



**In The Name Of Allah  
The Merciful  
The Compassionate**

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**COMPANY INFORMATION**

<b>BOARD OF DIRECTORS</b>	Anwar Saifullah Khan Osman Saifullah Khan Jehangir Saifullah Khan Hoor Yousafzai Assad Saifullah Khan Asif Saifullah Khan Muhammad Ayub	- <b>Chairman</b> - <b>Chief Executive</b>  - <b>NIT Nominee</b>
<b>AUDIT COMMITTEE</b>	Hoor Yousafzai Jehangir Saifullah Khan Muhammad Ayub	- <b>Chairperson</b> - <b>Member</b> - <b>Member</b>
<b>CHIEF FINANCIAL OFFICER</b>	Zaheen-ud-Din Qureshi	
<b>COMPANY SECRETARY</b>	Mumtaz H. Chaudhry	
<b>LEGAL ADVISORS</b>	Dr. Pervez Hassan Hassan & Hassan, Advocates Salahuddin Saif & Aslam (Attorney's at Law)	
<b>AUDITORS</b>	Hameed Chaudhri & Co., Chartered Accountants HM House, 7-Bank Square, Lahore	
<b>BANKERS</b>	Albaraka Islamic Bank B.S.C (E.C) Allied Bank Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited Meezan Bank Limited National Bank of Pakistan The Bank of Punjab HSBC Bank Middle East Limited United Bank Limited	
<b>HEAD OFFICE</b>	Kulsum Plaza, 4th Floor, 2020 – Blue Area, Islamabad-44000 Phone : +92-51-2823924, 2829415 Fax : +92-51-2277843, 2822564 Email : stm@saifgroup.com	
<b>REGISTERED OFFICE</b>	APTMA House, Tehkal Payan, Jamrud Road, Peshawar Phone : +92-91-5843870, 5702941 Fax : +92-91-5840273 Email : peshawar@saifgroup.com	
<b>SHARES REGISTRAR</b>	M/s. Hameed Majeed Associates (Pvt.) Ltd., HM House, 7-Bank Square, Lahore. Phone : +92-42-37235081-37235082 Fax : +92-42-37358817 Email : info@hmaconsultants.com	
<b>MILLS</b>	Industrial Estate, Gadoon Amazai, District Swabi Phone : +92-938-270313, 270429 Fax : +92-938-270514 Email : stmgdn@saifgroup.com	
<b>WEB SITE</b>	<a href="http://www.saiftextile.com">www.saiftextile.com</a>	

**DIRECTORS' REVIEW REPORT TO THE MEMBERS**

The un-audited financial statements of the Company for the Half year ended on December 31, 2009 are being presented to you with the following observations.

**FINANCIAL HIGHLIGHTS**

During the period your Company has shown substantial improvement in its operations as the Gross Profit Margin of the Company has increased to 10.08% as compared to 4.19% for the corresponding period of last year.

This was primarily due to an upswing in the demand for yarn in the domestic and international textiles markets.

Another significant factor which helped bring about the significant improvement in your Company's profitability is the far-sighted decision of the management in converting the Captive Power Plant to run on natural gas. This fuel substitution helped in controlling operational costs despite the government's unbridled increase in electricity tariffs.

As a result of these factors, your Company earned an Operating Profit of Rs. 99.244 million in comparison with an Operating Loss of Rs. 61.560 million for the corresponding period of last year.

It is important to note that the benefits of this recovery will remain limited unless the following issues are addressed by the Government:

- 1) An improvement in the public safety and security environment of the country, especially in the NWFP.
- 2) Power shortages issues.
- 3) Unending rise in electricity and fuel tariffs.
- 4) Continuing volatility of the Rupee in the foreign exchange markets

**GENERAL MARKET CONDITIONS**

The increasing global demand for yarn is helping to provide some breathing space to the domestic textile industry after the severe challenges since the global economic recession started in 2008.

