

Contents

Company Profile	2
Directors' Review	3
Condensed Interim Balance Sheet	4
Condensed Interim Profit and Loss Account	6
Condensed Interim Cash Flow Statement	7
Condensed Interim Statement of Changes in Equity	8
Notes to the Condensed Interim Financial Information	9



Company Profile

Board of Directors		Major Bankers	
Chairman	Lt.Gen.(Retd) Ali Kuli Khan Khattak	Allied Bank Limited	
Chief Executive	Mr. Mohammad Shahid Hussain	Askari Bank Limited	
	Mr. Ahmed Kuli Khan Khattak	Al-Baraka Bank Pakistan Limited	
	Mr. Ikram Ul-Majeed Sehgal	Bank Al-Falah Limited	
	Mr. M. A. Faisal Khan	Faysal Bank Limited	
	Mr. Manzoor Ahmed	Habib Bank Limited	
	Mr. Mazhar Sharif	Habib Metropolitan Bank Limited	
	Mr. Raza Kuli Khan Khattak	Meezan Bank Limited	
	Mr. Shaharyar Ahmed	MCB Bank Limited	
	Dr. Willi Flamm	National Bank of Pakistan	
		Soneri Bank Limited	
		Standard Chartered Bank Pakistan Ltd	
		Summit Bank Limited	
Company Secretary		The Bank of Punjab	
	Mr. Asif Jameel	United Bank Limited	
Chief Financial Officer		Registered Office & Factory	
	Mr. Ashraf Teli	H-23/2, Landhi Industrial Trading Estate, Landhi, Karachi.	
		Phone : 35080172-81, 38020207-13	
		UAN : 111 487 487	
		Fax : 35081212, 35080171, 35084121	
		Website : www.generaltyre.com.pk	
Board Audit Committee		Branch Offices	
Chairman	Mr. Ahmed Kuli Khan Khattak	Lahore	Islamabad
	Mr. Manzoor Ahmed	Plot No. 20,	Plot No. 189-A,
	Mr. Mazhar Sharif	Shahrah-e-Fatima	Korang Road,
		Jinnah, Lahore.	Sector I-10/3,
		Phone : 36308605-6	Islamabad.
		Fax : 36300108	Phone : 4449955-6
			Fax : 4440916
HR & Remuneration Committee		Multan	
Chairman	Mr. Raza Kuli Khan Khattak	Plot No. 758-759/21,	
	Mr. Manzoor Ahmed	Khanewal Road,	
	Mr. M. A. Faisal Khan	Multan	
	Mr. Mohammad Shahid Hussain	Phone : 774407	
		Fax : 774408	
Auditors		Customer Care & Service Centre	
Hameed Chaudhri & Co.		Lahore	
Chartered Accountants		Plot No. 20,	
		Shahrah-e-Fatima Jinnah,	
		Lahore.	
Legal Advisor		Phone : 36308605-6	
Syed Iqbal Ahmed & Co.		Fax : 36308607	
Share Registrar			
Management & Registration			
Services (Pvt.) Ltd.			
Business Executive Centre,			
F/17/3, Block-8, Clifton, Karachi			
Phone : 35375127-9			



Directors' Review

The Directors of your Company are pleased to present the Accounts for the nine months ended March 31, 2013.

BUSINESS REVIEW

During the period under review, the sales of tyres to Original Equipment Manufacturers ("OEMs") of passenger cars were down compared to same period last year by 23%. Although the sales picked up a little in the third quarter due to some change in rules for import of second hand cars, the cumulative figures for the nine month stayed negative. The sales of tyres to tractor OEMs, which showed a substantial growth in first six months compared to the corresponding period, was down in third quarter due to increase in sales tax by 5% on tractors. However, the loss of tyre sales to OEMs was to a large extent compensated by increase in sales to Replacement Market ("RM") thereby company registering sales of 1.038 million tyres (excluding motor cycle tyres) compared to 1.063 million tyres last year. The company also went into commercial production and sales of motor cycle tyres during the third quarter of the current year and sold twenty seven thousand tyres in March 2013.

There was, however, overall increase in sales in tonnage due to product mix resulting in Company showing an increase of 9% in Net Sales for the nine months registered at Rs.5.52 billion compared to Rs. 5.05 billion of the same period last year.

