

Manufacturers Of Quality PET Bottles & Preforms

Eco Pack Ltd

Manufacturers Of Quality PET Bottles & Preforms

Eco Pack Ltd

Head Office

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Registered Office and Factory

112-113, Phase V, Industrial
Estate, Hattar, District Haripur
Khyber Pakhtunkhwa
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Financial Statements for the Third Quarter & Nine Months
Period Ended March 31, 2014

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Vision & Mission Statement

To Systematically and cost effectively manufacture and supply consistently high quality products and services, thus achieving customer satisfaction profitably, thereby ensuring the financial well being of the company and maximum returns to the shareholders.

Corporate Strategy

Retain market share leadership through quality and price competitiveness while creating value as a low cost producer.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mrs. Ayesha Khan	Chairperson
Mr. Hussain Jamil	Chief Executive Officer
Mr. Shahid Jamil	Alternate Director of Mr. Shahid Jamil
Mr. Amjad Awan	
Mrs. Deborah Jamil	
Ms. Laila Jamil	
Mr. Asad Ali Sheikh	
Mr. Mohammad Raza Chinoy	

AUDIT COMMITTEE

Mr. Asad Ali Sheikh	Chairman	Non-Executive Director
Mrs. Ayesha Khan	Member	Non-Executive Director
Ms. Laila Jamil	Member	Non-Executive Director

HUMAN RESOURCE & REMUNERATION COMMITTEE

Ms. Laila Jamil	Chairperson
Mr. Hussain Jamil	Member
Mr. Asad Ali Sheikh	Member
Mrs. Ayesha Khan	Member

CHIEF FINANCIAL OFFICER

Mr. Muhammed Ali Adil

COMPANY SECRETARY

Mr. Muhammed Ali Adil

BANKERS

Askari Bank Limited	MCB Bank Ltd
Habib Bank Limited	Standard Chartered Bank Ltd
Allied Bank Limited	Faysal Bank Limited
JS Bank Limited	

AUDITORS

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

SHARE REGISTRAR

M/s Technology Trade (Private) Limited.
Ballotter, Share Registrar & Transfer Agent

LEGAL ADVISOR

M/s. Ebrahim Hosain	Advocate & Corporate Counsel
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REGISTERED OFFICE AND FACTORY

112-113, Phase V, Hattar Industrial, Estate Hattar, District Haripur, Khyber Pakhtunkhwa
Tel: (0995) 617720-23, 617347, Fax: (0095) 617074
Website: www.ecopack.com.pk

DIRECTORS' REPORT

The board of directors of Ecopack Limited is pleased to present the unaudited financial statements of the company for the 9-month period ended 31st March 2014:

OVERVIEW:

The third quarter of the financial year falls in the coldest months and is hence the slowest part of the year for beverage and water sales – consequently it remained lack luster in terms of sales and profitability for the company. Nevertheless, directionally there were all round improvements in results compared to the corresponding periods of 9 months and QOQ ended March 2014 versus the same periods ended 2013. Much of the time in this last quarter each year is used for maintenance of plant and machinery and preparation for the summer season in line with the beverage industry. Despite this, your company was able to enhance both production and sales compared to the same prior year period thereby reducing pre-tax loss from Rs. 87.41 million to Rs. 19.71 million and after-tax loss from Rs. 79.97 million to Rs. 53.05 million respectively.

A lingering cold spell with heavy rains upto the end of March in the northern parts of the country (the main markets for the company's products due to proximity) also dampened the your company's performance somewhat against a normally strong advent of sales in spring.

SALES AND FINANCIAL HIGHLIGHTS:

Net sales value increased from Rs. 1 billion to Rs. 1.37 billion for the nine months period compared to the same period last year, which shows a 37% increase mainly on account of higher value added sales as well as a more favorable sales mix of comparatively larger size Bottles and Preforms. Bottles sales increased by 52% in unit terms and 68% in value terms, while Preform sales decreased by 30% in units and 13% in value terms. This reflects a significant turnaround & a huge increase in Gross profit which escalated by Rs. 92.6 million (159%) as compared to the corresponding period of the prior year.