The major difficulties faced by the textile industry include:

- 1) Change in parity of PKR versus US Dollars. The exchange loss due to devaluation for your Company totaled Rs.64 million.
- 2) Increase in prices of energy inputs and the shortage of electricity and natural gas in the country.
- 3) Rising interest rates and financial charges.
- 4) Domestic and regional political uncertainty.

**FUTURE OUTLOOK**

The Management is consistently focusing its efforts to increase your Company's efficiency and profit margins despite the challenges before us.

These latest hurdle placed before the yarn manufacturing industry is the setting of an export ceiling (quota) on yarn by the government. In addition, the energy shortages and rising tariffs also continue to present very substantial operational challenges and remain as factors which have the potential to effect the future profitability of your Company.

The Federal and Provincial Governments should implement additional programs to support the Special Initiative announced by the Honorable Prime Minister instructing the Federal Board of Revenue to provide fiscal relief in rehabilitating the economic life in the NWFP. These Special Initiatives will enable our textile industry to become competitive globally. Further measures also need to be taken immediately are to reduce financial, power and energy costs.

Your Company's management is hopeful that the State Bank of Pakistan will take some steps which would support the textile manufacturing sector.

Your Company's management is cognizant of the rising degree of leverage in the company's capital structure and is in the process of negotiating with lenders for the conversion of a part of our short term finances to long term financing.

**QUALIFICATION IN AUDITORS REPORT**

The auditor's have qualified the report on the basis that Company has recognized the deferred tax asset despite the availability of unused tax losses. This year was exceptional for the textile industry, however, company is well equipped to meet the customer quality requirements and in future your company will be able to earn profits.

**ACKNOWLEDGMENT**

The Board places on record its appreciation for the support of our bankers and our valued customers. We would also like to highlight the hard work put in by the members of our corporate family. We look forward to the same dedication and cooperation in the days ahead.

Place: Islamabad  
Dated: 26 February, 2010

**OSMAN SAIFULLAH KHAN**  
Chief executive

**AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF  
INTERIM FINANCIAL INFORMATION**

**Introduction**

We have reviewed the accompanying condensed interim balance sheet of **SAIF TEXTILE MILLS LIMITED** as at 31 December, 2009 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half-year 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.

The figures of the condensed interim profit and loss account for the quarters ended 31 December, 2009 and 2008 have not been reviewed, as we are required to review only the cumulative figures for the half-year ended 31 December, 2009.

**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.

**Basis for Qualified Conclusion**

Deferred tax asset has been recognised despite the availability of unused tax losses (Note 7.1).

**Qualified Conclusion**

Based on our review, except for the matter referred to in the aforementioned paragraph and the extent to which this may affect the annexed interim financial information, nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half-year ended 31 December, 2009 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Place: LAHORE  
Dated: 26 February, 2010