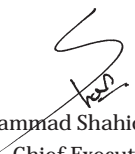
The Cost of Sales, in absolute terms, registered an increase of 5% due to higher sales tonnage. However, in terms of percentage of net sales, Cost of Sales in the period under review decreased to 84.6% from 88.1% of the corresponding period. As explained in the Report to the Accounts for the six months period, stable raw material prices, improvement in production processes and economies of scale due to higher production were the main contributing factors for lower cost of sales. The Financial charges continue to stay lower than last year due to better controls and monitoring by the Management and State Bank maintaining the Bank Rate at reduced level.


The combined effect of above is a Net Profit Before Tax of Rs.325 million compared to Net Profit Before Tax of Rs.52 million in the same period last year.

FUTURE PROSPECTS

The Government has asserted that the sales tax on tractors is here to stay. This has cleared the confusion and the consumer now does not expect a reversal on this account. This should normalize the tractor sales and thereby result in orders for the tyres.

The Company has also started the sales of its motor cycle tyres and initial market report indicates that our tyres have been well received in the market and the demand is growing. We see a substantial growth in this segment in future.


Mohammad Shahid Hussain
Chief Executive


M. A. Faisal Khan
Director

Karachi
Dated: April 25, 2013



Condensed Interim Balance Sheet

As at March 31, 2013

	Note	March 31,	June 30,
		2013	2012
		Unaudited	Audited
(Rupees in thousand)			
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized capital 75,000,000 (June 30, 2012: 75,000,000) ordinary shares of Rs.10 each		<u>750,000</u>	<u>750,000</u>
Issued, subscribed and paid-up capital 59,771,250 (June 30, 2012: 59,771,250) ordinary shares of Rs.10 each		597,713	597,713
Unappropriated profit		1,030,256	925,321
Total Equity		1,627,969	1,523,034
Non-Current Liabilities			
Long-term finance	5	151,211	-
Liabilities against assets subject to finance lease	6	21,108	-
Staff benefits		177,230	179,308
Deferred taxation		215,258	184,299
Long-term deposits from dealers		9,320	9,220
		<u>574,127</u>	<u>372,827</u>
Current Liabilities			
Current maturity of long-term finance		13,746	86,643
Current maturity against assets subject to finance lease		11,226	-
Short-term finances		616,301	720,145
Running finances under mark-up arrangements		1,760,348	1,179,312
Trade and other payables		1,153,610	1,445,412
Accrued mark-up		63,661	73,576
Provisions		86,036	71,965
		<u>3,704,928</u>	<u>3,577,053</u>
Contingencies and Commitments	7		
Total Equity and Liabilities		<u>5,907,024</u>	<u>5,472,914</u>




Condensed Interim Balance Sheet

As at March 31, 2013

	Note	March 31,	June 30,
		2013	2012
		Unaudited	Audited
(Rupees in thousand)			
ASSETS			
Non-Current Assets			
Property, plant and equipment	8	1,979,691	1,746,827
Intangible assets		1,645	476
Investment in an Associate	9	1,888	655
Long-term loans and advances		5,468	6,674
Long-term deposits		7,002	7,112
		<u>1,995,694</u>	<u>1,761,744</u>
Current Assets			
Stores and spares		388,481	385,806
Stocks		1,947,591	1,881,404
Trade debts	10	1,076,214	949,821
Loans and advances		29,464	23,243
Deposits and prepayments		55,320	26,444
Other receivables		27,649	24,860
Taxation - net		301,320	271,170
Cash and bank balances		85,291	148,422
		<u>3,911,330</u>	<u>3,711,170</u>
Total Assets		<u>5,907,024</u>	<u>5,472,914</u>

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


Mohammad Shahid Hussain
Chief Executive



M. A. Faisal Khan
Director




Condensed Interim Profit And Loss Account (Unaudited) For the third quarter ended March 31, 2013

	Note	For the quarter ended		Nine months ended	
		March 31,		March 31,	
		2013	2012	2013	2012
(Rupees in thousand)					
Sales - net		1,822,986	1,929,801	5,516,495	5,052,429
Cost of sales	11	(1,496,043)	(1,681,342)	(4,666,350)	(4,453,320)
Gross profit		326,943	248,459	850,145	599,109
Administrative expenses		(33,520)	(25,308)	(101,932)	(89,543)
Distribution cost		(71,112)	(61,526)	(196,697)	(156,639)
Other operating expenses		(20,374)	(15,231)	(56,767)	(32,569)
Other operating income		14,156	11,970	48,448	30,769
Profit from operations		216,093	158,364	543,197	351,127
Finance cost		(68,291)	(90,891)	(219,486)	(298,852)
		<u>147,802</u>	<u>67,473</u>	<u>323,711</u>	<u>52,275</u>
Share of profit / (loss) from an Associated Company		616	(28)	1,234	(131)
Profit before taxation		148,418	67,445	324,945	52,144
Taxation	12	(38,774)	(12,214)	(100,467)	(21,723)
Profit after taxation		109,644	55,231	224,478	30,421
Other comprehensive income		-	-	-	-
Total comprehensive income		<u>109,644</u>	<u>55,231</u>	<u>224,478</u>	<u>30,421</u>
----- (Rupees) -----					
Earnings per share					
- basic and diluted		<u>1.83</u>	<u>0.92</u>	<u>3.76</u>	<u>0.51</u>