Operating profit increased by Rs. 69.4 million from an operating loss of Rs. 9 million to an operating profit of Rs. 60.4 million over the comparative period last year. Net loss before tax has been posted at Rs. 19.7 million for the period under review against a loss of Rs. 87.4 million during last year's corresponding period. It reflects a turnaround of Rs. 67.6 million. However, due to the incidence of 1% turnover tax compared to 0.5% last year and the provision of deferred tax, the after tax loss is Rs. 53.05 million against after tax loss of Rs. 79.9 million compared to last year's corresponding period. On the backdrop of significant & consistent growth in the demand for your company's products, the financial results continue to signify an improved picture. The loss per share for the nine months period has been reduced from Rs. 3.48 per share to Rs. 2.31 per share in comparison with the same period last year.

FUTURE OUTLOOK & RISKS:

Strong sales are expected and planned in what is the hottest and the most buoyant sales quarter of the year. Your company is determined to fully benefit from it and bring the year to a positive financial close.

The overall growth in the beverage demand in the country is a big driver in generating demand for all the raw materials associated with them. Hence, PET bottle and preforms demand is also on the rise and your company is geared up to benefit from this. The maintenances of the machines have been done in the off season months to derive the maximum efficiencies in the peak season months and serve the beverage industry for mutual benefit.

The problem of power outages still persists in the country while the Company manages electricity shortages via generators which may escalate the cost of production.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

KARACHI
DATED: April 28,2014

HUSSAIN JAMIL
CHIEF EXECUTIVE OFFICER

**CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2014**

		Un-audited March 31, 2014	Audited June 30, 2013
	Note	----- Rupees in '000' -----	
			Restated
NON-CURRENT ASSETS			
Property, plant & equipment	5	1,033,751	1,077,226
Long term security deposits		7,236	6,754
Intangibles		656	712
CURRENT ASSETS			
Stores, spares and loose tools		66,593	51,229
Stock in trade	6	235,433	157,447
Trade debts - unsecured considered good		152,415	227,427
Loans and advances - unsecured considered good		28,535	29,933
Short term deposits, prepayments & other receivables		5,817	29,709
Taxation - Net		15,749	15,429
Cash and bank balances		17,596	24,489
		522,139	535,663
TOTAL ASSETS		1,563,782	1,620,355
SHARE CAPITAL AND RESERVES			
Authorized Share Capital			
50,000,000 (June 2013 : 50,000,000) Ordinary shares of Rs. 10 each		500,000	500,000
Issued, subscribed and paid-up capital		229,770	229,770
Unappropriated Loss		(123,763)	(99,866)
		106,007	129,904
Surplus on revaluation of property, plant and equipment		168,048	187,002
NON-CURRENT LIABILITIES			
Long term loans - secured	7	185,134	180,890
Liabilities against assets subject to finance lease		5,204	3,842
Deferred liabilities		193,964	178,351
		384,303	363,083
CURRENT LIABILITIES			
Trade and other payables		332,195	445,743
Accrued mark-up		21,004	19,846
Short term borrowings - secured	8	478,398	311,778
Current portion of long term liabilities		73,827	162,999
		905,424	940,366
TOTAL EQUITY AND LIABILITIES		1,563,782	1,620,355
CONTINGENCIES AND COMMITMENTS			
	9		

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014

		Jul-Mar 2014	Jul-Mar 2013	Jan-Mar 2014	Jan-Mar 2013
Note		Rupees in '000'			
Sales - Net	10	1,375,433	1,006,068	368,498	254,844
Cost of sales	11	(1,224,393)	(947,668)	(356,633)	(260,929)
Gross Profit/(Loss)		151,040	58,400	11,865	(6,085)
Operating expenses					
Distribution costs		(52,387)	(37,343)	(13,716)	(9,614)
Administrative expenses		(38,230)	(30,062)	(11,796)	(9,376)
		(90,617)	(67,404)	(25,512)	(18,989)
Operating profit / (loss)		60,424	(9,004)	(13,647)	(25,075)
Finance costs	12	(80,719)	(84,539)	(25,848)	(27,943)
Other income		1,634	6,131	(1,375)	2,876
Other Charges		(1,057)	-	-	-
		(80,143)	(78,407)	(27,224)	(25,067)
Loss before taxation		(19,719)	(87,412)	(40,870)	(50,141)
Taxation - Current		(13,857)	(5,071)	(3,735)	(1,298)
- Deferred		(19,482)	12,513	(4,240)	3,681
		(33,338)	7,442	(7,974)	2,383
Loss after taxation		(53,057)	(79,970)	(48,844)	(47,758)
Loss per share - Basic and diluted		(2.31)	(3.48)	(2.13)	(2.08)

