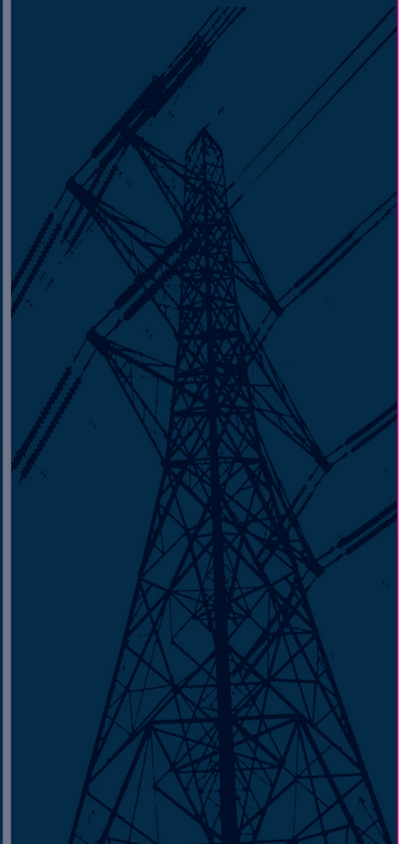
Nishat Chunian Power Limited



Interim Financial Information

Nine Months Ended 31 March 2012

(Unaudited)

Contents

Company Information

Board of Directors:	Mrs. Farhat Saleem	Director
	Mr. Shahzad Saleem (Nominee NCL)	Chairman
	Mr. Yahya Saleem	Chief Executive
	Sahibzada Rafat Raoof Ali (Nominee NBP)	Director
	Mr. Wasif M. Khan	Director
	Mr. Mushtaq Ahmad	Director
	Mr. Badar ul Hassan	Director
	Mr. Manzar Mushtaq	Director
Audit Committee:	Mr. Shahzad Saleem	Chairman
	Mr. Mushtaq Ahmad	Member
	Mr. Badar ul Hassan	Member
Chief Financial Officer:	Ms. Sonia Karim	
Company Secretary:	Mr. Khadim Hussain	
Bankers to the Company:	Allied Bank Limited Habib Bank Limited United Bank Limited National Bank of Pakistan Faysal Bank Limited Summit Bank Limited (Formerly Arif Habib Bank Limited) Bank Alfalah Limited Askari Bank Limited Habib Metropolitan Bank Limited Al Baraka Bank (Pakistan) Limited Meezan Bank Limited	
Auditors:	A.F. Ferguson & Co. Chartered Accountants	
Registered & Head Office:	31 -Q, Gulberg II, Lahore, Pakistan. Ph: 042-35761730 Fax: 042-35878696-97 www.nishat.net	
Share Registrar:	Hameed Majeed Associates (Pvt) Limited 1st Floor, H.M. House 7-Bank Square, Lahore Ph: 042 37235081-2 Fax: 042 37358817	
Mill:	66-km, Multan Road, Pattoki Kasur.	

Directors' Report

The Board of Directors is pleased to present the financial statements of the company for the nine months ended 31 March 2012. Turnover for the period was Rs. 16.099 billion with an after tax profit of Rs. 1.634 billion and earnings per share (EPS) of Rs. 4.45.

However, we would like to highlight that the thermal efficiency and variable O&M in the tariff is levelized with constant payments over a 25 year period. As the initial maintenance costs are low and the plant efficiency for new equipment is high, the profit for the initial years after commercial operations will be on the higher side. We foresee a negative impact on profitability in later years due to plant aging and higher maintenance costs.

Another important aspect is that the long term loan for the plant is for a period of 10 years from Commercial Operations Date and the tariff structure is such that principal payment is being received as part of the revenue. Therefore, the profit for the first ten years is overstated and we foresee a drop in the profit from the eleventh year onwards due to this reason.

Circular debt remained a major threat to the companies operating in power sector. National Transmission and Despatch Company Limited (NTDCL) remained unable to meet its obligations to make payments to company on time. As of 31 March 2012, total receivables from NTDCL were Rs. 9.504 billion out of which Rs. 4.768 billion was overdue. The company continues to take up the matter of overdue receivables not only with NTDCL but also with the Ministry of Water & Power of the Government of Pakistan through Private Power & Infrastructure Board (PPIB).

