### Balance Sheet - Un-audited

As at 30 September 2004

As at 50 September 2004		30 September 2004	30 June 2004 (Audited)
	Note	(Rupees i	in '000)
OPERATING ASSETS - at cost / revaluation			
less accumulated depreciation	3	158,889	106,414
CAPITAL WORK IN PROGRESS - at cost		1,027	54,633
TRADE MARKS - at cost		471	471
LONG TERM INVESTMENTS		27,229	30,972
LONG TERM DEPOSITS		1,985	2,116
LOANS AND ADVANCES TO EMPLOYEES		436	294
CURRENT ASSETS			
Stores and spares	1	4,089	3,365
Stock-in-trade		93,825	95,888
Short term investment		50,864	31,566
Trade debtors - unsecured, considered good		19,748	6,430
Current maturity of loans and advances to employees		440	283
Advances, deposits, prepayments and other receivables		37,826	27,767
Cash and bank balances		13,559	41,451
		220,351	206,750
CURRENT LIABILITIES			
Current maturity of liabilities against assets subject to finance lease	1	20,897	17,967
Finance under mark-up arrangement		641	
Creditors, accrued expenses and other liabilities		108,117	121,243
Provision for taxation		23,235	16,269
Dividend		10,000	10,000
		162,890	165,479
NET CURRENT ASSETS		57,461	41,271
TOTAL ASSETS	•	247,498	236,171
FINANCED BY :			
SHARE CAPITAL AND RESERVES			
AUTHORISED CAPITAL		50,000	50,000
ISSUED, SUBSCRIBED AND PAID UP CAPITAL	-	40,000	40,000
REVENUE RESERVES		6,000	6,000
UN-APPROPRIATED PROFIT		74,767	58,167
SHAREHOLDERS' EQUITY		120,767	104,167
SURPLUS ON REVALUATION OF FIXED ASSETS	7	52,937	53,755
LONG TERM DEPOSITS		475	475
DEFERRED LIABILITIES	8	49,925	47,168
LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE		23,394	30,606
CONTINGENCIES AND COMMITMENTS	9	- ,	, - • •
		A 18 400	

The annexed notes 1 to 13 form an integral part of these accounts.

These accounts were approved in the Board of Directors' meeting held on 25 October 2004.

**Syeda Feriel R. Ali** Chief Executive Officer Shahid Nazir Ahmed Director

236,171

247,498

## Profit and Loss Account - Un-audited

For the quarter ended 30 September 2004

		July to Sept 2004	July to Sept 2003
	Note	(Rupees	in '000)
Sales - net	10	247,529	171,205
Cost of goods sold	11	190,817	131,337
Gross profit		56,712	39,868
Administrative expenses		5,250	3,733
Selling & distribution expenses		26,805	22,729
Financial expenses		1,387	489
WWF		403	255
WPPF		1,297	702
		35,142	27,908
		21,570	11,960
Other income		2,679	1,128
Profit before taxation		24,249	13,088
Taxation:			
Current		6,966	4,376
Deferred		1,499	284
		8,465	4,660
Profit after taxation		15,784	8,428
Earning per share	Rupees	3.95	2.11

The annexed notes 1 to 13 form an integral part of these accounts.

**Syeda Feriel R. Ali** Chief Executive Officer Shahid Nazir Ahmed Director

Cash Flow Statement - Un-audited *For the quarter ended 30 September 2004* 

July to Sept July to Sept 2004 2003 (Rupees in '000) CASH FLOWS FROM OPERATING ACTIVITIES 13,088 Profit before taxation 24,249 Adjustments for: 1,385 421 Financial charges Depreciation 3,281 1,684 Provision for gratuity 668 592 Provision for retirement benefits 591 1,541 (Gain) / loss on revaluation of investment (138)4,238 5,787 Operating profit before working capital changes 30.036 17,326 Decrease / (Increase) in operating assets: (724) (197)Stores and spares Stock in trade 2,063 12,204 Trade debtors (13,318) 2,897 Advances, deposits, prepayments and other receivables (4,939) (2,620) Loans & advances (299) 131 Long term deposits (17,086) 12,284 Increase (Decrease) in operating liabilities Creditors, accrued expenses and other liabilities 1,530 (13, 128)Cash generated from operations (178) 31,140 (5,120) (1,393) Income tax paid Gratuity paid (1, 164)-Retirement benefits paid (2,022)(1,385) (418) Mark-up paid (4,997)(6,505) (6,683) Net cash (used) / flows from operating activities 26,143 CASH FLOWS FROM INVESTING ACTIVITIES Fixed capital expenditure (2,150)(517)Short term investments 839 (35,000)3,743 Long term investment 123 2,432 (35,394) Net cash (used) / flows from investing activities CASH FLOWS FROM FINANCING ACTIVITIES (Repayment) / addition of lease liability-net (4,282) (1,048)Net cash (used) / flows from financing activities (4,282) (1,048) Net (decrease)/increase in cash and cash equivalents (8,533) (10,299) Cash and cash equivalents as at beginning of the period 41,451 55,085 32,918 44,786 Cash and cash equivalents as at end of the period CASH AND CASH EQUIVALENTS Cash and bank balances 13,559 44,786 (641) Finance under mark-up arrangements Short term Investment - en-cashable within three months 20,000 32,918 44786