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
 FOR THE NINE MONTHS AND QUARTER ENDED MARCH 31, 2014**

	Half year ended		Second quarter ended	
	Jul-Mar	Jul-Mar	Jan-Mar	Jan-Mar
	2014	2013	2014	2013
	----- Rupees in '000' -----			
Loss for the period	(53,057)	(79,970)	(48,844)	(47,758)
Other comprehensive income:	-	-	-	-
Total comprehensive loss for the period transferred to equity	<u>(53,057)</u>	<u>(79,970)</u>	<u>(48,844)</u>	<u>(47,758)</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

 CHIEF EXECUTIVE OFFICER

 DIRECTOR

 CHIEF FINANCIAL OFFICER

July-13-Mar-14



**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2014**

	Issued, subscribed and paid up capital	Uappropriated Loss	Total
	Rupees in '000'		
Balance as at July 01, 2012	229,770	(138,149)	91,621
Impact on change in accounting Policy	-	(4,190)	(4,190)
Restated balance as at July 01, 2012	229,770	(142,339)	87,431
Total comprehensive income for the nine months ended Mar 31, 2013	-	(79,970)	(79,970)
Transfer from Surplus on revaluation of Property, Plant and Equipment - net of deferred tax	-	26,859	26,859
Balance as at March 31, 2013	229,770	(195,450)	34,320
Balance as at April 1, 2013	229,770	(195,450)	34,320
Total comprehensive income for the quarter ended June 30, 2013	-	82,433	82,433
Defined benefit plan actuarial Losses-net of tax		(1,062)	(1,062)
Transfer from Surplus on revaluation of Property, Plant and Equipment - net of deferred tax - restated	-	14,213	14,213
Balance as at June 30, 2013	229,770	(99,866)	129,904
Balance as at July 01, 2013	229,770	(99,866)	129,904
Total comprehensive loss for the nine months ended Mar 31, 2014	-	(53,057)	(53,057)
Transfer from Surplus on revaluation of Property, Plant and Equipment - net of deferred tax	-	29,160	29,160
Balance as at March 31, 2014	229,770	(123,763)	106,007

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
 FOR THE NINE MONTHS ENDED MARCH 31, 2014

	Jul-Mar 2014	Jul-Mar 2013
Note	Rupees in '000'	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(19,719)	(87,412)
Adjustments for:		
Depreciation	67,736	73,572
Amortization	56	-
Loss on disposal of property, plant & equipment	147	102
Exchange loss	640	-
Bad debt written off	1,678	-
Provision for WPPF	1,057	-
Provision for gratuity	6,423	7,188
Finance cost	80,719	84,539
	<u>158,456</u>	<u>165,401</u>
Cash generated from operating activities before working capital changes	138,737	77,989
Changes in working capital		
(Increase) / Decrease in current assets :		
Stores, spares and loose tools	(15,364)	4,429
Stock in trade	(77,986)	43,693
Trade debts	75,012	(6,055)
Loans & advances	1,398	(9,153)
Short term deposits, prepayments and other receivables	23,892	3,111
Increase / (Decrease) in current liabilities:		
Trade and other payables	(113,548)	(64,727)
	<u>(106,596)</u>	<u>(28,702)</u>
Cash generated from operations	32,141	49,287
Finance cost paid	(82,146)	(86,819)
Gratuity paid	(729)	(914)
Taxes Paid	(14,177)	(10,104)
Net cash generated from / (used in) operating activities	<u>(64,911)</u>	<u>(48,551)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(24,467)	(4,272)
Capital work-in-progress	(0)	(245)
Long term security deposits	(536)	1
Proceeds from disposal of fixed assets	46	626
Net cash generated/(used) in investing activities	<u>(24,957)</u>	<u>(3,890)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long term loans	(84,871)	(54,086)
Lease obtained during the period	4,471	-
Repayment of finance lease liability	(3,245)	(4,798)
Net cash generated/(used) in financing activities	<u>(83,645)</u>	<u>(58,884)</u>
Net decrease in cash and cash equivalents	(173,513)	(111,325)
Cash and cash equivalents at the beginning of the period	(287,289)	(227,595)
Cash and cash equivalents at the end of the period	<u>14</u> <u>(460,802)</u>	<u>(338,920)</u>

