

**INDUS DYEING & MANUFACTURING
COMPANY LIMITED**

**JULY 01, 2012
to
MARCH 31, 2013
(Un - audited)**

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Company profile

Board of directors

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| 1. Mian Mohammad Ahmed (Chairman) | 2. Mr. Shahzad Ahmed (Chief Executive) |
| 3. Mian Riaz Ahmed | 4. Mr. Naveed Ahmed |
| 5. Mr. Imran Ahmed | 6. Mr. Kashif Riaz |
| 7. Mr. Irfan Ahmed | 8. Mr. Shafqat Masood |
| 9. Mr. Shahwaiz Ahmad | 10. Mr. Farooq Hassan (Nominee N.I.T.) |

Audit committee

- | | |
|--------------------|--------------|
| 1. Mian Riaz Ahmed | (Chairman) |
| 2. Mr. Kashif Riaz | (Member) |
| 3. Mr. Irfan Ahmed | (Member) |

Human resource and remuneration committee

- | | |
|--------------------|--------------|
| Mr. Imran Ahmed | (Chairman) |
| Mr. Shahwaiz Ahmad | (Member) |
| Mr. Shafqat Masood | (Member) |

Company secretary

Mr. Ahmed Faheem Niazi

Chief financial officer

Mr. Arif Abdul Majeed

Chief Internal auditor

Mr. Yaseen Hamidia

Registered office

Office # 508.
5th floor, Beaumont Plaza,
Civil Lines Quarters, Karachi.

Tel. 111 - 404 - 404
Fax. 35693593 - 94

Symbol of the company

IDYM

Website

www.indus-group.com/web/download.htm

Auditors

M/s Yousuf Adil Saleem & Co.
Chartered Accountants

Registrar & Share Transfer Office

Evolution Factor (Pvt) Ltd.
(Formerly Corporate Support Services (Pvt) Ltd.)
407-408, Al - Ameera Centre, Tel. 35662023 - 24
Shahrah-e-Iqbal, Saddar, Karachi. Fax. 35221192

Factory location

- | | |
|---|--------------------------|
| 1. P 1 S.I.T.E.
Hyderabad, Sindh. | Tel. 0223 - 880219 & 252 |
| 2. Plot # 3 & 7, Sector - 25,
Korangi Industrial Area, Karachi. | Tel. 021- 35061577 - 9 |
| 3. Muzaffargarh, Bagga Sher,
District Multan. | Tel. 0662 - 490202 - 205 |
| 4. Indus Lyallpur Limited.
38th Kilometre, Shaikhupura Road,
District Faisalabad. | Tel. 041 - 4689235 - 6 |

Directors' Report

Dear Shareholders,

We are pleased to present the third quarterly (un-audited) consolidated condensed accounts for the period ended March 31, 2013. Your company earned a pre-tax profit of **Rs. 1.827 billion** and after tax profit of **Rs. 1.686 billion**. Earning per share is **Rs. 93.28** (par value Rs. 10/= per share)

The Directors of the Company are pleased to recommend 100% interim cash dividend (Rs. 10.00 per share)

By the grace of God your company earned handsome profits during the period in spite of increased in wages and a shortage of power supply especially in Punjab, but better cost control measures and timely procurement of raw material helped the company to achieve these good results.

As mentioned in our last half yearly report apart from our BMR plan, we are also extending our Muzaffargarh unit by approx 24,000 spindles with complete back process and power generation equipments. The estimated project cost is 1.8 billion. Letter of credits opened for all the machinery and equipment. We hope commercial production of this unit will be started in Nov/Dec-2013.

We further state that :

- a The financial statements prepared by the management, present fairly its state of affairs, the result of its operations, cash flow & changes in equity.
- b Proper books of accounts have been maintained.
- c Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d International Accounting Standards, as applicable in Pakistan have been followed in preparation of these financial statements.
- e There are no significant doubts upon the company's ability to continue as a going concern.
- f Internal auditor is continuously reviewing the existing system of internal control and other procedures. The process of review will continue and any weakness in controls will have immediate attention of the management.
- g There has been no material departure from the best practices of Corporate Governance, as detailed in the listing regulations.

