

Table of Contents

| | |
|---|---|
| Corporate Information | 1 |
| Directors' Review | 2 |
| Auditors' Review Report to the Members | 3 |
| Condensed Interim Balance Sheet | 4 |
| Condensed Interim Profit and Loss Account | 5 |
| Condensed Interim Cash Flow Statement | 6 |
| Condensed Interim Statement of Changes in Equity | 7 |
| Notes to the Condensed Interim Financial Statements | 8 |

Board of Directors

Mrs. Ferial Ali Mehdi
Chairman / Chief Executive Officer

Syed Tariq Ali
Director

Mr. Shahid Nazir Ahmed
Director

Mr. Khurshid Hadi
Director

Mr. Omer Ehtisham
Director

Syed Maratib Ali
Director

Mr. Kemal Shoaib
Director (Nominee NIT)

Mr. Amir Zia
Director (Nominee Treet Corporation Ltd.)

Board Audit Committee

Mr. Kemal Shoaib
Chairman

Mr. Shahid Nazir Ahmed
Member

Mr. Omer Ehtisham
Member

Company Secretary & Chief Financial Officer

Mr. Naveed Ehtesham

Bankers

Citibank
Faysal Bank Limited
Habib Bank Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Standard Chartered Bank

Statutory Auditors

KPMG Taseer Hadi & Co
Chartered Accountants

Legal Advisors

Hussain & Haider, Advocates

Shares Registrars

THK Associates (Pvt) Limited
Ground Floor, State Life Building No. 3,
Dr. Ziauddin Ahmed Road, Karachi.

Registered Office

3rd Floor, Kandawala Building,
M. A. Jinnah Road, Karachi - 74400
<http://www.zil.com.pk>

Factory

Link Hali Road, Hyderabad - 71000

The Directors of the Company would like to present the financial statements of the Company reviewed by the auditors, for the half-year ended 31 December 2008.

Overview

The first half of the financial year 2008-09 ended with the global financial crisis taking its toll on major businesses throughout the world particularly the developed economies. Pakistan's economy even though, not directly affected by the crises, is feeling the pressures of rising cost of doing business, some of the major contributors to this are:

- ▶ Utility rates increasing coupled with non availability
- ▶ High cost of financing
- ▶ Rupee value depreciating

During the first half of 2008-09, the Company achieved a 36% growth in net sales revenue as compared to the same period last year mainly due to the increase in prices of toilet soaps in order to cope up with the impact of increase in raw material prices as well as due to a sales mix shift towards premium brand. The cost of sales increased by 37% due to consumption of high priced raw materials coupled with the decline in rupee-dollar parity. Accordingly, the Gross Profit has increased by 33% i.e by Rs. 43 mn over last year.

The selling and distribution expenses have increased by 16% mainly due to advertising expenditure which was enhanced to support brand equity. Administrative expenses showed a nominal increase of 2% due to various cost rationalizing measures undertaken by the Company on a continuous basis. With the enhancement in working capital requirements, the financial cost has increased substantially due to the continuous utilization of running finance at a high cost.

The Company has registered a growth of 62% in the post tax profit of Rs.26.7mn during the period under review as compared to Rs. 16.4mn during the same period last year. The main reason is that a proactive program was deployed in mid last year to rationalize all costs throughout the organization for the next three years thus small yet effective saving initiatives were undertaken to curtail and rationalize all administrative spending and increased focus on profitable product lines.

Earning Per Share

Earning per share for the half-year is Rs. 5.51 as compared to Rs. 3.40 (re-stated) during the same period last year.

Future Outlook

The Company is envisaging a strategy to gain share in the premium segment while consolidating its position in the popular & discounted segments. Further, in pursuance of the diversification strategy, good developments are being done by trials & test marketing of new categories to expand our product offering to our consumers inspite of having initial problems in terms of smoothing out our supply chain for such ventures.

Acknowledgements

The Directors would like to express their gratitude to the shareholders, distributors, bankers and other business associates for their continued support and encouragement and also place on record their appreciation of the valuable services rendered by the officers, staff and field force of the Company.