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.

CHIEF EXECUTIVE OFFICER

DIRECTOR

CHIEF FINANCIAL OFFICER

**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS ENDED MARCH 31, 2014**

1 STATUS AND NATURE OF BUSINESS

The company was incorporated on 25 August 1991 as a private limited company under the Companies Ordinance, 1984. It was converted as a public limited company on April 29, 1992 and subsequently in March 1994 was listed at Karachi Stock Exchange. The principal activity of the company is manufacture and sale of Poly Ethylene Terephthalat (PET) bottles and preforms for beverage and non-beverage industry. The Company's manufacturing facility and registered office is situated at 112-113, Phase-V, Industrial Estate Hattar, district Haripur, Khyber Pakhtunkhwa.

2 BASIS OF PREPARATION

This condensed interim financial information is unaudited and has been prepared in accordance with the requirements of the International Accounting Standard - 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of, and directives issued under the Companies Ordinance 1984; in case, where the requirements of the International Accounting Standard differ, the provisions of, and directives issued under the Companies Ordinance 1984, have been followed. This interim financial information has however been subject to limited scope review by the auditors, as required by the Code of Corporate Governance. The interim financial information do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2013.

The comparative balance sheet presented in these interim financial information has been extracted from the audited financial statements of the Company for the year ended June 30, 2013, whereas the comparative profit and loss account, statement of changes in equity, statement of comprehensive income and cash flow statement are extracted from the unaudited interim financial information for the nine month ended March 31, 2013.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted by the Company in the preparation of these interim financial information are the same as those applied in preparation of the preceding published financial statements of the Company for the year ended June 30, 2013.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual earnings.

3.1 Initial application of a Standard, amendment or interpretation to an existing standard

The company has applied IAS – 19 Employee Benefits (Revised in June 2011) which is applicable for annual periods beginning on or after January 1, 2013. In accordance with the transitional provisions as set out in IAS– 19, the company has applied the revised standard retrospectively and consequently the earliest period presented in the Condensed Interim Balance Sheet, Condensed Interim Profit and Loss Account and Condensed Interim Statement of Changes in Equity have been restated. The effect of change in policy on condensed interim statement of cash flow is not material.

The revised standard (i) requires past service cost to be recognize immediately in profit or loss; (ii) replaces the interest cost on a define benefit obligation and the expected return on plan assets with a net interest cost based on net define benefit asset or liability and the discount rate, measured at the beginning of the year; (iii) introduce a new term "Re-measurements" which is made up of actuarial gain or losses, the difference between actual investment returns and the return implied by the net interest cost. The revised standards eliminates the corridor approach and requires to recognize all re-measurement gain or loss / actuarial gain or loss in Other Comprehensive Income (OCI) immediately as they occur.

The effect of the change on the Company's financial statements is set out below:

Effect on balance sheet

	June 30, 2013	June 30, 2012
	----- Rupees in '000' -----	
<i>Unappropriated Profit</i>		
As previously reported	(94,614)	(138,149)
Effect of change in accounting policy	(5,252)	(4,190)
As restated	<u>(99,866)</u>	<u>(142,339)</u>
<i>Deferred Liabilities</i>		
As previously reported	173,099	149,439
Effect of change in accounting policy	5,252	4,190
As restated	<u>178,351</u>	<u>153,629</u>

4 ESTIMATES AND JUDGMENTS

The preparation of the condensed interim financial information in conformity with approved accounting standards require management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In preparing the condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the preceding published annual financial statements of the Company as at and for the year ended June 30, 2013.