**HAMEED CHAUDHRI & CO.,**  
CHARTERED ACCOUNTANTS  
Engagement Partner: Abdul Hameed Chaudhri

**CONDENSED INTERIM BALANCE SHEET AS AT  
31 DECEMBER, 2009**

	Note	Un-audited 31 Dec., 2009 (Rupees in thousand)	Audited 30 June, 2009
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised capital		<b>300,000</b>	300,000
Issued, subscribed and paid-up capital		<b>264,129</b>	264,129
Reserves		<b>265,981</b>	265,981
Accumulated loss		<b>(318,917)</b>	(212,897)
		<b>211,193</b>	317,213
<b>SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT</b>			
		<b>176,788</b>	182,479
<b>NON-CURRENT LIABILITIES</b>			
Sub-ordinated loan		<b>420,600</b>	405,600
Long term financing	4	<b>980,581</b>	1,167,938
Liabilities against assets subject to finance lease		<b>2,266</b>	2,631
Long term deposits		<b>693</b>	532
Deferred liability - staff retirement benefits		<b>39,885</b>	34,827
		<b>1,444,025</b>	1,611,528
<b>CURRENT LIABILITIES</b>			
Trade and other payables		<b>398,723</b>	257,802
Accrued mark-up and financial charges		<b>156,217</b>	115,064
Short term borrowings		<b>1,601,308</b>	1,348,778
Current portion of:			
- long term financing	4	<b>348,637</b>	166,780
- liabilities against assets subject to finance lease		<b>707</b>	656
		<b>2,505,592</b>	1,889,080
<b>CONTINGENCIES AND COMMITMENTS</b>			
	5	<b>4,337,598</b>	4,000,300
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	<b>2,170,669</b>	2,225,806
Intangible assets		<b>381</b>	535
Long term loans		<b>2,347</b>	2,483
Long term deposits		<b>6,871</b>	7,128
Deferred taxation	7	<b>227,548</b>	192,994
		<b>2,407,816</b>	2,428,946
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		<b>62,262</b>	51,005
Stock-in-trade		<b>1,175,577</b>	685,765
Trade debts	8	<b>586,041</b>	740,173
Loans and advances		<b>28,145</b>	36,831
Trade deposits and short term prepayments		<b>8,076</b>	5,557
Other receivables		<b>23,16</b>	774
Investments		<b>12,029</b>	10,019
Deposit for shares	9	<b>0</b>	0
Taxation		<b>19,995</b>	16,168
Taxes refundable		<b>24,422</b>	21,856
Cash and bank balances		<b>10,919</b>	3,206
		<b>1,929,782</b>	1,571,354
		<b>4,337,598</b>	4,000,300

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

**Osman Saifullah Khan**  
Chief Executive

**Jehangir Saifullah Khan**  
Director



**CONDENSED INTERIM CASH FLOW STATEMENT(UN-AUDITED)  
FOR THE HALF-YEAR ENDED 31 DECEMBER, 2009**

	<b>Half-year ended</b>	
	31 Dec., <b>2009</b>	31 Dec., 2008
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Loss for the period - before taxation	<b>(135,665)</b>	(382,650)
Adjustments for non-cash and other charges:		
Depreciation and amortisation	<b>78,051</b>	78,824
Gain on disposal of operating fixed assets - net	<b>(169)</b>	(37)
Staff retirement benefits - gratuity (net)	<b>5,058</b>	1,223
Finance cost (excluding bank charges)	<b>164,299</b>	169,518
Exchange fluctuation loss on long term financing	<b>30,000</b>	105,200
Exchange fluctuation gain - net	<b>(8,137)</b>	0
Adjustment on re-measurement of investments to fair value - net	<b>(2,010)</b>	10,098
<b>CASH INFLOW / (OUTFLOW) FROM OPERATING ACTIVITIES</b>		
- Before working capital changes	<b>131,427</b>	(17,824)
<b>(Increase) / decrease in current assets:</b>		
Stores, spare parts and loose tools	<b>(11,257)</b>	(8,725)
Stock-in-trade	<b>(489,812)</b>	(185,382)
Trade debts	<b>162,269</b>	220,228
Loans and advances	<b>7,951</b>	(13,653)
Trade deposits and short term prepayments	<b>(2,519)</b>	(6,904)
Other receivables	<b>(1,542)</b>	(93,683)
Taxes refundable	<b>(2,566)</b>	409
<b>Increase / (decrease) in trade and other payables</b>	<b>140,921</b>	(31,591)
	<b>(196,555)</b>	(119,301)
<b>CASH OUTFLOW FROM OPERATING ACTIVITIES - Before taxation</b>	<b>(65,128)</b>	(137,125)
Income tax paid	<b>(14,427)</b>	(8,991)
<b>CASH OUTFLOW FROM OPERATING ACTIVITIES - After taxation</b>	<b>(79,555)</b>	(146,116)
Long term loans	<b>871</b>	596
Long term deposits from employees	<b>161</b>	(148)
Long term deposits	<b>257</b>	0
<b>NET CASH OUTFLOW FROM OPERATING ACTIVITIES</b>	<b>(78,266)</b>	(145,668)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to property, plant and equipment	<b>(23,238)</b>	(21,663)
Sale proceeds of operating fixed assets	<b>647</b>	5,918
Investments - net	<b>0</b>	805
<b>NET CASH OUTFLOW FROM INVESTING ACTIVITIES</b>	<b>(22,591)</b>	(14,940)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Sub-ordinated loan and long term financing	<b>(20,500)</b>	(119,689)
Liabilities against assets subject to finance lease	<b>(314)</b>	(175)
Short term borrowings - net	<b>252,530</b>	418,982
Finance cost paid	<b>(123,146)</b>	(133,090)
<b>NET CASH INFLOW FROM FINANCING ACTIVITIES</b>	<b>108,570</b>	166,028
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>7,713</b>	5,420
<b>CASH AND CASH EQUIVALENTS - At the beginning of the period</b>	<b>3,206</b>	4,892
<b>CASH AND CASH EQUIVALENTS - At the end of the period</b>	<b>10,919</b>	10,312