For and on behalf of the Board

Feriel Ali Mehdi



Chief Executive Officer

Karachi: 26 February 2009

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Zulfeqar Industries Limited** ("the Company") as at 31 December 2008 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity for the six months period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this 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 interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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 annexed condensed interim financial information as at and for the six months period ended 31 December 2008 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for Interim Financial Reporting.

The figures for the three months period ended 31 December 2008 and 31 December 2007 in the condensed interim profit and loss account have not been reviewed and we do not express a conclusion on them.

Date: 26 February 2009
Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants

**Condensed Interim Balance Sheet (Unaudited)
As at 31 December 2008**



| ASSETS | 31 December 2008 (Unaudited) | 30 June 2008 (Audited) |
|--|---|---------------------------------------|
| | (Rupees in '000) | |
| NON-CURRENT ASSETS | | |
| Property, plant and equipment | 5 272,189 | 273,967 |
| Intangible assets | 650 | 994 |
| Long term prepayment | 19,519 | 19,729 |
| Long term deposits | 3,423 | 3,363 |
| Long term loans to employees | 205 | 277 |
| | <u>295,986</u> | <u>298,330</u> |
| CURRENT ASSETS | | |
| Stores and spares | 7,297 | 6,871 |
| Stock-in-trade | 6 336,614 | 258,767 |
| Trade debts | 7 23,873 | 10,633 |
| Advances, prepayments and other receivables | 8 52,010 | 35,591 |
| Cash and bank balances | 9 9,432 | 34,161 |
| | <u>429,226</u> | <u>346,023</u> |
| CURRENT LIABILITIES | | |
| Running finance under mark-up arrangements | 10 42,206 | - |
| Trade and other payables | 207,265 | 209,622 |
| Taxation | 46,501 | 29,403 |
| | <u>295,972</u> | <u>239,025</u> |
| NET CURRENT ASSETS | <u>133,254</u> | <u>106,998</u> |
| NET ASSETS | <u>429,240</u> | <u>405,328</u> |
| FINANCED BY: | | |
| SHARE CAPITAL AND RESERVES | | |
| Authorised capital 5,000,000 (30 June 2008: 5,000,000) ordinary shares of Rs. 10 each | <u>50,000</u> | <u>50,000</u> |
| Issued, subscribed and paid up capital | 48,400 | 44,000 |
| Reserves | 212,628 | 192,724 |
| | <u>261,028</u> | <u>236,724</u> |
| Surplus on revaluation of fixed assets - net of tax | 80,930 | 82,979 |
| NON-CURRENT LIABILITIES | | |
| Long-term deposits | 450 | 450 |
| Deferred staff liabilities | 55,092 | 50,505 |
| Deferred taxation | 31,740 | 34,670 |
| | <u>429,240</u> | <u>405,328</u> |
| CONTINGENCY AND COMMITMENT | 12 | |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

Ferial Ali Mehdi
Chairman / Chief Executive

Omer Ehtisham
Director

**Condensed Interim Profit and Loss Account (Unaudited)
For the six months period ended 31 December 2008**



| | Note | Six months period ended | | Three months period ended | |
|--|------|-------------------------|------------------|---------------------------|------------------|
| | | 31 December 2008 | 31 December 2007 | 31 December 2008 | 31 December 2007 |
| ----- (Rupees in '000) ----- | | | | | |
| Net sales | 13 | 688,337 | 506,715 | 337,549 | 238,185 |
| Cost of sales | 14 | (516,371) | (375,916) | (265,816) | (183,026) |
| Gross profit | | 171,966 | 130,799 | 71,733 | 55,159 |
| Selling and distribution cost | | (98,647) | (85,184) | (44,230) | (43,111) |
| Administrative expenses | | (19,555) | (19,217) | (9,317) | (8,582) |
| | | (118,202) | (104,401) | (53,547) | (51,693) |
| | | 53,764 | 26,398 | 18,186 | 3,466 |
| Other income | | 2,261 | 2,816 | 887 | 993 |
| Other expenses | | (11,229) | (3,839) | (79) | (1,858) |
| | | 44,796 | 25,375 | 18,994 | 2,601 |
| Finance cost | | (3,973) | (743) | (2,744) | (586) |
| Profit before taxation | | 40,823 | 24,632 | 16,250 | 2,015 |
| Taxation | | (14,168) | (8,168) | (5,798) | (464) |
| Profit for the period | | 26,655 | 16,464 | 10,452 | 1,551 |
| ----- (Rupees in '000) ----- | | | | | |
| Earnings per share - basic and diluted | | 5.51 | 3.40 | 2.16 | 0.32 |

Earnings per share - basic and diluted for the comparative period has been adjusted for the increase in the number of ordinary shares outstanding as a result of bonus issue.