		March 31, 2014	June 30, 2013
	Note	----- Rupees in '000' -----	
5 PROPERTY, PLANT & EQUIPMENT			
Operating fixed assets	5.1	1,030,692	1,074,154
CWIP		3,072	3,072
		<u>1,033,751</u>	<u>1,077,226</u>

5.1 Opening WDV 1,074,154 1,150,431

Additions to property, plant & equipment during the period

Plant & Machinery	6,522	7,601
Factory equipment	10,221	16,711
Furniture and fixture	155	142
Office equipment	1,032	922
Vehicles	6,537	-
	24,467	25,376
Disposals / Transfers	(193)	(3,167)
Depreciation for the period	(67,736)	(98,486)
Closing WDV	1,030,692	1,074,154

March 31, June 30,
2014 2013

Note ----- Rupees in '000' -----

6 STOCK IN TRADE

Raw material	47,265	52,209
Packing material	7,753	12,202
Work in process	51,657	56,002
Finished goods	132,285	40,562
	238,961	160,975
Provision for obsolete stocks	(3,528)	(3,528)
	235,433	157,447

6.1

6.1 During the period the inventory amounting to Rs. 31.870 millions has been written down to net realisable value of Rs. 31.397 millions.

7 LONG TERM LOANS

Long term loans repaid during the period amounted to Rs. 84.871 millions.

8 SHORT TERM BORROWINGS - Secured

These represents short-term running finance, Finance against trust receipts and other facilities obtained under mark-up arrangements from various commercial banks carrying mark-up ranging from 11.03% to 12.53% (June 30, 2013: 11.0% to 14.45%) per annum calculated on daily product basis. These facilities are secured by first pari passu and ranking hypothecation charges of entire present and future current assets, equitable mortgage of property of the Company and personal guarantees of two original founder / sponsor Directors of the company.

9 CONTINGENCIES AND COMMITMENTS

Contingencies remain same as at March 31, 2014 as disclosed in the audited financial statements for the year ended June 30, 2013. There are no commitments as at March 31, 2014 (June 30, 2013: Nil).

10

NET SALES

	Jul-Mar 2014	Jul-Mar 2013	Jan-Mar 2014	Jan-Mar 2013
	Rupees in '000'			
Sales	1,609,615	1,167,435	431,153	295,922
Less: Sales Tax	(234,182)	(161,367)	(62,655)	(41,078)
	1,375,433	1,006,068	368,498	254,844

11 COST OF SALES

	For the Nine Months Ended		For the Quarter Ended	
	Jul - Mar 2014	Jul - Mar 2013	Jan - Mar 2014	Jan - Mar 2013
	(Rupees in '000)			
Raw material consumed	898,851	642,450	287,019	178,999
Packing material consumed	56,389	41,124	18,447	12,497
Salaries, wages & other benefits	94,076	71,163	33,304	23,943
Travelling & conveyance	2,231	736	267	152
Professional charges	1,208	566	490	215
Vehicle repair & maintenance	7,429	7,114	3,513	1,947
Rent, rate & taxes	7,994	6,462	3,163	1,958
Repair & maintenance	6,014	5,249	1,885	1,754
Communication charges	1,140	928	431	291
Printing, postage & stationery	831	560	268	120
Entertainment	542	354	171	122
Advertisement	6	33	2	1
Insurance	3,674	3,842	1,066	1,267
Electricity, gas & water	132,087	69,330	66,672	18,681
Freight, octroi & toll tax	2,883	1,591	1,183	433
Depreciation	64,405	69,893	21,510	23,165
Consumable store	31,088	19,291	21,263	3,731
Lab tests	924	892	75	618
	1,311,771	941,577	460,728	269,894
Work in process				
Opening	56,002	38,514	40,620	28,957
Closing	(51,657)	(21,314)	(51,657)	(21,314)
	4,345	17,200	(11,037)	7,643
COST OF GOODS MANUFACTURED	1,316,116	958,777	449,690	277,537
Finished goods				
Opening	40,562	41,742	39,228	36,242
Closing	(132,285)	(52,851)	(132,285)	(52,851)
	(91,723)	(11,109)	(93,057)	(16,609)
COST OF SALES	1,224,393	947,668	356,633	260,929

	March 31, 2014	March 31, 2013
Note----- Rupees in '000' -----		

12	Finance Cost	<u>80,719</u>	<u>84,539</u>
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13 SEASONALITY OF OPERATIONS

Due to the seasonal nature of business of the Company, higher revenues and operating profits are usually expected in first and last quarter of the year.

