Noon Pakistan Limited

HALF YEARLY REPORT
FOR THE PERIOD ENDED 31 DECEMBER, 2013

CONTENTS

بسم الله الرحمن الرحيم

Corporate Information

BOARD OF DIRECTORS	Mr. Salman Hayat Noon	Chairman/CEO (Executive Director)
	Mr. Adnan Hayat Noon	(Non-Executive Director)
	Mr. K. Iqbal Talib	(Non-Executive Director)
	Mr. Zaheer Ahmad Khan	(Non-Executive Director)
	Mr. Asif H. Bukhari	(Non-Executive Director)
	Col. (R) Abdul Khaliq Khan	(Executive Director)
	Mirza Shoaib Baig	(Executive Director)
AUDIT COMMITTEE	Mr. Asif H. Bukhari	Chairman
	Mr. Adnan Hayat Noon	Member
	Mr. K. Iqbal Talib	Member
HR & R COMMITTEE	Mr. K. Iqbal Talib	
	Mr. Zaheer Ahmad Khan	
	Col. (R) Abdul Khaliq Khan	
AUDITORS	Hameed Chaudhri & Co. Chartered Accountants	
CHIEF FINANCIAL OFFICER	Mr. Rizwan Ahmad	
COMPANY SECRETARY	Syed Anwar Ali	
LEGAL ADVISERS	Hamid Law Associates	
BANKERS	Habib Bank Limited	
	United Bank Limited	
	National Bank of Pakistan	
	Bank Alfalah Limited	
	Faysal Bank Limited	
	The Bank of Punjab	
	NIB Bank Limited	
	MCB Bank Limited	
	Askari Bank Limited	
	Allied Bank Limited	
	Bank Islami Pakistan Limited	
REGISTERED OFFICE & SHARES DEPARTMENT / REGISTRAR	66-Garden Block, New Garden Town, Lahore. Tele : 35831462 - 35831463 E-mail: noonshr@brain.net.pk	
WEBSITE	www.nurpurfoods.com	
PLANT	Bhalwal, District Sargodha.	

DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the Company are pleased to submit the un- audited financial statements of your Company, duly reviewed by the Auditors, for the half year ended December 31, 2013.

The summarized financial results are as under:-

	Dec., 2013 (Rupees in Million)	Dec., 2012 (Rupees in Million)
Net Sales	1,067.227	1,470.964
Gross Profit	81.148	196.572
Loss before tax	(75.359)	(30.130)
Loss after Tax	(77.119)	(27.228)
Loss per Share	Re. (5.53)	Re. (1.95)

As you can see from the above, the company faced a challenging situation in terms of achieving its top line targets as net sales for the quarter shows a decline during the period under review. This phenomenon was primarily the result of host of market related factors including changing shoppers' behavior, intense competition and the like. The top line performance has impacted our bottom line as well which is evident from above numbers relating to loss for the period.

The sector's growth has also been impacted by ongoing energy crises due to both rising cost and uncertainty about its flows particularly in winter. The overall macro-economic factors have led to rising cost of other input particularly fresh milk and other imported material. All these factors have led to eroding profitability.

In spite of the challenging economic and market situation, we remain focused in providing our customers the best service and value to deliver incremental growth. The Company is committed to bringing products of the highest quality that deliver wellness to our consumers and working internally to become more efficient by becoming cost effective. Our journey towards consolidation as well as exploring new avenues will continue.

Aiming for continued supply for its satisfied and dedicated customers and to remain among the leaders in the sector, the management is committed to expanding and modernising its facilities. A phased out plan is chalked out to be financed through fresh issue of capital targeting undisturbed supply of its quality products to the markets.

The Board is thankful to our valued stakeholders in general and the financial institutions in particular for their continued trust and support to the Company.

for and on behalf of the Board

SALMAN HAYAT NOON
Chairman & Chief Executive

Dated : 27 February, 2014.

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

Introduction

We have reviewed the accompanying condensed interim balance sheet of NOON PAKISTAN LIMITED (the Company) as at December 31, 2013 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, 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 "condensed interim financial information"). Management is responsible for the preparation and presentation of this condensed 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 condensed interim financial information based on our review.

The figures of the condensed interim profit and loss account for the quarters ended December 31, 2013 and 2012 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2013.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the half year ended December 31, 2013 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Hameed Chaudhri & Co