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.

Ferial Ali Mehdi
Chairman / Chief Executive

Omer Ehtisham
Director

**Condensed Interim Cash flow Statement (Unaudited)
For the six months period ended 31 December 2008**



| | Six months period ended | |
|--|--------------------------------|-----------------------------|
| | 31 December 2008 | 31 December 2007 |
| | (Rupees in '000) | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit before taxation | 40,823 | 24,632 |
| Adjustments for: | | |
| Mark-up expense | 3,973 | 743 |
| Depreciation / amortisation | 13,013 | 13,276 |
| Provision for gratuity | 2,960 | 2,706 |
| Provision for staff retirement benefits | 1,991 | 1,885 |
| Return on investments | - | (352) |
| Profit on short term deposit | (478) | (354) |
| Dividend income | - | (86) |
| Loss / (gain) on disposal of fixed assets | 28 | (299) |
| | 21,487 | 17,519 |
| Operating profit before working capital changes | 62,310 | 42,151 |
| Decrease / (increase) in operating assets: | | |
| Stores and spares | (426) | (1,406) |
| Stock-in-trade | (77,847) | (76,290) |
| Trade debts | (13,240) | (18,196) |
| Loans and advances | 31 | (188) |
| Long term advances and deposits | (60) | - |
| Advances, deposits, prepayments and other receivables | (19,367) | (176) |
| | (110,909) | (96,256) |
| Increase / (decrease) in operating liabilities: | | |
| Trade and other payables | 10,429 | (36,942) |
| Cash generated from / (used in) operations | (38,170) | (91,047) |
| Income tax paid | (10,741) | (8,334) |
| Gratuity paid | (217) | (1,063) |
| Retirement benefits paid | (147) | (1,113) |
| Profit received on investments | - | 487 |
| Profit received on short term deposits | 478 | 354 |
| Dividend received | - | 86 |
| Mark-up paid | (3,198) | (367) |
| | (13,825) | (9,950) |
| Net cash used in operating activities | (51,995) | (100,997) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Capital expenditure | (11,206) | (6,084) |
| Short term investments | - | 24,977 |
| Proceeds from disposal of fixed assets | 498 | 1,189 |
| Net cash (used in) / generated from investing activities | (10,708) | 20,082 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Dividend paid | (4,232) | (11,871) |
| Net cash (used in) financing activities | (4,232) | (11,871) |
| Net decrease in cash and cash equivalents | (66,935) | (92,786) |
| Cash and cash equivalents at beginning of the period | 34,161 | 59,067 |
| Cash and cash equivalents at end of the period | II (32,774) | (33,719) |

The annexed notes from I to 16 form an integral part of these condensed interim financial statements.