The annexed notes 1 to 13 form an integral part of these accounts.

Syeda Feriel R. Ali Chief Executive Officer

## Statement of Changes in Equity - Un-audited

For the quarter ended 30 September 2004

	Share Capital	Revenue Reserves	Un-appropriated Profit	Total
Balance as at 1st July 2003	40,000	6,000	31,664	77,664
Profit for the quarter ended 30 September 2003	-	-	8,428	8,428
Transferred from surplus on revaluation of fixed assets	-	-	434	434
Balance as at 30 September 2003	40,000	6,000	40,526	86,526

	Share Capital	Revenue Reserves	Un-appropriated Profit	Total
Balance as at 1st July 2004	40,000	6,000	58,165	104,165
Profit for the quarter ended 30 September 2004	-	-	15,784	15,784
Transferred from surplus on revaluation of fixed assets	-	-	818	818
Balance as at 30 September 2004	40,000	6,000	74,767	120,767

The annexed notes 1 to 13 form an integral part of these accounts.

**Syeda Feriel R. Ali** Chief Executive Officer Shahid Nazir Ahmed Director (Rupees in '000)

#### Notes to the Financial Statements - Un-audited

For the quarter ended 30 September, 2004

- 1. These financial statements are un-audited, prepared in compliance with IAS-34' Interim Financial Reporting', and are circulated to the shareholders as required by section 245 of the Companies Ordinance 1984.
- 2. The accounting policies adopted for the preparation of these financial statements are the same as those applied in the preparation of the annual audited financial statements of the company for the year ended 30 June 2004, except as stated in note number 3.
- **3.** Upto June 30, 2004 the company had the policy to charge a full year depreciation on all fixed assets capitalized during the year, while no depreciation was charged in the year fixed assets were disposed off or scraped.

With effect from July 1, 2004 the company has decided to change its depreciation policy to charge the depreciation on monthly pro-rata basis on all assets capitalized and disposed off or scrapped during the year.

4. Following is the cost of operating assets that have been added / disposed off during the three months period ended 30 September 2004:

	July to Sept 2004	July to Sept 2003	
	( <b>Rupees in '000</b> )		
Additions			
Owned:			
Plant, Machinery and Equipments	7,020	439	
Furniture and Fixture	17	13	
Vehicles	-	117	
Computer	66	5	
-	7,103	574	
Leased:			
Plant, Machinery and Equipments	47,952	-	
Vehicles	700	-	
	55,755	574	
Disposals			
Owned:			
Vehicles	<u> </u>	375	

5. Following is the cost of capital work in progress that have been added during the three months period ended 30 September 2004:

Plant, Machinery and Equipments	1,027	52

6. As stated in note number 3, the depreciation policy has been changed, had there been no such change in depreciation policy, the profit before tax for the period and the written down value of the operating assets would have been lower by Rs. 0.462 M.

		30 September 2004	30 June 2004
		(Rupees in	n '000)
7.	Surplus on Revaluation of Fixed Assets		
	Opening Balance Revaluation during the period	71,377	34,303 39,746
	Transferred to retained earnings due to incremental depreciation - net off deferred tax	(818)	(1,736)
	Related deferred tax liability	(441)	(936)
	Less: Related deferred tax liability on: - Revaluation	70,118	71,377
	- Incremental depreciation charged during the year - transferred to profit and loss account	(441)	(936)
		17,181	17,622
	Balance at the end of the period	52,937	53,755
8.	Deferred Liabilities		
	Deferred tax liability 8.1 Staff gratuity Staff retirement benefits	10,355 20,467 19,103 49,925	8,856 19,799 18,513 47,168
8.1	Deferred Tax Liability is composed of the following:		
	Debit balances arising in respect of -Provision for gratuity and retirement benefits -Provision for slow moving stock & doubtful debts	(13,850) (3,043)	(13,409) (3,043)
	Credit Balances arising in respect of -Depreciation	4,785	3,649
	-Lease rental -Revaluation Surplus	5,282 17,181 10,355	4,037 17,622 8,856
9.	Contingencies and Commitments		
	Letters of credit	78,028	72,599
	Bank guarantee	2,849	2,849
	Commitment for lease of land	9,000	9,000