The labour management relations remained cordial and we would like to thanks to the employees of the Company for their hard work and Company's Bankers for their co-operation.

For and behalf of Board
Shahzad Ahmed
Chief Executive Officer

Karachi : the 30th April, 2013

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2013

Note	March 31, 2013 (Unaudited)	June 30, 2012 (Audited)
	----- Rupees in '000' -----	
SHARE CAPITAL AND RESERVES		
Authorised 45,000,000 ordinary shares of Rs. 10 each	450,000	450,000
Issued, subscribed and paid up 18,073,732 ordinary shares of Rs. 10 each	180,737	180,737
Reserves	5,022,432	5,022,432
Un-appropriated profit	2,627,681	1,861,555
	7,830,850	7,064,724
NON-CURRENT LIABILITIES		
Long-term financing	734,815	890,712
Liabilities against assets subject to finance lease	-	2,231
Deferred liabilities	313,466	295,042
	1,048,281	1,187,985
CURRENT LIABILITIES		
Trade and other payables	557,028	492,383
Interest / mark-up payable	41,717	24,978
Short-term borrowings	3,628,547	1,390,109
Current portion of : long-term financing	259,642	90,883
liabilities against assets subject to finance lease	3,434	4,637
	4,490,368	2,002,990
CONTINGENCIES AND COMMITMENTS	7	
	13,369,499	10,255,699

Note	March 31, 2013 (Unaudited)	June 30, 2012 (Audited)
	----- Rupees in '000' -----	
NON-CURRENT ASSETS		
Property, plant and equipment	4,147,598	3,951,096
Long term investments	2,201,560	2,370,852
Long-term deposits	2,644	3,623
	6,351,802	6,325,571
CURRENT ASSETS		
Stores, spares and loose tools	183,271	165,735
Stock-in-trade	5,352,251	2,622,335
Trade debts	1,191,278	773,638
Loans and advances	59,134	85,133
Trade deposits and short-term prepayments	10,154	1,550
Other receivables	19,705	12,436
Other financial assets	11,502	12,437
Tax refundable	101,224	99,236
Cash and bank balances	89,178	157,628
	7,017,697	3,930,128
	13,369,499	10,255,699

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2013

	Note	Nine months period ended		Quarter ended	
		March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
		(July - March)		(January - March)	
		----- Rupees in '000' -----			
Sales		13,127,343	11,141,827	4,434,630	3,708,469
Cost of goods sold	10	(10,731,222)	(9,562,826)	(3,481,949)	(3,100,780)
Gross profit		2,396,121	1,579,001	952,681	607,689
Other operating income / (loss)		29,832	7,495	2,814	(10,208)
		2,425,953	1,586,496	955,495	597,481
Distribution cost		(288,211)	(230,347)	(83,965)	(78,634)
Administrative expenses		(140,847)	(109,919)	(44,142)	(35,996)
Other operating expenses	6	(213,614)	(65,506)	(155,280)	(19,818)
Financial cost		(211,770)	(183,660)	(100,880)	(103,329)
		(854,442)	(589,432)	(384,267)	(237,777)
Profit on investment in Associate (distributed as specie dividend)		119,899	-	119,899	-
Profit before taxation		1,691,410	997,064	691,127	359,704
Taxation	5	(124,619)	(78,421)	(60,140)	(42,783)
Profit after taxation		1,566,791	918,643	630,987	316,921
Earnings per share - Basic and diluted		86.69	50.83	34.91	17.53

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2013

	Nine months period ended		Quarter ended	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
	----- Rupees in '000' -----			
Profit for the period	1,566,791	918,643	630,987	316,921
Other comprehensive income	-	-	-	-
	1,566,791	918,643	630,987	316,921
Total comprehensive income for the period	1,566,791	918,643	630,987	316,921