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


Mohammad Shahid Hussain
Chief Executive



M. A. Faisal Khan
Director




Condensed Interim Cash Flow Statement (Unaudited) For the third quarter ended March 31, 2013

	Note	For the Nine months ended	
		March 31,	
		2013	2012
(Rupees in thousand)			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	13	172,314	159,321
Staff retirement gratuity paid		(25,287)	(26,377)
Compensated absences paid		(3,092)	(2,030)
Long-term deposits from dealers		100	210
Finance cost paid		(229,401)	(302,191)
Taxes paid		(99,658)	(61,969)
Long-term loans and advances - net		(1,206)	202
Long-term deposits - net		(110)	279
Net cash used in operating activities		<u>(186,340)</u>	<u>(232,555)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(346,862)	(37,246)
Proceeds from disposal of operating fixed assets		448	497
Profit on bank deposits received		261	339
Net cash used in investing activities		<u>(346,153)</u>	<u>(36,410)</u>
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term finance obtained		164,957	-
Repayment of long term finance		(86,643)	(86,643)
Lease finance obtained		32,334	-
Short-term finances - net		(103,844)	190,241
Dividend paid		(118,478)	(146,631)
Net cash used in financing activities		<u>(111,674)</u>	<u>(43,033)</u>
Net decrease in cash and cash equivalents		<u>(644,167)</u>	<u>(311,998)</u>
Cash and cash equivalents - at beginning of the period		(1,030,890)	(1,399,496)
Cash and cash equivalents - at end of the period	14	<u>(1,675,057)</u>	<u>(1,711,494)</u>

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


Mohammad Shahid Hussain
Chief Executive



M. A. Faisal Khan
Director



Condensed Interim Statement Of Changes In Equity (Unaudited) For the third quarter ended March 31, 2013

	Issued, Subscribed and paid-up share capital	Unappropriated profit	Total
	(Rupees in thousand)		
Balance as at July 1, 2011	597,713	872,014	1,469,727
Transaction with owners			
Final dividend for the year ended June 30, 2011 at the rate of Rs.2.50 per share	-	(149,428)	(149,428)
Total comprehensive income for the period ended March 31, 2012	-	30,421	30,421
Balance as at March 31, 2012	<u>597,713</u>	<u>753,007</u>	<u>1,350,720</u>
Balance as at July 1, 2012	597,713	925,321	1,523,034
Transaction with owners			
Final dividend for the year ended June 30, 2012 at the rate of Rs.2.00 per share	-	(119,543)	(119,543)
Total comprehensive income for the period ended March 31, 2013	-	224,478	224,478
Balance as at March 31, 2013	<u>597,713</u>	<u>1,030,256</u>	<u>1,627,969</u>

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


Mohammad Shahid Hussain
Chief Executive


M. A. Faisal Khan
Director



Notes To The Condensed Interim Financial Information (Unaudited) For the third quarter ended March 31, 2013

1. THE COMPANY AND ITS ACTIVITIES

The General Tyre and Rubber Company of Pakistan Limited (the Company) is a public limited company incorporated in Pakistan and is listed on Karachi and Lahore Stock Exchanges. The Company is engaged in the manufacturing of tyres and tubes for automobiles.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of the International Accounting Standard 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 audited annual financial statements of the Company for the year ended June 30, 2012.

3. ACCOUNTING POLICIES

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 audited annual financial statements for the year ended June 30, 2012.

4. ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates and assumptions. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. However, actual results may differ from these estimates.

During the preparation of this condensed interim financial information, the significant judgements made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the audited annual financial statements for the year ended June 30, 2012.