Due to increased pressure on international oil prices and delayed payments from NTDCL, working capital requirements of the company have increased substantially and the company is doing its best to arrange adequate working capital finance facilities to meet its short term funding requirements. During the nine months ended 31 March 2012, the company expanded its existing portfolio of banks by procuring working capital lines from several new lenders.

As of 31 March 2012, year to date availability of the plant was 90.45% with year to date capacity factor of 61.20%.

On behalf of the Board

Shahzad Saleem
Chairman

Lahore: 30 April 2012

Interim Condensed Balance Sheet

	Note	Unaudited 31 March 2012 Rupees	Audited 30 June 2011 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 385,000,000 (30 June 2011: 385,000,000) Ordinary shares of Rupees 10 each		3,850,000,000	3,850,000,000
Issued, subscribed and paid up share capital		3,673,469,390	3,673,469,390
Unappropriated profit		1,936,217,097	1,220,946,168
		5,609,686,487	4,894,415,558
NON-CURRENT LIABILITIES			
Long term financing-Secured	5	13,139,368,789	13,811,282,788
CURRENT LIABILITIES			
Current portion of long term financing-Secured	5	941,785,308	1,034,722,060
Short term borrowings-secured		4,975,877,320	3,611,299,988
Trade and other payables		2,219,978,456	670,804,107
Derivative Financial Instruments	6	15,096,426	-
Accrued finance cost		718,980,655	762,295,525
Provision for taxation		9,670,320	8,009,911
		8,881,388,485	6,087,131,591
TOTAL LIABILITIES		22,020,757,274	19,898,414,379
CONTINGENCIES AND COMMITMENTS	7	-	-
TOTAL EQUITY AND LIABILITIES		27,630,443,761	24,792,829,937

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

Chief Executive

as at 31 March 2012

	Note	Unaudited 31 March 2012 Rupees	Audited 30 June 2011 Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	8	16,058,958,867	16,756,207,774
Long term loans		1,407,878	2,092,525
Long term security deposits		105,000	105,000
		16,060,471,745	16,758,405,299
CURRENT ASSETS			
Stores, spare parts and loose tools		423,572,322	246,430,257
Stock-in-trade		946,632,537	665,370,607
Trade debts		9,504,129,666	6,909,141,190
Loans, advances, prepayments, deposits & other receivables		692,033,875	171,119,661
Derivative Financial Instruments	6	2,320,937	3,061,396
Cash and bank balances		1,282,678	39,301,527
		11,569,972,015	8,034,424,638
TOTAL ASSETS		27,630,443,761	24,792,829,937

Director

Interim Condensed Profit and Loss Account (Unaudited)

For the Nine Months Ended 31 March 2012

	Note	Quarter Ended 31 March 2012 Rupees	Quarter Ended 31 March 2011 Rupees	Nine Months Ended 31 March 2012 Rupees	Nine Months Ended 31 March 2011 Rupees
SALES		5,533,830,063	5,598,991,732	16,098,644,605	14,047,902,184
COST OF SALES	9	4,177,876,430	4,180,212,564	12,079,491,988	10,359,377,060
GROSS PROFIT		1,355,953,633	1,418,779,168	4,019,152,617	3,688,525,124
ADMINISTRATIVE EXPENSES		12,907,570	11,438,872	40,580,431	30,613,620
OTHER OPERATING EXPENSES		2,850,978	2,043,625	10,164,498	35,671,032
		15,758,548	13,482,497	50,744,929	66,284,652
		1,340,195,085	1,405,296,671	3,968,407,688	3,622,240,472
OTHER OPERATING INCOME		7,471,628	7,424,391	24,741,704	35,100,014
PROFIT FROM OPERATIONS		1,347,666,713	1,412,721,062	3,993,149,392	3,657,340,486
FINANCE COST		736,051,514	791,624,791	2,350,913,841	2,112,398,899
PROFIT BEFORE TAXATION		611,615,199	621,096,271	1,642,235,551	1,544,941,587
PROVISION FOR TAXATION		2,604,716	2,670,857	8,597,274	12,285,005
PROFIT AFTER TAXATION		609,010,483	618,425,414	1,633,638,277	1,532,656,582
EARNINGS PER SHARE-BASIC	10	1.66	1.68	4.45	4.17
EARNINGS PER SHARE-DILUTED		1.66	1.68	4.45	4.17

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

Chief Executive

Director

Interim Condensed Statement of Comprehensive Income (Unaudited)