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED MARCH 31, 2013

	Reserves					Total
	Share Capital	Capital		Revenue		
		Share Premium	Merger Reserve	General Reserve	Un-appropriated Profit	
----- Rupees in '000' -----						
Balance at July 01, 2011	180,737	10,920	11,512	4,000,000	1,339,625	5,542,794
Comprehensive Income						
Profit for the period ended September 30, 2011	-	-	-	-	327,230	327,230
Balance at September 30, 2011 (unaudited)	180,737	10,920	11,512	4,000,000	1,666,855	5,870,024
Transaction with owners:						
Final cash dividend for the year ended June 30, 2011 @ Rs. 10 per share	-	-	-	-	(180,737)	(180,737)
Interim cash dividend for the period ended September 30, 2011 @ Rs. 5 per share	-	-	-	-	(90,369)	(90,369)
Profit for the period ended December 31, 2011	-	-	-	-	274,492	274,492
Balance at December 31, 2011 (unaudited)	180,737	10,920	11,512	4,000,000	1,670,241	5,873,410
Comprehensive Income						
Profit for the period ended March 31, 2012	-	-	-	-	316,921	316,921
Balance at March 31, 2012 (unaudited)	180,737	10,920	11,512	4,000,000	1,987,162	6,190,331

Balance at July 01, 2012	180,737	10,920	11,512	5,000,000	1,861,555	7,064,724
Profit for the period ended September 30, 2012	-	-	-	-	383,890	383,890
Balance at September 30, 2012 (unaudited)	180,737	10,920	11,512	5,000,000	2,245,445	7,448,614
Profit for the period ended December 31, 2012	-	-	-	-	551,915	551,915
Transaction with owners:						
Final cash dividend for the year ended June 30, 2012 @ Rs. 20 per share	-	-	-	-	(361,474)	(361,474)
Balance at December 31, 2012 (unaudited)	180,737	10,920	11,512	5,000,000	2,435,886	7,639,055
Comprehensive Income						
Profit for the period ended March 31, 2013	-	-	-	-	630,987	630,987
Transaction with owners:						
Distribution of specie dividend 1,626,636 ordinary shares of Sun Rays Textile Mills Limited.	-	-	-	-	(439,192)	(439,192)
Balance at March 31, 2013 (unaudited)	180,737	10,920	11,512	5,000,000	2,627,681	7,830,850

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
UNCONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2013

	Nine months period ended	
	March 31, 2013	March 31, 2012
	-----Rupees in '000' -----	
A. CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,691,410	1,173,868
Profit on investment in Associate	(119,899)	-
Adjustments for:		
Depreciation of property, plant and equipment	286,254	245,636
Provision for gratuity	39,218	28,800
Loss on derivative financial instruments	17,047	7,978
Gain on disposal of property, plant and equipment	(1,299)	(1,064)
Gain on disposal of other financial assets	(37)	(17,144)
Finance cost	211,770	184,534
Dividend income	(17,608)	(656)
Gain on bargain purchase		(82,115)
Share of profit from Associate	-	(63,120)
Share of loss / (profit) from Joint Venture	-	(36,681)
Operating profit before working capital changes	2,106,856	1,440,036
Working capital changes		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(17,536)	(51,363)
Stock in trade	(2,729,916)	(2,514,176)
Trade debts	(417,640)	328,911
Loans and advances	(28,886)	(17,181)
Trade deposits and short-term prepayments	(8,604)	1,319
Other receivables	(7,269)	(5,930)
Other financial assets	934	-
Tax refundable	(18,700)	(2,898)
Increase in current liabilities		
Trade and other payables	81,154	90,960
	(3,146,463)	(2,170,358)
Cash used in operations	(1,039,607)	(730,322)
Income taxes paid	(115,906)	(159,456)
Finance cost paid	(195,031)	(146,326)
Gratuity paid	(15,577)	(19,594)
Net cash used in operating activities	(1,366,121)	(1,055,698)

B. CASH FLOWS FROM INVESTING ACTIVITIES

Acquisition of subsidiary - net of cash and running finance acquired	-	(678,810)
Purchase of property, plant and equipment	(437,745)	(1,462,893)
Capital work in progress	(48,748)	(145,115)
Proceeds on disposal of property, plant and equipment	5,035	29,576
Proceeds on disposal of other financial assets	32	12,511
Long-term deposits	979	(315)
Investment in subsidiary	(150,000)	-
Dividend received	17,608	656
Net cash used in investing activities	(612,839)	(2,244,390)