5. LONG TERM FINANCE - Secured

This represents a term finance facility of Rs.200 million arranged from Habib Bank Limited for planned expansion of the Company. The principal amount draw down is repayable in twelve equal quarterly instalments commencing from fifteen months from date of disbursement (i.e. October 23, 2012). This finance facility carries mark-up at the rate of three months KIBOR plus 3.25% per annum, however, rebate of 1.00% per annum on the spread will be available to the Company subject to specified leverage for each year of finance. Term finance is secured by way of first pari passu charge over



all the present and future plant & machinery of the Company to the extent of Rs.267 million.

6. LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - Secured

The Company, during the period, has entered into a lease finance / ijarah agreement to the limit of Rs.140 million with Al Baraka Bank (Pakistan) Limited to purchase / import specific machineries and related capital works. The Company has availed this finance facility in tranches and at period-end a single tranche of Rs.32.334 million has been utilised. Tenor of this finance facility is 4 years and it carries mark-up at the rate of six months KIBOR plus 2.00% per annum. The rentals are re-payable in sixteen quarterly instalments. The Company intends to purchase the leased assets after expiry of the lease term.

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

7.1.1 There is no change in status of the contingencies as disclosed in note 15.1 of the audited annual financial statements of the Company for the year ended June 30, 2012.

	Note	March 31,	June 30,
		2013	2012
		Unaudited	Audited
		(Rupees in thousand)	
7.1.2 Guarantees issued by a bank on behalf of the Company		<u>80,935</u>	<u>115,978</u>
7.1.3 Post dated cheques issued to the Collector of Customs against duty on imported plant & machinery, raw materials and stores & spares		<u>81,923</u>	<u>26,671</u>
7.2 Commitments			
Commitments in respect of:			
- letters of credit for capital expenditure		<u>86,421</u>	<u>280,179</u>
- purchase orders issued to local suppliers for capital expenditure		<u>20,970</u>	<u>22,561</u>
- sales contracts entered into by the Company		<u>58,274</u>	<u>38,558</u>
- tentative schedules for supply of tyres		<u>1,125,433</u>	<u>1,456,553</u>
- indemnity bond		<u>16,775</u>	<u>16,775</u>
8. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	1,892,993	1,688,852
Capital work-in-progress	8.3	<u>86,698</u>	<u>57,975</u>
		<u>1,979,691</u>	<u>1,746,827</u>



	Note	March 31,	June 30,
		2013	2012
		Unaudited	Audited
		(Rupees in thousand)	
8.1 Operating fixed assets			
Book value at beginning of the period / year		1,688,852	1,792,831
Additions during the period / year	8.2	316,805	44,652
Disposals, costing Rs.12,677 thousand (June 30, 2012: Rs.521 thousand) - at book value		(2,402)	-
Write-off, costing Rs.3,992 (June 30, 2012: Rs.36,577 thousand) - at book value		(12)	(38)
Depreciation charge during the period / year		(110,250)	(148,593)
Book value at end of the period / year		<u>1,892,993</u>	<u>1,688,852</u>
8.2 Additions during the period / year			
- Building on leasehold land		11,709	3,190
- Electrical installation		7,505	152
- Plant and machinery		201,396	17,555
- Boilers and accessories		2,430	3,788
- Laboratory equipment		1,461	68
- Moulds		28,888	4,778
- Vehicles		42,831	4,575
- Furniture and fixtures		8,839	4,192
- Office equipment		10,754	3,586
- Computer equipment		992	2,768
		<u>316,805</u>	<u>44,652</u>
8.3 Capital work-in-progress			
Building on leasehold land		35,916	31,701
Electrical installation		2,737	1,747
Plant and machinery			
- owned		9,402	1,009
- leased		33,591	-
Vehicles		3,375	20,971
Furniture and fixtures		41	57
Office equipment		3,856	4,715
Computer equipment		55	50
		<u>88,973</u>	<u>60,250</u>
Less: provision for a doubtful advance		<u>2,275</u>	<u>2,275</u>
		<u>86,698</u>	<u>57,975</u>
8.4 Mark-up amounting Rs.1,122 thousand (June 30, 2012: Rs.Nil) has been included in the capital work-in-progress at the rate of 11.40% per annum.			



	Note	March 31,	June 30,
		2013	2012
		Unaudited	Audited
		(Rupees in thousand)	
9. INVESTMENTS IN AN ASSOCIATED COMPANY - Quoted			
Ghandhara Industries Limited - Equity basis 100,700 (June 30, 2012: 100,700) ordinary shares of Rs.10 each - cost		2,447	2,447
Share of post acquisition profit / (loss)		297	(13)
		<u>2,744</u>	<u>2,434</u>
Less: dividends received to date		335	335
		<u>2,409</u>	<u>2,099</u>
Less: impairment allowance		521	1,444
		<u>1,888</u>	<u>655</u>

9.1 The Company's holding in the investee company's shares as at March 31, 2013 was 0.473% (June 30, 2012: 0.473%). The investee company is an Associate of the Company by virtue of common directorship.