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

**Osman Saifullah Khan**  
Chief Executive

**Jehangir Saifullah Khan**  
Director

**CONDENSED INTERIM  
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE HALF-YEAR ENDED 31 DECEMBER, 2009**

	Share Capital	Reserves			Unappropriated profit/accumulated Loss	Total
		Capital	Revenue	Sub-total		
(Rupees in thousand)						
Balance as at 30 June, 2008	264,129	115,981	150,000	265,981	340,518	870,628
Loss after taxation for the half-year ended 31 December, 2008	0	0	0	0	(338,698)	(338,698)
Other Comprehensive income for the half-year ended 31 December, 2008	0	0	0	0	3,405	3,405
Balance as at 31 December, 2008	264,129	115,981	150,000	265,981	5,225	535,335
Loss after taxation for the half-year ended 30 June, 2009	0	0	0	0	(221,528)	(221,528)
Other Comprehensive income for the half-year ended 30 June, 2009	0	0	0	0	3,406	3,406
Balance as at 30 June, 2009	264,129	115,981	150,000	265,981	(212,897)	317,213
Loss after taxation for the half-year ended 31 December, 2009	0	0	0	0	(111,711)	(111,711)
Other Comprehensive income for the half-year ended 31 December, 2009	0	0	0	0	5,691	5,691
<b>Balance as at 31 December, 2009</b>	<b>264,129</b>	<b>115,981</b>	<b>150,000</b>	<b>265,981</b>	<b>(318,917)</b>	<b>(211,193)</b>

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

**Osman Saifullah Khan**  
Chief Executive

**Jehangir Saifullah Khan**  
Director

**NOTES TO THE CONDENSED INTERIM  
FINANCIAL STATEMENTS (UN-AUDITED)  
FOR THE HALF-YEAR ENDED 31 DECEMBER, 2009**

**I. CORPORATE INFORMATION**

Saif Textile Mills Limited (the Company) is a Public Limited Company incorporated in Pakistan on 24 December, 1989 under the Companies Ordinance, 1984 and its shares are quoted on all the Stock Exchanges of Pakistan. The Company is principally engaged in manufacture and sale of yarn. The Company's Mills are located in Industrial Estate, Gadoon Amazai, District Sawabi and the registered office of the Company is located at APTMA House, Tehkal Payan, Jamrud Road, Peshawar.

**2. BASIS OF PREPARATION**

This condensed interim financial information is un-audited; it has been prepared and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984 and International Accounting Standard (IAS) 34 (Interim Financial Reporting). The figures for the half-year ended 31 December, 2009 have, however, been subjected to limited scope review by the external Auditors as required by the Code of Corporate Governance. 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 published financial statements of the Company for the year ended 30 June, 2009.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation of balances adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the annual published financial statements of the Company for the year ended 30 June, 2009 except for the changes mentioned below:

**3.1** IAS I (Revised) - ( Presentation of Financial Statements ). The revised standard prohibits the presentation of items of income and expenses (that is, 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from 'owner changes in equity'. All 'non-owner changes in equity' are required to be shown in a performance statement. Companies can choose whether to present one performance statement (the statement of comprehensive income) or two statements (profit and loss account and statement of comprehensive income).