C. CASH FLOWS FROM FINANCING ACTIVITIES

Long-term financing obtained	78,000	1,218,458
Repayment of long-term financing	(68,263)	(197,238)
Repayment of liabilities against assets subject to finance lease	(3,434)	(23,915)
Short term borrowings - net	(695,481)	1,237,758
Dividend paid	(337,358)	(253,325)
Net cash (used in) / from financing activities	(1,026,536)	1,981,738
Net decrease in cash and cash equivalent	(3,005,496)	(1,318,350)
Cash and cash equivalent at beginning of the period	(531,536)	(45,095)
Cash and cash equivalent at end of the period	(3,537,032)	(1,363,445)

CASH AND CASH EQUIVALENTS

Cash and bank balances	89,178	38,514
Short-term running finance	(3,626,210)	(1,401,959)
	(3,537,032)	(1,363,445)

The annexed notes from 1 to 15 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

INDUS DYEING & MANUFACTURING COMPANY LIMITED
SELECTED EXPLANATORY NOTES
TO THE UNCONSOLIDATED CONDENSED
INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE THIRD QUARTER ENDED MARCH 31, 2013

1. LEGAL STATUS AND NATURE OF BUSINESS

Indus Dyeing & Manufacturing Co. Limited (the Company) was incorporated in Pakistan on July 23, 1957 as a public limited Company under the Companies Act 1913 since repealed and replaced by the Companies Ordinance, 1984. Registered office of the Company is situated at Office No. 508, 5th, floor, Beaumont Plaza, Civil Lines, Karachi. The Company is currently listed on Karachi Stock Exchange Limited. The principal activity of the Company is manufacturing and sale of yarn. The manufacturing facilities of the Company are located in Karachi, Hyderabad and Muzaffargarh. The Company is also operating two ginning units including one on leasing arrangements in District Multan. The Company has also made investments in a joint venture, Indus Home Limited and in an associate, Sunrays Textile Mills Limited. The Company has also investment in a subsidiary, Indus Lyallpur Limited (formerly MIMA Cotton Mills Limited).

2. BASIS OF PREPARATION

- 2.1** These consolidated condensed interim financial information is unaudited and has been prepared in accordance with the approved Financial Reporting Standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board as notified under the provision of the Companies Ordinance, 1984 and the directives issued by the Securities and Exchange Commission of Pakistan (SECP). Wherever the requirements of the Companies Ordinance, 1984 or the directives issued by the SECP differ with the requirements of The Companies Ordinance, 1984 and the said directives shall take precedence.

- 2.2** The accounting policies and methods of computation followed in the preparation of the unconsolidated condensed interim financial information are the same as those of the published annual audited financial statements for the year ended June 30, 2012. This unconsolidated condensed interim financial information does not include all of the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended June 30, 2012.
- 2.3** The comparative balance sheet presented has been extracted from annual financial statements for the year ended June 30, 2012, whereas comparative condensed profit and loss account, condensed cash flow statement and condensed statement of changes in equity are stated from the unaudited condensed interim financial information for the third quarter ended March 31, 2012.

3. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan for interim financial reporting requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revision to accounting estimates are recognized prospectively commencing from the period of revision.

In preparing this unconsolidated condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key source of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2012.

4. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2012.

5. TAXATION

The charge for current taxation is based on taxable income at the current rate of taxation after taking into account applicable tax credit, rebates and exemption available, if any. However, for income covered under final tax regime, taxation is based on applicable tax rates under such regime.

6. WORKERS' WELFARE FUND

An amount of Rs. 102.914 million has been provisioned against a demand raised under the Workers' Welfare Fund Ordinance, 1971, (the "Ordinance") for the period from June 2011 and 2012 Rs. 71.269 million and for the third quarter March 2013 Rs. 31.645 million. This demand is under challenge by the Company in departmental proceedings. Moreover, the Company has also challenged, *inter alia*, certain amendments made to the Ordinance through the Finance Act 2006, and the Finance Act, 2008 (which significantly alter the company's liability with regards to the levy) through a petition before the High Court of Sindh. Following an adverse finding at the High Court, a petition for leave to appeal has been preferred by the Company before the Supreme Court of Pakistan. The Company has been advised that it has a reasonable case however that there is no certainty in litigation. Therefore, the disputed amount has been provisioned for.