Ferial Ali Mehdi
Chairman / Chief Executive

Omer Ehtisham
Director

**Condensed Interim Statement of Changes in Equity (Unaudited)
For the six months period ended 31 December 2008**



| | Issued, subscribed and paid up capital | Revenue reserves | | Total reserves | Surplus / (deficit) on remeasurement of available- for-sale investments at fair value | Total |
|--|---|---------------------|--------------------------------|-------------------|---|----------------|
| | | General reserves | Un-appro- priated profit | | | |
| (Rs. in '000) | | | | | | |
| Balance as at 1 July 2007 | 40,000 | 6,000 | 174,124 | 180,124 | (414) | 219,710 |
| Changes in equity for the six months period ended 31 December 2007 | | | | | | |
| Bonus shares issued for the year ended 30 June 2007 | 4,000 | - | (4,000) | (4,000) | - | - |
| Final cash dividend for the year ended 30 June 2007 | - | - | (12,000) | (12,000) | - | (12,000) |
| Profit for the six months period ended 31 December 2007 | - | - | 16,464 | 16,464 | - | 16,464 |
| Transfer from surplus on revaluation of fixed assets - net of deferred tax | - | - | 2,275 | 2,275 | - | 2,275 |
| Deficit on remeasurement of available-for-sale investments (recognised directly in equity) | - | - | - | - | 146 | 146 |
| Total recognised income and expense for six months period ended 31 December 2007 | - | - | 18,739 | 18,739 | 146 | 18,885 |
| Balance as at 31 December 2007 | 44,000 | 6,000 | 176,863 | 182,863 | (268) | 226,595 |
| Changes in equity for the six months period ended 30 June 2008 | | | | | | |
| Profit for the six months period ended 30 June 2008 | - | - | 7,586 | 7,586 | - | 7,586 |
| Transfer from surplus on revaluation of fixed assets - net of deferred tax | - | - | 2,275 | 2,275 | - | 2,275 |
| Deficit on remeasurement of available-for-sale investments (recognised directly in equity) | - | - | - | - | 268 | 268 |
| Total recognised income and expense for six months period ended 30 June 2008 | - | - | 9,861 | 9,861 | 268 | 10,129 |
| Balance as at 30 June 2008 | 44,000 | 6,000 | 186,724 | 192,724 | - | 236,724 |
| Changes in equity for the six months period ended 31 December 2008 | | | | | | |
| Final cash dividend for the year ended 30 June 2008 | - | - | (4,400) | (4,400) | - | (4,400) |
| Bonus shares issued for the year ended 30 June 2008 | 4,400 | - | (4,400) | (4,400) | - | - |
| Profit for the six months period ended 31 December 2008 | - | - | 26,655 | 26,655 | - | 26,655 |
| Transfer from surplus on revaluation of fixed assets - net of deferred tax | - | - | 2,049 | 2,049 | - | 2,049 |
| Total recognised income and expense for six months period ended 31 December 2008 | - | - | 28,704 | 28,704 | - | 28,704 |
| Balance as at 31 December 2008 | 48,400 | 6,000 | 206,628 | 212,628 | - | 261,028 |

The annexed notes from 1 to 16 form an integral part of these condensed interim financial statements.


Feriel Ali Mehdi
Chairman / Chief Executive


Omer Ehtisham
Director

1. STATUS AND NATURE OF BUSINESS

Zulfeqar Industries Limited ("the Company") was incorporated as a private limited company in February 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984) and was subsequently converted into a public limited company in November 1986. Its shares are listed on the Karachi and Lahore Stock Exchanges. The principal activity of the Company is the manufacture and sale of home and personal care products.

The registered office of the company is situated at 3rd Floor, Kandawala Building, M.A. Jinnah Road, Karachi.

2. STATEMENT OF COMPLIANCE

These condensed interim financial statements have been prepared in accordance with the requirements of International Accounting Standard, 34 "Interim Financial Reporting". They do not include all the information required for full annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June 2008.

These condensed interim financial statements are being submitted to the shareholders as required by listing regulations of Karachi and Lahore Stock Exchanges and section 245 of the Companies Ordinance, 1984.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the published financial statements as at and for the year ended 30 June 2008.

4. ESTIMATES

The preparation of condensed interim financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

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 applied to the financial statements as at and for the year ended 30 June 2008.

5. PROPERTY, PLANT AND EQUIPMENT

| | Six months period ended | |
|------------------------|--------------------------------|-----------------------------|
| | 31 December 2008 | 31 December 2007 |
| | (Rupees in '000) | |
| Additions | <u>12,828</u> | <u>5,980</u> |
| Disposals (book value) | <u>526</u> | <u>890</u> |