9.2 Key information about an Associate

The following information is from un-audited interim financial information of the investee company for the half year ended December 31, 2012.

	As at	
	December 31, 2012	March 31, 2012
		(Rupees in thousand)
Assets	<u>4,275,494</u>	<u>4,218,271</u>
Liabilities	<u>2,599,630</u>	<u>2,605,371</u>
Accumulated profit/(loss)	<u>15,154</u>	<u>(51,983)</u>
	Half Year ended	
	December 31,	
	2012	2011
Profit/(loss) before taxation	<u>64,234</u>	<u>(35,797)</u>
Profit/(loss) after taxation	<u>40,144</u>	<u>(27,467)</u>

9.3 The market value of the investment as at March 31, 2013 was Rs.1.888 million (June 30, 2012 : Rs.0.655 million).



	Note	March 31,	June 30,
		2013	2012
		Unaudited	Audited
		(Rupees in thousand)	
10. TRADE DEBTS - Unsecured (Un-audited) Considered good:			
- from related parties	10.1	25,516	21,491
- others		<u>1,050,698</u>	<u>928,330</u>
		<u>1,076,214</u>	<u>949,821</u>
Considered doubtful - others		<u>11,342</u>	<u>11,451</u>
		<u>1,087,556</u>	<u>961,272</u>
Less: Provision for doubtful trade debts		<u>11,342</u>	<u>11,451</u>
		<u>1,076,214</u>	<u>949,821</u>

10.1 Trade debts includes following amounts due from Associated Companies

Ghandhara Industries Limited	21,514	12,291
Ghandhara Nissan Limited	4,002	7,623
Bibojee Services (Private) Limited	-	1,577
	<u>25,516</u>	<u>21,491</u>

	Note	For the quarter ended		Nine months ended	
		March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
		(Rupees in thousand)			
11. COST OF SALES					
Finished goods at beginning of the period		597,136	806,433	492,670	752,803
Cost of goods manufactured	11.1	<u>1,497,142</u>	<u>1,707,267</u>	<u>4,654,332</u>	<u>4,400,279</u>
Finished goods purchased		34,797	20,827	72,402	67,124
Royalty technical service fee		38,553	41,269	118,531	127,568
		<u>1,570,492</u>	<u>1,769,363</u>	<u>4,845,265</u>	<u>4,594,971</u>
		<u>2,167,628</u>	<u>2,575,796</u>	<u>5,337,935</u>	<u>5,347,774</u>
Finished goods at end of the period		<u>671,585</u>	<u>894,454</u>	<u>671,585</u>	<u>894,454</u>
		<u>1,496,043</u>	<u>1,681,342</u>	<u>4,666,350</u>	<u>4,453,320</u>
11.1 Cost of goods manufactured					
Work-in-process at beginning of the period		195,554	223,253	176,008	156,314
Raw materials consumed		<u>1,065,035</u>	<u>1,291,094</u>	<u>3,411,481</u>	<u>3,314,954</u>
Factory overheads		<u>420,671</u>	<u>370,516</u>	<u>1,250,961</u>	<u>1,106,607</u>
		<u>1,485,706</u>	<u>1,661,610</u>	<u>4,662,442</u>	<u>4,421,561</u>
		<u>1,681,260</u>	<u>1,884,863</u>	<u>4,838,450</u>	<u>4,577,875</u>
Work-in-process at end of the period		<u>184,118</u>	<u>177,596</u>	<u>184,118</u>	<u>177,596</u>
		<u>1,497,142</u>	<u>1,707,267</u>	<u>4,654,332</u>	<u>4,400,279</u>