The Company has adopted IAS I (Revised) with effect from 01 July, 2009 and has chosen to present all non-owner changes in equity in one performance statement - statement of comprehensive income (profit and loss account). The interim financial information has been prepared under the revised disclosure requirements.

**3.2** In addition to above, following amendments to standards are mandatory for the first time for financial year beginning on 01 July, 2009 and are also relevant to the Company. The adoption of these amendments does not have significant impact on the condensed interim financial information of the Company.

- IAS 23 (Amendment) - Borrowing Costs
- IAS 36 (Amendment) - Impairment of Assets
- IAS 39 (Amendment) - Financial instruments: Recognition and Measurement

There are other amendments to the approved accounting standards and interpretations that are mandatory for accounting periods beginning on or after 01 July, 2009 but are considered not to be relevant or to have any significant effect on the Company's operations and are therefore not detailed in the condensed interim financial information.

**4. LONG TERM FINANCING - Secured**  
**Loans from banking companies**

	Note	Un-audited 31 Dec., 2009 (Rupees in thousand)	Audited 30 June, 2009
Faysal Bank Limited:			
- term loan - I		122,000	122,000
- term loan - II		164,000	164,000
United Bank Limited:			
- demand finance - I		25,000	37,500
- demand finance - II		43,118	43,118
- demand finance - III		160,000	160,000
The Bank of Punjab:			
- demand finances		32,000	40,000
Habib Bank Limited:			
- demand finance - I	4.1	162,500	162,500
- demand finance - II	4.2	200,000	200,000
		<u>908,618</u>	<u>929,118</u>
<b>Others</b>			
Aqua Nominees Limited - London			
- demand finance		420,600	405,600
		<u>1,329,218</u>	<u>1,334,718</u>
Less: current portion grouped under current liabilities		<u>348,637</u>	<u>166,780</u>
		<u>980,581</u>	<u>1,167,938</u>

**4.1** Habib Bank Ltd. (HBL), during the current period, has rescheduled repayment of this finance; accordingly, the period-end balance is repayable in 5 equal half-yearly instalments commencing September, 2010.

**4.2** HBL, during the current period, has also rescheduled repayment of this finance; accordingly, the period-end balance is repayable in 8 equal half-yearly instalments commencing September, 2010.

**5. CONTINGENCIES AND COMMITMENTS**

**5.1** There has been no change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June, 2009.

**5.2** Commitments outstanding at the period / year-end were as follows:

- against capital expenditure	0	1,223
- against letters of credit	194,197	68,874
	<u>194,197</u>	<u>70,097</u>

**6. PROPERTY, PLANT AND EQUIPMENT**

	Un-audited Half-year ended 31 Dec., 2009 (Rupees in thousand)	Audited Year ended 30 June, 2009
Operating fixed assets	2,154,623	2,200,264
Capital work-in-progress	9,315	13,070
Store held for capital expenditure	6,731	12,472
	<u>2,170,669</u>	<u>2,225,806</u>

