

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



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984



DIRECTOR

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**CONDENSED INTERIM
CASH FLOW STATEMENT(UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	Note	Quarter ended	
		September 30, 2014	September 30, 2013
-----Rupees in thousand-----			
Cash flows from operating activities			
Cash generated from/(used in) operations	11	831,257	(1,383,869)
Finance cost paid		(436,223)	(487,892)
Income tax refund/(paid)		21,792	(366)
Retirement benefits paid		(862)	(1,018)
Net cash inflow/(outflow) from operating activities		415,964	(1,873,145)
Cash flows from investing activities			
Purchase of property, plant and equipment		(206)	(116,269)
Profit on bank deposits received		3,726	2,053
Net cash inflow/(outflow) from investing activities		3,520	(114,216)
Cash flows from financing activities			
Repayment of long term financing		(265,308)	(228,231)
Dividend paid		(295,719)	(59)
Net cash outflow from financing activities		(561,027)	(228,290)
Net decrease in cash and cash equivalents		(141,543)	(2,215,651)
Cash and cash equivalents at the beginning of the period		(2,002,604)	1,488,889
Cash and cash equivalents at the end of the period	12	(2,144,147)	(726,762)

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



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984



DIRECTOR

This condensed interim financial information has been signed by two directors instead of chief executive and one director, as the chief executive is for the time being not in Pakistan.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

1. The company and its activities

Nishat Power Limited (the 'company') is a public limited company incorporated in Pakistan. The company is a subsidiary of Nishat Mills Limited. The company's ordinary shares are listed on the Karachi Stock Exchange Limited and Lahore Stock Exchange Limited.

The principal activity of the company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the company is 53-A, Lawrence Road, Lahore. The company has a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from June 09, 2010.

2. Basis of preparation

This condensed interim financial information is unaudited and is being submitted to shareholders as required by section 245 of the Companies Ordinance, 1984. This condensed interim financial information has been prepared in accordance with the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This condensed interim financial information does not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements for the year ended June 30, 2014.

3. Accounting policies

The accounting policies and methods of computations adopted for the preparation of this condensed interim financial information are the same as applied in the preparation of the preceding annual published financial statements of the company for the year ended June 30, 2014.

4. Critical accounting estimates and judgements

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of this condensed interim financial information, the significant judgements made by the management in applying the company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the company for the year ended June 30, 2014.

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	Un-audited September 30, 2014	Audited June 30, 2014
	-----Rupees in thousand-----	
5. Long term financing - secured		
Opening balance	10,806,632	11,773,428
Less: Repayments during the period / year	265,308	966,796
	10,541,324	10,806,632
Less: Current portion shown under current liabilities	1,166,954	1,123,854
	9,374,370	9,682,778

6. Contingencies and commitments

6.1 Contingencies

- (i) National Electric Power Regulatory Authority ('NEPRA') issued an order dated 8th February, 2013 through which it raised a demand of Rs 290.423 million payable by the company to NTDC for the period up to June 30, 2011 in respect of Calorific Value ('CV') adjustment on fuel consumed for power generation as per the terms of the PPA and various CV adjustment mechanisms prescribed by NEPRA. The first such CV adjustment mechanism was announced by NEPRA in March 2009 and as per this mechanism, the company has already made a provision of Rs 20.332 million in its financial statements for the above CV adjustment. In July 2011, NEPRA revised its CV adjustment mechanism and directed all Independent Power Producers ('IPPs') to maintain consignment-wise CV record of the fuel received and consumed for power generation. Consequently, the company started maintaining such CV record after such direction was received from NEPRA.

NEPRA directed the company to submit consignment-wise record of CV for the period up to June 30, 2011. The company disputed such direction as it was not required to maintain consignment-wise record prior to July 2011. However, NEPRA computed retrospectively and determined Rs 290.423 million payable by the company to NTDC for the period up to June 30, 2011 in respect of CV adjustment on the basis of the mechanism directed by it in July 2011. The company filed a Motion for Leave for Review before NEPRA requesting it to reconsider its decision, which was decided against the company. Consequently, the company filed a writ petition before the Islamabad High Court against NEPRA's decision on the grounds that change in CV adjustment mechanism in July 2011 cannot be applied retrospectively and credible information is also not available from any source upon which CV adjustment computations can be made. The case is pending adjudication before Islamabad High Court.

Based on the advice of the company's legal counsel, management feels that there are meritorious grounds to support the company's stance and the aforesaid NEPRA's decision is likely to be revoked. Under these circumstances, no provision of the balance amount of Rs 270.092 million has been made in this condensed interim financial information.