| | 31 December 2008 (Unaudited) | 30 June 2008 (Audited) |
|---|---|---------------------------------------|
| | (Rupees in '000) | |
| 6. STOCK-IN-TRADE | | |
| Raw material - in hand | 88,844 | 80,259 |
| - in transit | 141,329 | 127,513 |
| | 230,173 | 207,772 |
| | | |
| Packing material | 17,356 | 13,329 |
| Work-in-progress | 30,417 | 27,126 |
| Finished goods | 60,911 | 12,783 |
| | 338,857 | 261,010 |
| | | |
| Provision against slow moving items of stock-in-trade | (2,243) | (2,243) |
| | 336,614 | 258,767 |
| | | |
| 7. TRADE DEBTS | | |
| Considered good | 23,873 | 10,633 |
| Considered doubtful | 4,952 | 4,952 |
| | 28,825 | 15,585 |
| | | |
| Provision against impaired debts | (4,952) | (4,952) |
| | 23,873 | 10,633 |
| | | |
| 8. ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES | | |
| | | |
| Advances - considered good: | | |
| - Suppliers and contractors - net | 3,482 | 2,057 |
| - Taxation | 43,078 | 32,337 |
| | 46,560 | 34,394 |
| | | |
| Advances to sales staff | 100 | 68 |
| Current maturity of loans to employees | 242 | 200 |
| Tax refundable | 68 | 68 |
| Mark-up accrued on bank deposits | 20 | 20 |
| Prepayments | 3,261 | 344 |
| Other receivables | 1,759 | 497 |
| | 52,010 | 35,591 |

| | 31 December 2008 (Unaudited) (Rupees in '000) | 30 June 2008 (Audited) |
|-------------------------------------|--|------------------------------|
| 9. CASH AND BANK BALANCES | | |
| Cash in hand | 126 | 102 |
| Cash at banks in - current accounts | 5,361 | 11,098 |
| - profit / loss sharing accounts | 3,945 | 22,961 |
| | 9,306 | 34,059 |
| | 9,432 | 34,161 |

10. RUNNING FINANCE UNDER MARK-UP ARRANGEMENTS - Secured

This represents running finance facility availed by the Company as at 31 December 2008 from a commercial bank. This carries a mark-up rate of 15.33 percent per annum. Unutilised facilities of running finance from certain banks amounted to Rs. 221.79 million as at 31 December 2008 (30 June 2008: Rs. 242.87 million). These facilities are valid up to periods from 31 March 2008 to 31 March 2009.

| | <u>Six months period ended</u> | |
|--|--------------------------------|---------------------|
| | 31 December 2008 | 31 December 2007 |
| | (Rupees in '000) | |
| 11. CASH AND CASH EQUIVALENTS | | |
| Cash and bank balances | 9,432 | 20,975 |
| Running finance under mark-up arrangements | (42,206) | (54,694) |
| | (32,774) | (33,719) |

12. CONTINGENCY AND COMMITMENT

12.1 Contingency

Bank guarantees aggregating to Rs. 7.02 million (30 June 2008: Rs 7.02 million) have been issued in favour of Sui Southern Gas Company Limited for the supply of natural gas.

12.2 Commitment

Commitment under letters of credit for the import of stock-in-trade items amounted to Rs. 5.184 million (30 June 2008: Rs. 1.095 million).

| | <u>Six months period ended</u> | | <u>Three months period ended</u> | |
|--------------------------|--------------------------------|---------------------|----------------------------------|---------------------|
| | 31 December 2008 | 31 December 2007 | 31 December 2008 | 31 December 2007 |
| | (Rupees in '000) | | | |
| 13. Net sales | | | | |
| Gross sales | 871,944 | 642,710 | 428,135 | 303,804 |
| Sales tax | (132,350) | (92,599) | (65,164) | (44,119) |
| Trade promotion discount | (43,748) | (37,898) | (21,642) | (18,884) |
| Special excise duty | (7,323) | (5,458) | (3,594) | (2,590) |
| Rebate and sales return | (186) | (40) | (186) | (26) |
| | (183,607) | (135,995) | (90,586) | (65,619) |
| | 688,337 | 506,715 | 337,549 | 238,185 |