For the Nine Months Ended 31 March 2012

	Quarter Ended		Nine Months Ended	
	31 March 2012	31 March 2011	31 March 2012	31 March 2011
	Rupees	Rupees	Rupees	Rupees
PROFIT AFTER TAXATION	609,010,483	618,425,414	1,633,638,277	1,532,656,582
OTHER COMPREHENSIVE INCOME	-	-	-	-
TOTAL COMPREHENSIVE INCOME	609,010,483	618,425,414	1,633,638,277	1,532,656,582

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Interim Condensed Cash Flow Statement (Unaudited)

For the Nine Months Ended 31 March 2012

	Note	Nine Months Ended 31 March 2012	31 March 2011
		Rupees	Rupees
Cash generated from / (used) in operations	11	2,171,066,650	(2,016,250,306)
Long term security deposits - net		-	(100,000)
Retirement benefits paid		(452,235)	(593,437)
Finance cost paid		(2,394,228,711)	(2,062,036,242)
Taxes paid		(6,936,865)	(3,613,734)
		(2,401,617,811)	(2,066,343,413)
Net cash generated from / (used) in operating activities		(230,551,161)	(4,082,593,719)
CASH FLOWS FROM INVESTING ACTIVITIES			
Property, plant and equipment - net		(9,755,049)	167,386,915
Proceeds from sale of property, plant and equipment		1,334,349	-
Investments made		-	(315,772,760)
Disposal of Investments		-	454,470,217
Gian realised on derivative financial instrument		5,677,799	-
Profit on bank deposits received		718,929	16,174,118
Long term loans to executives- net		684,646	428,785
Net cash (used) in / generated from investing activities		(1,339,326)	322,687,275
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayment of long term financing		(764,850,751)	(254,173,340)
Proceeds from short term borrowing		1,688,894,249	85,000,000
Repayment of short term borrowing		(1,688,894,249)	(22,000,000)
Dividend paid		(405,854,943)	-
Net Cash (used) in financing activities		(1,170,705,694)	(191,173,340)
Net decrease in cash and cash equivalents		(1,402,596,181)	(3,951,079,784)
Cash and cash equivalents at the beginning of the period		(3,571,998,461)	(263,719,588)
Cash and cash equivalents at the end of the period	12	(4,974,594,642)	(4,214,799,372)

Chief Executive

Director

Interim Condensed Statement of Changes in Equity (Unaudited)

For the Nine Months Ended 31 March 2012

	SHARE CAPITAL	UNAPPROPRIATED PROFIT / (ACCUMULATED LOSS)	TOTAL EQUITY
	.... Rupees	....	
Balance as at 30 June 2010 (audited)	3,673,469,390	(24,139,607)	3,649,329,783
Total comprehensive income for the Nine Months ended 31 March 2011	-	1,532,656,582	1,532,656,582
Balance as at 31 March 2011 (unaudited)	3,673,469,390	1,508,516,975	5,181,986,365
Total comprehensive income for the Quarter	-	79,776,840	79,776,840
Interim dividend at the rate of Rupee 1 per share	-	(367,347,647)	(367,347,647)
Balance as at 30 June 2011 (audited)	3,673,469,390	1,220,946,168	4,894,415,558
Total comprehensive income for the Nine Months	-	1,633,638,277	1,633,638,277
Final dividend for the Year ended 30 June 2011 at the rate of Rupee 1 per share	-	(367,346,939)	(367,346,939)
Interim dividend for the half year ended 31 December 2012 at the rate of Rupee 1.5 per share	-	(551,020,409)	(551,020,409)
Balance as at 31 March 2012 (unaudited)	3,673,469,390	1,936,217,097	5,609,686,487

The annexed notes form an integral part of these financial statements.

Chief Executive

Director

Selected Notes to and Forming Part of the Interim Condensed Financial Information (Unaudited)

For the Nine Months Ended 31 March 2012

1. The company and its activities

Nishat Chunian Power Limited ('the company') is a public limited company incorporated in Pakistan under the Companies Ordinance,1984. The company's ordinary shares are listed on the Karachi Stock Exchange (Guarantee) Limited and Lahore Stock Exchange (Guarantee) Limited. The company is a subsidiary of Nishat (Chunian) Limited.

The principal activity of the company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the company is 31-Q, Gulberg II, Lahore.

2. Basis of preparation

This condensed interim financial information is unaudited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore, should be read in conjunction with the annual financial statements for the year ended 30 June 2011.