(Rupces in '000)           10         Sales-net           Gross sales $30,327$ $215,789$ Sales tax $39,037$ $11,734$ $12,848$ Trade promotion discount $31,708$ $12,2481$ $28$ Sale return / rebate $27$ $215,789$ $44,584$ 200         Cost of Goods Sold         I         Cost of Goods Sold $122,418$ $74,603$ Stores & spares consumed $31,941$ $1,358$ $31,3794$ $1,358$ Salaries, wages & other benefits $13,941$ $1,358$ $73,600$ Contribution to Provident Fund $255$ $270$ $74,603$ Repairs & maintenance $433$ $365$ $90,800$ $6,337$ Rent, rates & taxes $17$ $22$ $118,342$ $77$ $22$ Insurance $415$ $383$ $7004$ $78,251,088$ $18,342$ Traveling & conveyance $554$ $283$ $717$ $22$ $114$ Depreciation $2,822$ $1,465$ $546$			July to Sept 2004	July to Sept 2003
Gross sales       301,327       215,789         Sales tax       39,037       14,734       12,848         Trade promotion discount       21       21       28         Sale return / rebate       21       247,529       171,205         11       Cost of Goods Sold       122,418       74,603         Stores & spares consumed       100       1,3941       1,358         Salaries, wages & other benefits       13,941       22,70         Repairs & maintenance       23,030       36,337       22         Puel & power       433       6,337       22         Insurance       11       22       11       11         Package, telegrams & telephones       12       11       12         Insurance       504       11       12       22         Insurance       504       11       11       12       11         Postage, telegrams & telephones       120       100       10       11         Depreciation       17       22       13       14       14         Subscription       11       12       18       120       190       100       120       100       13         Legal & professional			(Rupees i	in '000)
Sales tax       39,037       31,708         Trade promotion discount       247,529       31,708         Sale return / rebate       23,3798       44,584         21       Cost of Goods Sold       122,418       74,603         Raw & packing material consumed       1,000       1,358         Stores & spares consumed       1,3941       1,4196         Contribution to Provident Fund       255       270         Repairs & maintenance       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       11       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       1120         Postage, relegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1       14         Subscription       17       2.822       1,465         Other expenses       15,115       11,209       18,511         Opening stock of work-in-process       15,115       1120       118,643	10	Sales-net		
Trade promotion discount       14,734       12,848         Sale return / rebate $23$ $23$ Sale return / rebate $23$ $33,798$ $44,584$ 247,529 $171,205$ 11 Cost of Goods Sold $122,418$ $74,603$ Stores & spares consumed $13,941$ $14,196$ Stores & spares consumed $13,941$ $14,196$ Contribution to Provident Flund $255$ $270$ Repairs & maintenance $433$ $365$ Fuel & power $9,080$ $6,337$ Rent, rates & taxes $17$ $22$ Insurance $415$ $313$ Product research & development $15$ $11$ Excise duty $25,108$ $18,342$ Traveling & stationery $86$ $112$ Postage, telegrams & telephones $120$ $190$ Legal & professional $16$ $13$ Entertainment $2$ $1$ Subscription $17$ $24$ Opening stock of work-in-process $15,115$ $11,209$ Closing stock of work-in-process		Gross sales	301,327	215,789
Sale return / rebate $27$ $28$ $53,798$ $44,584$ $247,529$ $171,205$ 11 Cost of Goods Sold       122,418 $74,603$ Stores & spares consumed $13,941$ $74,603$ Stores & spares consumed $13,941$ $14,196$ Contribution to Provident Fund $255$ $270$ Repairs & maintenance $9,9080$ $6,337$ Fuel & power $9,9080$ $6,337$ Rent, rates & taxes $17$ $22$ Insurance $15$ $11$ Product research & development $15$ $11$ Excise duty $25,108$ $18,342$ Traveling & conveyance $904$ $283$ Printing & stationery $86$ $112$ Postage, telegrams & telephones $120$ $190$ Legal & professional $16$ $13$ Entertainment $2,822$ $1,465$ Subscription $1,465$ $546$ Opening stock of work-in-process $15,115$ $11,209$ Closing stock of work-in-process $(15,112)$ $(11,077)$ </th <th></th> <th>Sales tax</th> <th>39,037</th> <th>31,708</th>		Sales tax	39,037	31,708
53,798 $44,584$ 247,529         171,205           11         Cost of Goods Sold           Raw & packing material consumed Stares & sparse consumed         122,418           Salaries, wages & other benefits         13,941           Contribution to Provident Fund         255           Repairs & maintenance         9,080           Fuel & power         9,080           Rent, rates & taxes         17           Insurance         415           Product research & development         15           Excise duty         25,108           Traveling & conveyance         86           Printing & stationery         86           Postage, telegrams & telephones         120           Legal & professional         16           Insurance         17           Postage, telegrams & telephones         1,046           13         11           Depreciation         2,822           1,465         114,455           1,046         146           13         118,511           Opening stock of work-in-process         15,115         11,209           Closing stock of mork-in-process         51,792         37,610           Closing stock		Trade promotion discount	14,734	12,848