	For the quarter ended		Nine months ended	
	March 31,		March 31,	
	2013	2012	2013	2012
	(Rupees in thousand)			
12. TAXATION				
Current	1,266	20,502	69,508	51,901
Deferred	37,508	(8,288)	30,959	(30,178)
	<u>38,774</u>	<u>12,214</u>	<u>100,467</u>	<u>21,723</u>
			Nine months ended	
			March 31,	
		Note	2013	2012
			(Rupees in thousand)	
13. CASH GENERATED FROM OPERATIONS				
Profit before taxation			324,945	52,144
Adjustments for non-cash charges and other items:				
Depreciation			110,250	108,959
Amortisation			177	65
Staff retirement gratuity			27,819	23,890
Charge of employees compensated absences			1,070	508
Loss/(profit) on disposal of operating fixed assets			448	(458)
Profit on bank deposits			(261)	(339)
Share of (profit) / loss from an Associated Company			(1,233)	131
Finance cost			219,486	298,852
Working capital changes	13.1		<u>(510,387)</u>	<u>(324,431)</u>
			<u>172,314</u>	<u>159,321</u>
13.1 Working capital changes				
(Increase) / decrease in current assets				
Stores and spares			(2,675)	(10,994)
Stocks			(66,187)	155,154
Trade debts			(126,393)	(24,542)
Loans and advances			(6,221)	(1,423)
Deposits and prepayments			(28,876)	(38,051)
Other receivables			(2,789)	6,680
			(233,141)	86,824
(Decrease) / increase in current liabilities				
Trade and other payables			(291,317)	(398,212)
Provisions			14,071	(13,043)
			<u>(277,246)</u>	<u>(411,255)</u>
			<u>(510,387)</u>	<u>(324,431)</u>
14. CASH AND CASH EQUIVALENTS				
Running finances under mark-up arrangements			(1,760,348)	(1,755,069)
Cash and bank balances			85,291	43,575
			<u>(1,675,057)</u>	<u>(1,711,494)</u>



15. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign currency risk, interest rate risk and other 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 audited annual financial statements and should be read in conjunction with the audited annual financial statement for the year ended June 30, 2012.

There has been no change in Company's sensitivity to these risks since June 30, 2012 except for change in liquidity risk as Company, during the period, has availed long term finance (note 5) and lease finance (note 6) from Habib Bank Limited and Al Baraka Bank (Pakistan) Limited respectively and general exposure to fluctuations in foreign currency and interest rates. There have been no change in the risk management policies during the period.

There have been no significant changes in the business or economic circumstances during the period that would have affected the fair values of the financial assets of the Company. Further, no re-classifications in the categories of financial assets have been made since June 30, 2012.

16. OPERATING SEGMENT

This condensed interim financial information has been prepared on the basis of a single reportable segment.

All non-current assets of the Company at March 31, 2013 are located in Pakistan. Revenues from external customers attributed to foreign countries in aggregate are not material.

The Company has earned revenues from three (March 31, 2012: three) customers aggregating Rs.2,426.029 million (March 31, 2012: Rs.2,925.165 million) during the period which constituted 37.70% (March 31, 2012: 50.06%).

	Nine months ended	
	March 31,	
	2013	2012
	(Rupees in thousand)	
17. TRANSACTIONS WITH RELATED PARTIES		
17.1 Significant transactions with related parties are as follows:		
Transactions	Relationship	
Sales of goods	Associated companies	46,824
Services charges	Associated companies / undertaking	2,501
	Associated company	750
Rent paid		-
Purchases of machinery and spare parts	Related party	20,425
Purchases of raw materials / supplies	Related party	57,814
Insurance premium	Associated companies	13,792
Royalty technical service fee	Related party	106,038
		115,971



Mark-up on short term and running finances	Associated companies	18,349	16,958
Dividend paid	Associated companies / related party	78,455	98,068
Donation	Associated undertaking	5,708	760
Provision for gratuity	Employees gratuity fund	5,041	5,076
Contribution towards provident fund	Employees provident fund	11,343	10,689
Salaries and other employee benefits	Chief executive and executives	157,223	125,703
	March 31, 2013		June 30, 2012
	Unaudited		Audited
	(Rupees in thousand)		


17.2 Period / year end balances are as follows:


Payables to related parties		
Staff benefits	189,629	189,120
Short term finances	-	118,148
Running finances under mark-up arrangements	180,479	196,329
Trade and other payables	95,198	203,789
Accrued mark-up	4,499	9,615
Receivables from related parties		
Long term loans and advances	571	667
Loans and advances	950	1,060
Other receivables	2,052	2,052
Cash and bank balances	250	1,098

18. GENERAL

18.1 Figures have been rounded off to the nearest thousand rupees except stated otherwise.

18.2 This condensed interim financial information was authorized for issue on April 25, 2013 by the Board of Directors of the Company.


Mohammad Shahid Hussain
Chief Executive


M. A. Faisal Khan
Director