March 31, 2013 (Unaudited)	June 30, 2012 (Audited)
-----Rupees in '000'-----	

7. CONTINGENCIES AND COMMITMENTS

Contingencies

7.1.1	Claim of arrears of social security contribution not acknowledged, appeal is pending in Honourable High Court of Sindh. The management is hopeful for favourable outcome.	<u>453</u>	<u>453</u>
7.1.2	Guarantees issued by banks on behalf of the Company	<u>121,820</u>	<u>96,820</u>
7.2 Commitments			
	Letters of credit for raw material	<u>1,029,829</u>	<u>1,274,691</u>
	Letters of credit for stores and spares	<u>33,016</u>	<u>20,585</u>
	Letters of credit for property, plant and equipment	<u>623,364</u>	<u>153,470</u>
	Civil work contracts	<u>126,022</u>	<u>17,532</u>
	US dollar forward contracts	<u>-</u>	<u>385,900</u>

8. ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

During the period, following additions and disposals were made: -

	March 31, 2013		March 31, 2012	
	Additions / Transfers	Disposal at Carrying value	Additions / Transfers	Disposal at Carrying value
	< - - - - - Rupees in '000' - - - - - >			
Assets				
Office building	18,686	-	32,001	-
Factory building	5,743	-	55,469	-
Plant and machinery	323,534	(2,572)	1,210,143	(2,765)
Power generator	17,900	-	62,694	(935)
Factory equipment	-	-	-	(188)
Office equipment	-	(0.45)	-	(284)
Furniture and fixtures	6,050	(41)	-	(69)
Vehicles	65,833	(1,122)	39,419	(2,725)
Plant and machinery - leased	-	-	-	(21,547)
	437,746	(3,735)	1,399,726	(28,513)

March 31, June 30,
2013 2012
(Unaudited) (Audited)
-----Rupees in '000'-----

9. LONG TERM INVESTMENTS

Investment in a joint venture		1,198,084	1,198,084
Investment in an associate	9.1	13,476	332,768
Investment in subsidiary	9.2	990,000	840,000

9.1 Investment in an associate

Cost	42,382	42,382
Opening	290,386	290,386
	332,768	332,768
Specie dividend	(319,292)	-
	13,476	332,768
Number of shares held	68,654	1,695,290
Cost of investment (in "000")	13,476	42,382
Ownership interest	0.9950%	24.5694%
Market value (in "000")	17,849	54,249

The Company distributed specie dividend of 1,626,636 ordinary shares of Sun Rays Textile Mills Limited (SUTM, the 'associated company) having face value of Rs. 10/= each, out of 1,695,290 ordinary shares, to the share holders of Indus Dyeing & Manufacturing Company Limited (IDYM) in the ratio of 100:09 i.e, for every 100 shares of Indus Dyeing & Manufacturing Company shareholders got 09 shares of Sunrays Textile Mills Limited.

9.2 Investment in subsidiary

Investment at cost	490,000	490,000
50,000,000 right shares @ Rs. 10/= each	500,000	350,000
	990,000	840,000
	2,201,560	2,370,852

Indus Dyeing and Manufacturing Company Limited has further invested Rs. 150 m in Indus Lyallpur Limited making a total investment of Rs. 500 m.