247,529 $171,205$ 11         Cost of Goods Sold         122,418         74,603           Stores & spares consumed         1,000         1,358           Salaries, wages & other benefits         13,941         14,196           Contribution to Provident Fund         255         270           Repairs & maintenance         433         365           Fuel & power         9,080         6,337           Rent, rates & taxes         17         22           Insurance         415         383           Product research & development         15         11           Excise duty         16         13           Protage, telegrams & telephones         120         190           Legal & professional         2         1           Bentertainment         2         1         14           Subscription         2         1         14           Depreciation         2,822         1,046         546           177,295         118,511         1         1           Opening stock of work-in-process         (15,112)         (11,077)         1           Opening stock of work-in-process         15,1792         37,610         1           <		Sale return / rebate	27	28
11       Cost of Goods Sold         Raw & packing material consumed Stores & spares consumed Stores & spares consumed       122,418       74,603         Stores & spares consumed       13,941       1,158         Salaries, wages & other benefits       13,941       14,196         Contribution to Provident Fund       255       270         Repairs & maintenance       433       365         Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       115       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       504       283         Postage, telegrams & telephones       120       190         Legal & professional       17       12         Entertainment       2       1         Subscription       17       14         Depreciation       546       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       15,1792       37,610         Closing stock of finished goods       51,792       37,610			53,798	44,584
Raw & packing material consumed       122,418 $74,603$ Stores & spares consumed       1,000       1,358         Salaries, wages & other benefits       13,941       14,196         Contribution to Provident Fund       255       270         Repairs & maintenance       433       365         Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       1       1       1         Subscription       17       14       2,822       1,465         Other expenses       15,115       11,209       546         Closing stock of work-in-process       15,115       11,209         Closing stock of finished goods       51,792       37,610         Closing stock of finished goods       51,792       37,610			247,529	171,205
Stores & sparse consumed       1,000       1,358         Salaries, wages & other benefits       13,941       14,196         Contribution to Provident Fund       255       270         Repairs & maintenance       433       365         Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       177       14         Depreciation       2,822       1,465         Other expenses       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643       0pening stock of finished goods       51,792       37,610	11	Cost of Goods Sold		
Stores & sparse consumed       1,000       1,358         Salaries, wages & other benefits       13,941       14,196         Contribution to Provident Fund       255       270         Repairs & maintenance       433       365         Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       177       14         Depreciation       2,822       1,465         Other expenses       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643       0pening stock of finished goods       51,792       37,610		Paw & packing material consumed	122 /18	74 603
Salaries, wages & other benefits       13,941       14,196         Contribution to Provident Fund       255       270         Repairs & maintenance       433       365         Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       17       14,465         Other expenses       15,115       11,209         Closing stock of work-in-process       15,115       11,209         Closing stock of finished goods       51,792       37,610         Closing stock of finished goods       (28,273)       (24,916)				
Contribution to Provident Fund         255         270           Repairs & maintenance         433         365           Fuel & power         9,080         6,337           Rent, rates & taxes         17         22           Insurance         415         383           Product research & development         15         11           Excise duty         25,108         18,342           Traveling & conveyance         504         283           Printing & stationery         86         112           Postage, telegrams & telephones         120         190           Legal & professional         16         13           Entertainment         2         1           Subscription         177         144           Depreciation         2,822         1,465           Other expenses         15,115         11,209           Closing stock of work-in-process         15,115         11,209           Closing stock of finished goods         51,792         37,610           Closing stock of finished goods         (24,916)         (24,916)		-		
Repairs & maintenance       433       365         Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       17       14         Depreciation       2,822       1,465         Other expenses       1,046       546         177,295       118,511         Opening stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (24,916)       (24,916)		-		
Fuel & power       9,080       6,337         Rent, rates & taxes       17       22         Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       177       14         Depreciation       2,822       1,465         Other expenses       1046       546         177,295       118,511         Opening stock of work-in-process       (15,115)       11,209         Closing stock of mork-in-process       (15,112)       (11,077)         177,298       118,643       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (24,916)       (24,916)		Repairs & maintenance	433	365