3. Significant accounting policies

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended 30 June 2011.

3.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the company's financial statements covering annual periods, beginning on or after the following dates:

3.2.1 Amendments to published standards effective in current year new and amended standards, and interpretations mandatory for the first time for the financial year beginning on or after 01 January 2011 that are either not relevant to the company's current operations (although they may affect the accounting for future transactions and events) or are not expected to have significant impact on the company's financial statements other than certain additional disclosures:

IFRS 7, 'Disclosures on transfers of financial assets' (Amendment), issued on 08 October 2010. The new disclosure requirements apply to transferred financial assets. An entity transfers a financial asset when it transfers the contractual rights to receive cash flows of the asset to another party. These amendments are as part of the IASBs comprehensive review of off balance sheet activities. The amendments will promote transparency in the reporting of transfer transactions and improve users' understanding of the risk exposures relating to transfers of financial assets and the effect of those risks on an entity’s financial position, particularly those involving securitization of financial asset.

IAS 1 (amendments), clarifies that an entity will present an analysis of other comprehensive income for each component of equity, either in the statement of changes in equity or in the notes to the financial statements.

IAS 24 (revised), 'Related Party Disclosures', issued in November 2009. It supersedes IAS 24, 'Related Party Disclosures', issued in 2003. The revised standard clarifies and simplifies the definition of a related party and removes the requirement for government related entities to disclose details of all transactions with the government and other government related entities.

IAS 34, 'Interim Financial Reporting' (Amendment). Greater emphasis has been placed on the disclosure principles in IAS 34 involving significant events and transactions, including changes to fair value measurements, and the need to update relevant information from the most recent annual report.

Prepayments of a minimum funding requirement' (Amendments to IFRIC 14). The amendments correct an unintended consequence of IFRIC 14, 'IAS 19 – The limit on a defined benefit asset, minimum funding requirements and their interaction'. Without the amendments, entities are not permitted to recognize as an asset some voluntary prepayments for minimum funding contributions. This was not intended when IFRIC 14 was issued, and the amendments corrected the problem. The amendments should be applied retrospectively to the earliest comparative period presented.

3.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company.

The following amendments and interpretations to existing standards have been published and are mandatory for the company's annual accounting periods beginning on or after 01 January 2012 or later periods. They are not expected to have any significant impact on the company's financial statements.

Standards or Interpretations	Effective date (accounting periods beginning on or after)
IFRS 9 - Financial Instruments	01 January 2013
IFRS 10 - Consolidated Financial Statements	01 January 2013
IFRS 11 - Joint Arrangements 01 January 2013	01 January 2013
IFRS 12 - Disclosures of Interests in Other Entities	01 January 2013
IFRS 13 - Fair Value Measurement	01 January 2013
IAS 1 - Financial statement presentation (Amendment)	01 July 2012
IAS 12 - Income Taxes (Amendment)	01 January 2012
IAS 19 - Employee Benefits (Amendment)	01 January 2012

4. The preparation of the condensed interim financial information 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 expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended 30 June 2011.

	Unaudited 31 March 2012 Rupees	Audited 30 June 2011 Rupees
5 LONG TERM FINANCING - SECURED		
Opening balance	14,846,004,848	15,401,780,951
Less: Repayment during the year	764,850,751	555,776,103
	14,081,154,097	14,846,004,848
Less: Current portion shown under current liabilities	941,785,308	1,034,722,060
	13,139,368,789	13,811,282,788

6 Financial risk management

6.1 The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual financial statements as at 30 June 2011.

There have been no changes in the risk management department since year end or in any risk management policies.

6.2 Liquidity risk

Compared to year end, there was no material change in the contractual undiscounted cash out flows for financial liabilities.

6.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).

Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table presents the company's assets and liabilities that are measured at fair value at 31 March 2012.

	Level 1	Level 2	Level 3	Total
	- - - - - - - - R u p e e s - - - - - - - -			
At fair value through profit or loss				
Derivative financial instruments	-	-	2,320,937	2,320,937
Total Assets	-	-	2,320,937	2,320,937
At fair value through profit or loss				
Derivative financial instruments	-	-	15,096,426	15,096,426
Total liabilities	-	-	15,096,426	15,096,426

The following table presents the company's assets and liabilities that are measured at fair value at 30 June 2011

	Level 1	Level 2	Level 3	Total
	- - - - - - - - R u p e e s - - - - - - - -			
At fair value through profit or loss				
Derivative financial instruments	-	-	3,061,396	3,061,396
Total Assets	-	-	3,061,396	3,061,396
Total liabilities	-	-	-	-

The carrying amount of trade receivables and payables are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the company for similar financial instruments.