	Note	Third quarter ended		Quarter ended	
		March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
10. COST OF GOODS SOLD					
-----Rupees in '000'-----					
Raw material consumed	10.1	8,653,183	7,811,235	2,857,607	2,496,004
Manufacturing expenses		1,929,866	1,583,130	646,521	560,637
Outside purchase-yarn		146,704	46,587	1,671	3,543
		<u>10,729,753</u>	<u>9,440,952</u>	<u>3,505,799</u>	<u>3,060,184</u>
Work in process					
Opening stock		198,360	250,719	217,426	217,884
Closing stock		(177,430)	(204,533)	(177,430)	(204,533)
		<u>20,930</u>	<u>46,186</u>	<u>39,996</u>	<u>13,351</u>
Cost of goods manufactured		<u>10,750,683</u>	<u>9,487,138</u>	<u>3,545,795</u>	<u>3,073,535</u>
Finished Goods					
Opening stock		289,980	306,960	245,595	258,517
Closing stock		(309,441)	(231,272)	(309,441)	(231,272)
		<u>(19,461)</u>	<u>75,688</u>	<u>(63,846)</u>	<u>27,245</u>
		<u>10,731,222</u>	<u>9,562,826</u>	<u>3,481,949</u>	<u>3,100,780</u>
10.1 Manufacturing expenses					
Salaries, wages and benefits		506,123	414,034	168,406	130,145
Fuel, water and power		632,464	528,717	213,438	205,802
Stores and spares consumed		254,625	207,236	82,894	69,117
Packing material consumed		180,991	160,222	54,202	50,272
Insurance		15,345	12,869	4,940	5,872
Repairs and maintenance		15,500	13,745	7,715	4,341
Rent, rate and taxes		1,677	1,820	566	747
Depreciation		271,587	231,963	92,176	92,661
Others		51,554	12,524	22,184	1,680
		<u>1,929,866</u>	<u>1,583,130</u>	<u>646,521</u>	<u>560,637</u>

11. AGGREGATE TRANSACTION WITH RELATED PARTIES

The related parties comprise of subsidiary (Indus Lyallpur Limited), associate (Sunrays Textiles Mills Limited), joint venture (Indus Home Limited) and entities where directors are common (Riaz Cotton Factory, Silver Seeds, MB Industries, Haji Moula Buksh & Co., Indus Heartland Limited, Lyallpur Properties) and key management personnel and post employment benefit scheme. The Company carries out transactions with related parties on agreed terms. Transactions with related parties during the period and balances with them at period end are as follows: -

	Unaudited March 31 2013	Unaudited March 31 2012
-----Rupees in '000'-----		
11.1 Transactions during the period		
Relationship with Company		
Subsidiary		
Sale of Fibre	1,460	-
Sale of machinery and vehicle	1,650	-
Purchases of yarn	142,559	-
Contract manufacturing cost	36,066	-
Payments made on behalf of subsidiary	1,494,779	626,331
Payments made by subsidiary on behalf of the Company	1,102,866	370,654
Associate		
Sale of yarn	-	6,546
Purchases of yarn	114	30,464
Payments made on behalf of associate	47,311	32,972
Payments made by associate on behalf of the Company	36,301	30,413
Joint venture		
Sale of yarn	108,917	305,532
Contract manufacturing cost	10	-
Payments made on behalf of joint venture	1,455	84
Payments made by joint venture on behalf of the Company	102,151	4,927
Key management personnel		
Short term borrowing repaid	112,520	66,044
Short term borrowing received	109,294	52,453
Remuneration paid	33,480	14,400
Other related parties		
Expenses paid on behalf of entities where directors are common	248	251
Expenses adjusted / reimbursed	1,979	1,599

	March 31 2013 (Unaudited)	June 30, 2012 (Audited)
-----Rupees in '000'-----		
11.2 Balances with related parties		
Subsidiary		
- Advance against purchase of shares	-	350,000
- Receivable	216,399	-
Associate - payable	406	-
Joint Venture - receivable	9,710	1,480
Other related parties		
- Receivable	11	1,741
- Payable	2,636	1,383

12. Allocation to taxation and WPPF is provisional. Final liability will be determined on the basis of annual results.

13. NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

In respect of the current period, the directors proposed to pay interim cash dividend of Rs. 18,074 million @ Rs. 10/= per ordinary share of Rs. 10/= each. The proposed dividend has not been included as a liability in these financial statements.

14. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 30th April, 2013 by the Board of Directors of the Company.

15. GENERAL

Figures have been rounded off to the nearest thousand of Rupee.

CHIEF EXECUTIVE OFFICER

DIRECTOR