(a) Description of operating segments

The company's primary format for segment reporting is based on business segments. The business segments are determined based on the Company's management and internal reporting structure. Segment results and other information is provided on the basis of products.

13 (b). SEGMENT ANALYSIS

	INJECTION			BLOWING						TOTAL		
	Nine Months ended March 31,	2014	2013	Third Quarter Ended March 31,	Nine Months ended March 31,	2014	2013	Third Quarter Ended March 31,	Nine Months ended March 31,	2014	2013	Third Quarter Ended March 31,
	2014	2013					(Rupees '000)					
Sales-net	339,974	389,224	54,828	91,970	1,035,459	616,844	313,669	162,874	1,375,433	1,006,068	368,497	254,844
Cost of sales	(309,441)	(385,545)	(51,452)	(99,395)	(914,971)	(562,122)	(305,200)	(161,528)	(1,224,393)	(947,667)	(356,633)	(260,929)
	30,533	3,679	3,376	(7,425)	120,488	54,722	8,469	1,346	151,040	58,401	11,864	(6,085)
Distribution cost	(12,949)	(14,447)	(1,998)	(3,473)	(39,438)	(22,896)	(11,717)	(6,137)	(52,387)	(37,343)	(13,715)	(9,614)
Administrative	(9,450)	(11,630)	(1,964)	(3,445)	(28,780)	(18,431)	(9,831)	(5,931)	(38,230)	(30,062)	(11,795)	(9,376)
	(22,398)	(26,077)	(3,961)	(6,918)	(68,218)	(41,327)	(21,548)	(12,068)	(90,617)	(67,405)	(25,510)	(18,990)
Operating profit	8,135	(22,398)	(585)	(14,343)	52,270	13,395	(13,079)	(10,722)	60,424	(9,004)	(13,645)	(25,075)
Finance Costs												
Other Income/(Expenses)									(80,719)	(84,539)	(25,848)	(27,943)
									577	6,131	(1,375)	2,876
									(80,143)	(78,408)	(27,224)	(25,067)
Loss before Taxation									(19,719)	(87,412)	(40,869)	(50,142)
Taxation - Current									(13,857)	(5,071)	(3,735)	(1,298)
- Deferred									(19,482)	12,513	(4,240)	3,680
									(33,338)	7,442	(7,975)	2,382
Loss after Taxation									(53,057)	(79,970)	(48,844)	(47,760)

14 CASH & CASH EQUIVALENTS

For the purposes of cash flow statement, cash and cash equivalents include cash on hand and in banks and investments having maturity of less than 3 months and insignificant risk of changes in value till maturity, net of outstanding bank overdrafts. Cash and cash equivalents at the end of the reporting period as shown in the condensed interim cash flow statement are reconciled to the related items as follows:

	March 31, 2014	March 31, 2013
	----- Rupees in '000' -----	
Cash and bank balances	17,596	7,320
Short term borrowings	(478,398)	(346,240)
	<u>(460,802)</u>	<u>(338,920)</u>

15 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, key management personnel and post employment benefit scheme.

	March 31, 2014	March 31, 2013
	----- Rupees in '000' -----	
<u>Transactions during the period</u>		
Gratuity Paid	729	914
Provision during the period	<u>6,423</u>	<u>7,188</u>

16 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk management objectives and policies adopted to meet these objectives were same as being followed as at June 30, 2013.

17 DATE OF AUTHORIZATION

This condensed interim financial information has been authorized for issue on April 28, 2014 by the Board of Directors of the Company.

18 GENERAL

Figures have been rounded off to the nearest thousand rupees.

CHIEF EXECUTIVE OFFICER_____
DIRECTOR_____
CHIEF FINANCIAL OFFICER