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

7 CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

The banks have issued the following on behalf of the company:

(a) Irrevocable standby letter of credit in favour of Wartsila Pakistan (Private) Limited for Rs 45,000,000 (30 June 2011: Rs 45,000,000) as required under the terms of the Operation and Maintenance Agreement.

(b) Letter of guarantee of Rs 1,031,988 (30 June 2011: 1,131,988) in favour of Director, Excise and Taxation, Karachi under direction of Sindh High Court in respect of suit filed for levy of infrastructure cess.

(c) Sales and trade debts include an amount of Rs.329,499,391/- deducted by the Power Purchaser from the Capacity Payment Invoices for the months of January and February 2012. The said deduction was made owing to under utilization of plant capacity due to non-availability of fuel on account of non payment by the Power Purchaser. As managment of the company is taking up the matter at appropriate forums and believes that there are enough grounds to understand that these deductions will be reversed. Had this deduction accounted for, the revenue for the period and trade debts would have been lower by Rs.329,499,391/- each.

	Unaudited 31 March 2012	Audited 30 June 2011
	Rupees	Rupees

7.2 Commitments

	Unaudited 31 March 2012 Rupees	Audited 30 June 2011 Rupees
(a) Letter of credit other than for capital expenditure	50,005,646	290,593,989
(b) Other contractors and consultants	-	1,024,098

(C) The Company has also entered into an agreement with Wartsila Pakistan (Private) Limited for the operations and maintenance (O&M) of the power station which shall remain in effect until earlier of the end of five years from the commercial operation date i.e. 21 July 2010 or the last day of the month in which the running hours of the first generator set reaches 35,000 hours. Under the terms of the O&M agreement, the Company is required to pay a monthly fixed O&M fee and variable O&M fee depending on the net electrical output, both of which are adjustable according to the Wholesale Price Index.

	Unaudited 31 March 2012	Audited 30 June 2011
	Rupees	Rupees

8 FIXED ASSETS

Operating fixed assets		
Property,plant and equipment(8.1)	16,057,408,617	16,754,299,774
Intangible assets	1,550,250	1,908,000
	16,058,958,867	16,756,207,774

8.1 Property, plant and equipment

Opening written down value	16,754,299,774	76,599,079
Add: Additions during the period/year(Note 8.1.1)	9,755,048	17,933,466,748
	16,764,054,822	18,010,065,827
Less: Disposals during the period/year (at book value)	1,051,019	-
	16,763,003,803	18,010,065,827
Less: Depreciation charged during the period/year	705,595,187	(1,255,766,053)
	16,057,408,617	16,754,299,774

	Unaudited 31 March 2012 Rupees	Audited 30 June 2011 Rupees
8.1.1 Following is the detail of additions during the period/year		
Factory building	653,614	169,176,376
Plant & machinery	-	17,751,513,234
Electric installations	-	2,535,539
Office equipment	303,000	4,271,160
Furniture and fittings	981,686	190,252
Vehicles	7,816,748	5,780,187
	9,755,048	17,933,466,748

9 COST OF SALES

	Quarter Ended		Nine Months Ended	
	31 March 2012 Rupees	31 March 2011 Rupees	31 March 2012 Rupees	31 March 2011 Rupees
Raw material consumed	3,644,675,991	3,870,106,605	10,734,341,689	9,474,998,797
Salaries and other benefits	3,729,059	2,907,587	9,821,041	8,857,942
Operations and maintenance	78,732,175	76,691,072	213,051,166	195,381,978
Store, spares and loose tools consumed	164,896,002	13,659,496	291,894,530	32,057,395
Electricity consumed in - house	609,721	444,383	3,654,238	3,435,092
Insurance	36,846,191	34,027,807	110,873,374	95,759,800
Travelling and conveyance	1,381,128	758,914	2,903,925	1,724,923
Postage and telephone	432,420	507,244	1,314,655	1,175,198
Repair & maintenance	149,810	-	983,488	-
Entertainment	74,985	86,483	304,876	193,653
Depreciation on operating fixed assets	245,662,038	179,994,008	703,901,671	542,039,189
Fee & subscription	343,498	771,141	5,473,038	1,112,141
Miscellaneous	343,412	257,825	974,297	2,640,952
	4,177,876,429	4,180,212,565	12,079,491,988	10,359,377,060