| 14. COST OF SALES | Six months period ended | | Three months period ended | |
|------------------------------------|------------------------------|------------------|---------------------------|------------------|
| | 31 December 2008 | 31 December 2007 | 31 December 2008 | 31 December 2007 |
| | ----- (Rupees in '000) ----- | | | |
| Raw and packing material consumed | 485,614 | 334,054 | 225,817 | 158,102 |
| Stores and spares consumed | 2,506 | 2,379 | 413 | 1,130 |
| Salaries, wages and other benefits | 35,524 | 32,943 | 18,409 | 16,511 |
| Contribution to the provident fund | 686 | 711 | 343 | 366 |
| Repairs and maintenance | 668 | 796 | 317 | 406 |
| Fuel and power | 25,166 | 19,005 | 12,436 | 7,815 |
| Rent, rates and taxes | 337 | 353 | 304 | 48 |
| Insurance | 1,261 | 1,075 | 630 | 539 |
| Product research and development | 16 | 174 | 12 | 52 |
| Travelling and conveyance | 873 | 801 | 438 | 421 |
| Printing and stationery | 225 | 223 | 162 | 115 |
| Postage, telegrams and telephones | 195 | 259 | 99 | 106 |
| Legal charges | 11 | 7 | 9 | 4 |
| Professional fee | 50 | 39 | 31 | 20 |
| Entertainment | 92 | 25 | 38 | 18 |
| Subscription | 16 | 16 | 13 | 3 |
| Depreciation / amortisation | 9,788 | 10,146 | 4,953 | 5,127 |
| Freight and handling material | 2,598 | 1,283 | 1,287 | 500 |
| Other expenses | 2,164 | 563 | 1,784 | 241 |
| | 567,790 | 404,852 | 267,495 | 191,524 |
| Opening stock of work-in-process | 27,126 | 18,503 | 43,390 | 24,107 |
| Closing stock of work-in-process | (30,417) | (25,242) | (30,417) | (25,242) |
| Cost of good manufactured | 564,499 | 398,113 | 280,468 | 190,389 |
| Opening stock of finished goods | 12,783 | 13,431 | 46,259 | 28,265 |
| Closing stock of finished goods | (60,911) | (35,628) | (60,911) | (35,628) |
| | (48,128) | (22,197) | (14,652) | (7,363) |
| | 516,371 | 375,916 | 265,816 | 183,026 |

15. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise Treet Corporation Limited, Employees Provident Fund, directors and key management personnel. Details of transactions with related parties, are as follows:

| | Six months period ended | |
|-----------------------------|-------------------------|------------------|
| | 31 December 2008 | 31 December 2007 |
| | (Rupees in '000) | |
| Associated Companies | | |
| Sale of goods | 119 | 281 |
| Services rendered | 520 | 383 |
| Purchase of goods | - | 779 |
| Services received | - | 778 |
| Insurance premium paid | - | 578 |
| Dividend paid | 1,580 | 3,394 |

| | Six months period ended | |
|---|--------------------------------|--------------------|
| | 31 December | 31 December |
| | 2008 | 2007 |
| | (Rupees in '000) | |
| Other related parties | | |
| Contribution to the employees' provident fund | <u>1,498</u> | <u>1,482</u> |
| Directors and Chief Executive Officer (Key management personnel) | | |
| Remuneration | <u>2,392</u> | <u>2,480</u> |
| Dividend paid | <u>1,544</u> | <u>6,640</u> |
| Other Key Management Personnel | | |
| Managerial remuneration (excluding directors and Chief Executive Officer) | <u>8,223</u> | <u>3,541</u> |
| Balances with related parties: | | |
| Associated Companies | | |
| Trade debts (unsecured, considered goods) | <u>115</u> | <u>22</u> |
| Trade and other payables | <u>-</u> | <u>1,477</u> |
| Other receivables | <u>546</u> | <u>139</u> |

15.1 Contribution to the provident fund is made in accordance with the requirements of employee service rules.

15.2 Remuneration to key management personnel is in accordance with the terms of their employment.

15.3 Other transactions with related parties are at agreed terms.

16. GENERAL

16.1 Figures have been rounded off to the nearest thousand rupee.

16.2 These condensed interim financial statements are unaudited and have been reviewed by the auditors. Furthermore, the figures for the three months period ended 31 December 2008 in these condensed interim financial statements have not been reviewed by the auditors.

16.3 These condensed interim financial statements were authorised for issue on 26 February 2009 by the board of directors of the Company.

16.4 Comparative figure of Rs. 1.83 million has been reclassified from purchases to other operating expenses.



Ferial Ali Mehdi
Chairman / Chief Executive



Omer Ehtisham
Director