Insurance       415       383         Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       177       14         Depreciation       2,822       1,465         Other expenses       1046       546         177,295       118,511         Opening stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)			9,080	6,337
Product research & development       15       11         Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       17       14         Depreciation       2,822       1,465         Other expenses       10,46       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)		Rent, rates & taxes	17	22
Excise duty       25,108       18,342         Traveling & conveyance       504       283         Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       177       14         Depreciation       2,822       1,465         Other expenses       1046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)		Insurance	415	383
Traveling & conveyance $504$ $283$ Printing & stationery $86$ $112$ Postage, telegrams & telephones $120$ $190$ Legal & professional $16$ $13$ Entertainment $2$ $1$ Subscription $17$ $14$ Depreciation $2,822$ $1,465$ Other expenses $1046$ $546$ IT77.295 $118,511$ Opening stock of work-in-process $(15,112)$ $(11,077)$ IT7,298 $118,643$ Opening stock of finished goods $51,792$ $37,610$ Closing stock of finished goods $(38,273)$ $(24,916)$		Product research & development	15	11
Printing & stationery       86       112         Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       177       14         Depreciation       2,822       1,465         Other expenses       106       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)		Excise duty	25,108	18,342
Postage, telegrams & telephones       120       190         Legal & professional       16       13         Entertainment       2       1         Subscription       17       14         Depreciation       2,822       1,465         Other expenses       1046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)			504	283
Legal & professional       16       13         Entertainment       2       1         Subscription       17       14         Depreciation       2,822       1,465         Other expenses       1046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)			86	112
Entertainment       2       1         Subscription       17       14         Depreciation       2,822       1,465         Other expenses       1,046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)				
Subscription       17       14         Depreciation       2,822       1,465         Other expenses       1,046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)				
Depreciation       2,822       1,465         Other expenses       1,046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)			_	
Other expenses       1,046       546         177,295       118,511         Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)				
177,295         118,511           Opening stock of work-in-process         15,115         11,209           Closing stock of work-in-process         (15,112)         (11,077)           177,298         118,643           Opening stock of finished goods         51,792         37,610           Closing stock of finished goods         (38,273)         (24,916)			,	
Opening stock of work-in-process       15,115       11,209         Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)		Other expenses		
Closing stock of work-in-process       (15,112)       (11,077)         177,298       118,643         Opening stock of finished goods       51,792       37,610         Closing stock of finished goods       (38,273)       (24,916)			177,225	110,011
177,298         118,643           Opening stock of finished goods         51,792         37,610           Closing stock of finished goods         (38,273)         (24,916)		Opening stock of work-in-process	15,115	11,209
Opening stock of finished goods         51,792         37,610           Closing stock of finished goods         (38,273)         (24,916)		Closing stock of work-in-process		(11,077)
Closing stock of finished goods (38,273) (24,916)			177,298	118,643
		Opening stock of finished goods	51,792	37,610
<b>190,817</b> 131,337		Closing stock of finished goods	(38,273)	(24,916)
			190,817	131,337

#### 12 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of group companies, entities with common directors and their close family members, major shareholders, key management employees and staff provident fund. The Company has a policy whereby all transactions with related parties, are entered into at arm's length prices using the comparable uncontrolled price method except for common expenses which are shared equitably under the agreed terms of arrangement. The transactions with related parties are as follow:

		July to Sept 2004	July to Sept 2003
		(Rupees	in '000)
Purchases and services received		11,149	6,679
Sales and services rendered		1,724	817
Common expenses charged by the associated company		1,397	4,634
Contribution to employees' provident fund		413	350
Chief executive and directors remuneration	12.1	1,064	823

**12.1** The transactions with the Chief Executive, whole time working director and other senior executives were undertaken in accordance with their terms of employment.

#### 13 General

- 13.1 Figures have been rounded off to the nearest thousand of rupees.
- 13.2 The comparative figures have been re-arranged and re-grouped where ever necessary to facilitate comparison.
- 13.3 These accounts were approved in the Board of Directors' meeting held on October 25, 2004.

**Syeda Feriel R. Ali** Chief Executive Officer Shahid Nazir Ahmed Director