10 EARNING/(LOSS) PER SHARE

10.1 Basic earnings per share

	Quarter Ended		Nine Months Ended	
	31 March 2012 Rupees	31 March 2011 Rupees	31 March 2012 Rupees	31 March 2011 Rupees
Net profit for the period (Rupees)	609,010,483	618,425,414	1,633,638,277	1,532,656,582
Weighted average number of ordinary shares (Number)	367,346,939	367,346,939	367,346,939	367,346,939
Earnings per share (Rupees)	1.6579	1.6835	4.4471	4.1722

10.2 Diluted earnings per share

A diluted earnings per share has not been presented as the company does not have any convertible instruments in issue as at 31 March 2012 and 31 March 2011 which would have any effect on the earnings per share if the option to convert is exercised.

	01 July to 31 March	
	2012	2011
	Rupees	Rupees

11 CASH (USED IN) / GENERATED FROM OPERATIONS

Profit / (loss) before taxation	1,642,235,551	1,544,941,587
Adjustments for non cash charges and other items:		
Depreciation on operating fixed assets	705,595,187	542,968,644
Amortization on intangible asset	357,750	357,750
Gain on sale of fixed assets	(283,330)	-
Profit on bank deposits	(53,263)	(14,331,921)
Profit on investment	-	(6,751,599)
Finance cost	2,350,913,841	2,112,398,899
Provision for loss against derivative financial instrument	10,159,086	-
Provision for employee retirement benefits	796,162	807,437
Profit before working capital changes	4,709,720,984	4,180,390,797
Effect on cash flow due to working capital changes:		
Increase in stores and spare parts	(177,142,065)	(26,706,945)
Increase in stock-in-trade	(281,261,930)	(170,219,688)
Increase in trade debts	(2,595,998,069)	(6,691,652,049)
Decrease/(increase) in loans and advances & other receivables	(520,914,214)	467,175,728
Increase / (decrease) in current liability:		
Trade and other payables	1,036,661,944	224,761,851
	(2,538,654,333)	(6,196,641,103)
	2,171,066,650	(2,016,250,306)

12 CASH AND CASH EQUIVALENTS

Cash and bank balances	1,282,678	39,301,527
Short term borrowings - secured	(4,974,877,320)	(3,611,299,988)
	(4,974,594,642)	(3,571,998,461)

13 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated undertakings, other related parties, key management personnel and provident fund trust. The company in the normal course of business carries out transactions with related parties.

	01 July to 31 March	
	2012	2011
	Rupees	Rupees
(i) Holding Company		
Subordinated loan proceeds from holding company	-	85,000,000
Subordinated loan repaid to holding company	-	22,000,000
Mark up on subordinated loan	-	51,195,225
Short term loan received from holding company	1,688,894,249	-
Short term loan repaid to holding company	1,688,894,249	-
Markup on short term loan from holding company	20,695,815	-
Purchase of goods and services	1,350,000	1,350,000
Dividend paid to holding company	187,585,820	-
(ii) Key management personnel		
Remuneration paid to key management personnel	16,717,246	18,965,160
(iii) Other related parties		
Long term financing repaid	131,656,264	102,343,884
Short term borrowings acquired	459,959,540	5,152,431,887
Short term borrowings repaid	481,054,511	4,148,704,407
Mark up on long term financing paid	311,406,477	950,935,001
Mark up on short term borrowings paid	63,771,558	88,161,580
Bank charges and financing fee	7,115	4,988,000
Contribution towards staff retirement benefits	452,235	807,437

All transactions with related parties have been carried out on commercial terms and conditions.

	Unaudited 31 March 2012	Audited 30 June 2011
	Rupees	Rupees
Period end balances		
Long term financing from related parties	2,423,834,769	2,555,491,033
Short term borrowings from related parties	550,527,364	550,716,697
Mark up payable to related parties	110,206,961	127,184,471
Due to holding company	300,079,467	-
Bank balance with related party	238,909	102,333

14 Date of authorisation for issue

This condensed interim financial information was authorised for issue 30 April 2012 by the Board of Directors of the company.

Chief Executive

Director