- (ii) In financial year 2014, a sales tax demand of Rs 1,218.132 million was raised against the company through order dated December 11, 2013 by the Assistant Commissioner Inland

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2014

Revenue ('ACIR') by disallowing input sales tax for the tax periods from July 2010 to June 2012. Such amount was disallowed on the grounds that the revenue derived by the company on account of 'capacity purchase price' was against a non-taxable supply and thus, the entire amount of input sales tax claimed by the company was required to be apportioned with only the input sales tax attributable to other revenue stream i.e. 'energy purchase price' admissible to the company. Against the aforesaid order, the company preferred an appeal before the Commissioner Inland Revenue (Appeals) ('CIR(A)') who vacated the ACIR's order on the issue regarding apportionment of input sales tax. However, the CIR(A) did not adjudicate upon the company's other grounds of appeal. Consequently, the company preferred an appeal before the Appellate Tribunal Inland Revenue ('ATIR') on the issues not adjudicated upon by the CIR(A) and the Department also preferred a second appeal before the ATIR against the CIR(A)'s order, which are both pending adjudication.

Furthermore, during the current period, the Deputy Commissioner Inland Revenue ('DCIR') has issued a show cause notice dated August 19, 2014 whereby intentions have been shown to raise a sales tax demand of Rs 1,722.811 million by disallowing input sales tax claimed by the company for the tax periods from July 2009 to June 2013 on the abovementioned grounds of the ACIR. Aggrieved by this show cause notice, the company has filed a writ petition before the Lahore High Court ('LHC'), whereby the LHC through its orders dated September 2, 2014 has provided interim relief to the company to the extent that no final order shall be passed by the DCIR until the next hearing.

Based on the advice of the company's legal counsel, management believes that there are meritorious grounds to defend the company's stance in respect of the abovementioned input sales tax claimed by the company. Consequently, no provision has been made in this condensed interim financial information.

- (iii) The banks have issued the following on behalf of the company:
- (a) Irrevocable standby letter of credit in favour of Wartsila Pakistan (Private) Limited for Rs 45 million (2014: Rs 45 million) as required under the terms of the Operation and Maintenance Agreement.
 - (b) Letter of guarantee of Rs 4.5 million (2014: Rs 3.5 million) in favour of Director, Excise and Taxation, Karachi under direction of Sindh High Court in respect of suit filed for levy of infrastructure cess.
 - (c) Irrevocable standby letter of credit in favour of fuel supplier for Rs 1,165.5 million (2014: 781.358 million).
- (iv) A post dated cheque has been furnished by the company in favour of the Collector of Customs to cover import levies against imports aggregating to Rs 8.22 million (2014: Rs 8.22 million).

6.2 Commitments

- (i) Letters of credit and contracts other than for capital expenditure aggregate to Rs 64.550 million (2014: Rs 279.517 million).

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

- (ii) The amount of future payments under operating lease and the period in which these payments will become due are as follows:

	Un-audited	Audited
	September 30,	June 30,
	2014	2014
	-----Rupees in thousand-----	
Not later than one year	15,577	15,577
Later than one year and not later than five year	72,367	71,718
	87,944	87,295

- (iii) The company has an agreement with Wartsila Pakistan (Private) Limited for the operations and maintenance ('O&M') of the power station, until the earlier of the completion of 35,000 hours of first Generator Set or five years starting from the Commercial Operations Date of the power station i.e. June 09, 2010. Under the terms of the O&M agreement, the company is required to pay a monthly fixed O&M fee and a variable O&M fee depending on the net electrical output, both of which are adjustable according to the Wholesale Price Index.

	Note	Un-audited	Audited
		September 30,	June 30,
		2014	2014
		-----Rupees in thousand-----	
7. Property, plant and equipment			
Operating fixed assets	- note 7.1	12,970,542	13,239,574
Major spare parts and standby equipment		19,650	19,650
		12,990,192	13,259,224
7.1 Operating fixed assets			
Opening book value		13,239,574	13,841,220
Add: Additions during the period / year	- Note 7.1.1	205	497,070
		13,239,779	14,338,290
Less: Book value of deletions during the period / year		-	27,346
		13,239,779	14,310,944
Less: Depreciation/Impairment charged for the period / year		269,238	1,071,370
		12,970,541	13,239,574
7.1.1 Additions during the period / year			
Plant and machinery		-	490,791
Computer equipment		159	691
Furniture and fixtures		46	365
Office equipment		-	427
Vehicles		-	4,796
		205	497,070

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

8. Trade debts

- 8.1 Included in trade debts is an amount of Rs 816.041 million relating to capacity purchase price not acknowledged by NTDC as the plant was not fully available for power generation. However, the sole reason of this under-utilization of plant capacity was non-availability of fuel owing to non-payment by NTDC.