	<b>Un-audited</b>	Audited
	<b>Half-year ended</b>	Year ended
	<b>31 Dec., 2009</b>	30 June, 2009
	<b>(Rupees in thousand)</b>	
<b>6.1 Operating fixed assets - tangible</b>		
Opening book value	<b>2,200,264</b>	2,187,287
Additions during the period / year:		
- leasehold land	<b>844</b>	0
- buildings on leasehold land	<b>875</b>	250
- plant and machinery	<b>16,293</b>	32,392
- generators	<b>11,423</b>	1,787
- airconditioning equipment	<b>1,212</b>	231
- furniture & fixtures	<b>238</b>	496
- office equipment	<b>152</b>	637
- telephone installations	<b>148</b>	120
- weighing scales	<b>25</b>	17
- fire extinguishing equipment	<b>477</b>	0
- vehicles:		
owned	<b>1,047</b>	4,327
leased	<b>0</b>	3,745
	<b>32,734</b>	44,002
Revaluation surplus	<b>0</b>	136,059
Book value of operating fixed assets disposed-off during the period / year	<b>(478)</b>	(9,188)
Depreciation charge for the period / year	<b>(77,897)</b>	(157,896)
Closing book value	<b>2,154,623</b>	2,200,264
<b>7. DEFERRED TAXATION</b>	<b>Un-audited</b>	Audited
	<b>31 Dec.,</b>	30 June,
	<b>2009</b>	2009
	<b>(Rupees in thousand)</b>	
	<b>Note</b>	
This is composed of the following:		
Deductible temporary differences arising in respect of:		
- unused tax losses	<b>7.1</b>	539,629
- provision for doubtful deposit for shares		507,434
- staff retirement benefits - gratuity		2,859
- minimum tax recoverable against normal tax charge in future years		11,402
		<b>77,020</b>
		<b>630,910</b>
Taxable temporary differences arising in respect of:		
- accelerated tax depreciation allowances		<b>321,722</b>
- surplus on revaluation of property, plant and equipment		81,371
- lease finances		269
		<b>403,362</b>
		<b>227,548</b>
<b>7.1</b> Deferred tax asset has been recognised based on the projections prepared by the management indicating reasonable probability that taxable profits will be available in the foreseeable future against which the unused tax losses will be utilised.		
<b>8. TRADE DEBTS</b>		
Unsecured - considered good		
- local		<b>293,525</b>
Secured		420,497
- export bills	<b>8.1</b>	<b>271,297</b>
- local		21,219
		<b>586,041</b>
		<b>740,173</b>

**8.1** These include due from Mediterranean Textile Company (S.A.E.), Egypt — an associated company — amounting Rs.4.087 million (30 June, 2009: Rs. 20.149 million). The balance has arisen in the normal course of business and is interest free.

**9. DEPOSIT FOR SHARES**

There has been no change in the status of the Company's complaint filed before the Wafaqi Muhtasib for recovery of this deposit along with penalty since the date of preceding published financial statements of the Company for the year ended 30 June, 2009.

**10. EXCHANGE FLUCTUATION LOSS - Net**

	Cumulative	
	Jul. - Dec., 2009	Jul. - Dec., 2008
	(Rupees in thousand)	
Exchange fluctuation loss on:		
- foreign currency financing	30,000	105,200
- interest rate swap agreement	42,970	28,253
- others - net	(8,137)	14,597
	<b>64,833</b>	<b>148,050</b>

**11. TAXATION**

Provision for the current period represents tax on income chargeable under the final tax regime and minimum tax due under section 113 of the Income Tax Ordinance, 2001.

**12. TRANSACTIONS WITH RELATED PARTIES**

**12.1** Aggregate significant transactions made during the period with Associated Companies were as follows:

	Un-audited Half-year ended	
	31 Dec.,2009	31 Dec.,2008
	(Rupees in thousand)	
- purchase of fixed assets	1,047	85
- sale of fixed assets	200	1,401
- sale of goods and services	13,757	112,531
- purchase of goods and services	13,421	24,076
- rent accrued	2,958	0

**12.2** Trade and other payables include due to an Associated Company amounting Rs.10.222 million (30 June, 2009: Rs.6.645 million).

**12.3** Other receivables include due from Associated Companies aggregating Rs. 471 thousand (30 June, 2009: Rs. 162 thousand).

**12.4** No other transactions, other than remuneration and benefits to key management personnel under the terms of their employment, were executed with other related parties during the period.

**12.5** Sales, purchases and other transactions with related parties are made at arm's length prices determined in accordance with the comparable uncontrolled price method except for the allocation of expenses relating to combined offices shared with the Associated Companies, which are on the actual basis.

**13. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information was authorised for issue in the Board of Directors' meeting held on 26 February, 2010.

**14. GENERAL**

Figures in the condensed interim financial information have been rounded-off to the nearest thousand Rupees except stated otherwise.

**Osman Saifullah Khan**  
Chief Executive

**Jehangir Saifullah Khan**  
Director