Since management considers that the primary reason for claiming these payments is that plant was available, however, could not generate electricity due to non-payment by NTDC, therefore, management believes that company cannot be penalized in the form of payment deductions due to NTDC's default of making timely payments under the PPA. Hence, the company had taken up this issue at appropriate forums. On June 28, 2013, the company entered into a Memorandum of Understanding ('MoU') for cooperation on extension of credit terms with NTDC whereby it was agreed that the constitutional petition filed by the company before the Supreme Court of Pakistan on the abovementioned issue would be withdrawn unconditionally and it would be resolved through the dispute resolution mechanism under the PPA. Accordingly, as per terms of the MoU, the company applied for withdrawal of the aforesaid petition which is pending adjudication before Supreme Court of Pakistan. During the current year, the company in consultation with NTDC, appointed an Expert for dispute resolution under the PPA. The proceedings before the Expert are under process. Based on the advice of the company's legal counsel, management feels that there are meritorious grounds to support the company's stance and such amounts are likely to be recovered. Consequently, no provision for the above mentioned amount has been made in this condensed interim financial information.

<u>Un-audited</u> <u>September 30,</u> <u>2014</u>	<u>Un-audited</u> <u>September 30,</u> <u>2013</u>
-----Rupees in thousand-----	

9. Cost of sales

Raw materials consumed	5,308,185	5,096,412
Salaries and other benefits	12,546	10,817
Operation and maintenance	93,937	91,819
Stores, spares and loose tools consumed	33,149	136,000
Insurance	41,159	42,628
Travelling and conveyance	169	732
Printing and stationery	104	107
Postage and telephone	171	66
Vehicle running expenses	449	673
Entertainment	44	210
Depreciation on operating fixed assets	266,784	274,154
Fee and subscription	792	1,087
Miscellaneous	1,170	808
	5,758,659	5,655,513

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

		Un-audited September 30, 2014	Un-audited September 30, 2013
10. Earnings per share			
10.1 Basic earnings per share			
Net profit for the period	Rs in '000	791,600	541,588
Weighted average number of ordinary shares	Number in '000	354,089	354,089
Earnings per share	Rupees	2.236	1.530

10.2 Diluted earnings per share

A diluted earnings per share has not been presented as the company does not have any convertible instruments in issue as at September 30, 2014 and September 30, 2013 which would have any effect on the earnings per share if the option to convert is exercised.

		Un-audited September 30, 2014	Un-audited September 30, 2013
		-----Rupees in thousand-----	
11. Cash generated from/(used in) operations			
Profit before taxation		791,600	541,588
Adjustment for non cash charges and other items:			
Depreciation on operating fixed assets		269,238	276,459
Profit on bank deposits		(3,324)	(20,480)
Finance cost		423,178	368,028
Provision for employee retirement benefits		1,553	1,018
Profit before working capital changes		1,482,245	1,166,613
Effect on cash flow due to working capital changes:			
(Increase) / decrease in current assets			
Stores, spares and loose tools		(239,183)	(9,544)
Inventories		(363,016)	(1,120,994)
Trade debts		(374,310)	(1,757,896)
Advances, deposits, prepayments and other receivables		(168,321)	2,610
		(1,144,830)	(2,885,824)
(Decrease) / increase in current liabilities			
Trade and other payables		493,842	335,342
		(650,988)	(2,550,482)
		831,257	(1,383,869)

**NOTES TO AND FORMING PART OF THE CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2014**

	<u>Un-audited</u> <u>September 30,</u> <u>2014</u>	<u>Un-audited</u> <u>September 30,</u> <u>2013</u>
	-----Rupees in thousand-----	
12. Cash and cash equivalents		
Cash and bank balances	808,773	87,880
Short term borrowings - secured	(2,952,920)	(814,642)
	(2,144,147)	(726,762)

13. Transactions with related parties

The related parties comprise the holding company, subsidiaries and associates of holding company, associated undertakings, directors and key management personnel of the company and its holding company and post employment benefit plan. The company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

		<u>Un-audited</u> <u>September 30,</u> <u>2014</u>	<u>Un-audited</u> <u>September 30,</u> <u>2013</u>
		-----Rupees in thousand-----	
Relationship with the company	Nature of transactions		
i. Associated undertakings	Purchases of goods and services	10,419	1,666
	Rental expense	3,115	3,115
	Insurance premium	41,463	57,540
	Share deposit money against purchase of shares	2,500	-
ii. Post employment benefit plan	Expense charged in respect of retirement benefit plan	1,553	1,018
iii. Key management personnel	Salaries and other employee benefits	32,041	19,058
Period end balances			
	Payable to related parties	14,531	9,446
	Receivable from related parties	793	-

Period end balances are in the normal course of business and are interest free.

14. Date of authorisation for issue

This condensed interim financial information was authorised for issue on October 28, 2014 by the Board of Directors of the company.

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED SEPTEMBER 30, 2014

15. Events after the balance sheet date

The Board of Directors have declared an interim dividend of Rupee 1 per ordinary share, amounting to Rupees 354.089 million at their meeting held on October 28, 2014. This condensed interim financial information does not include the effect of the above interim dividend which will be accounted for in the period in which it is declared.

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.



DIRECTOR

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE 1984



DIRECTOR

This condensed interim financial information has been signed by two directors instead of chief executive and one director, as the chief executive is for the time being not in Pakistan.

NOTES