Lahore: February 27, 2014
Engagement Partner: Osman Hameed Chaudhri

HAMEED CHAUDHRI & CO.,
CHARTERED ACCOUNTANTS

CONDENSED INTERIM BALANCE SHEET

	Note	Un-audited December 31 2013 Rupees	Audited June 30 2013 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital			
21,500,000 (June 30, 2013: 21,500,000) ordinary shares of Rupees 10 each		**215,000,000**	215,000,000
Issued, subscribed and paid-up share capital			
13,939,200 (June 30, 2013: 13,939,200) ordinary shares of Rupees 10 each		**139,392,000**	139,392,000
Accumulated (loss) / Unappropriated profit		**39,286,147**	37,317,670
Total equity		**100,105,853**	176,709,670
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT		**54,301,045**	54,816,453
DEFERRED INCOME		**0**	57,097
LIABILITIES			
NON-CURRENT LIABILITIES			
Term finances	7	**71,805,555**	120,305,555
Musharakah finance		**0**	7,000,000
Loan from chief executive		**70,000,000**	70,000,000
Liabilities against assets subject to finance lease		**10,978,570**	14,661,258
		152,784,125	211,966,813
CURRENT LIABILITIES			
Trade and other payables		**660,755,797**	603,956,553
Accrued mark-up and interest		**12,736,782**	11,863,865
Short term finances		**199,202,869**	209,651,291
Current portion of non-current liabilities		**127,451,068**	99,311,419
Taxation		**18,433,070**	8,010,475
		1,018,579,586	932,793,603
TOTAL LIABILITIES		**1,171,363,711**	1,144,760,416
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		**1,325,770,609**	1,376,343,636

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

SALMAN HAYAT NOON
Chief Executive

AS AT 31 DECEMBER, 2013

	Note	Un-audited December 31 2013 Rupees	Audited June 30 2013 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	**617,062,011**	645,046,579
Intangible assets		**1,296,268**	38,684
Long term loans		**99,143**	0
Security deposits		**1,936,686**	1,083,686
Deferred taxation - net	6	**10,260,028**	1,598,003
		630,654,136	647,766,952
CURRENT ASSETS			
Stores, spares and loose tools		**132,508,565**	166,214,439
Stock-in-trade		**44,236,000**	73,860,000
Trade debts - unsecured, considered good		**217,516,327**	176,824,316
Loans and advances		**13,588,873**	10,676,981
Deposits and prepayments		**16,200,442**	13,167,810
Due from Associated Companies		**547,891**	422,866
Accrued profit on term deposit receipts		**1,443,574**	778,630
Other receivables		**137,789**	172,134
Sales tax refundable		**134,229,628**	160,019,049
Advance income tax, tax deducted at source and income tax refundable		**51,896,212**	46,049,969
Cash and bank balances		**82,811,172**	80,390,490
		695,116,473	728,576,684
TOTAL ASSETS		**1,325,770,609**	1,376,343,636

MIRZA SHOAIB BAIG
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER, 2013

	Note	Quarter ended 31 Dec., 2013	Quarter ended 31 Dec., 2012	Half-year ended 31 Dec., 2013	Half-year ended 31 Dec., 2012
		Rupees			
SALES - Net		**501,120,420**	701,116,060	**1,067,226,787**	1,470,964,442
COST OF SALES		**467,673,704**	583,731,997	**986,079,064**	1,274,392,265
GROSS PROFIT		**33,446,716**	117,384,063	**81,147,723**	196,572,177
DISTRIBUTION COST		**41,149,671**	86,124,287	**79,849,119**	162,695,328
ADMINISTRATIVE EXPENSES		**31,364,148**	21,799,708	**55,244,329**	40,669,812
OTHER EXPENSES		**130,030**	393,792	**132,530**	615,219
OTHER INCOME		**(3,509,907)**	(1,902,330)	**(9,651,810)**	(3,614,681)
(LOSS) / PROFIT FROM OPERATIONS		**(35,687,226)**	10,968,606	**(44,426,445)**	(3,793,501)
FINANCE COST		**15,783,911**	13,772,134	**30,932,210**	26,336,125
LOSS BEFORE TAXATION		**(51,471,137)**	(2,803,528)	**(75,358,655)**	(30,129,626)
TAXATION	8	**9,918,768**	(1,727,667)	**1,760,570**	(2,901,325)
LOSS AFTER TAXATION		**(61,389,905)**	(1,075,861)	**(77,119,225)**	(27,228,301)
LOSS PER SHARE	10	**(4.40)**	(0.08)	**(5.53)**	(1.95)

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

SALMAN HAYAT NOON
Chief Executive

MIRZA SHOAIB BAIG
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE QUARTER AND HALF-YEAR ENDED 31 DECEMBER, 2013

	Quarter ended		Half-year ended	
	31 Dec., 2013	31 Dec., 2012	**31 Dec., 2013**	31 Dec., 2012
	Rupees			
LOSS AFTER TAXATION	**(61,389,905)**	(1,075,861)	**(77,119,225)**	(27,228,301)
Other comprehensive income	**-**	-	**-**	-
TOTAL COMPREHENSIVE LOSS FOR THE PERIOD	**(61,389,905)**	(1,075,861)	**(77,119,225)**	(27,228,301)

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

SALMAN HAYAT NOON
Chief Executive

MIRZA SHOAIB BAIG
Director

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE HALF-YEAR ENDED 31 DECEMBER, 2013

	Half-year ended	
	31 Dec., 2013 Rupees	31 Dec., 2012 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
(LOSS) / PROFIT BEFORE WORKING CAPITAL CHANGES	**(15,826,258)**	27,714,601
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	**33,705,874**	48,200,140
Stock-in-trade	**29,624,000**	87,706,000
Trade debts	**(40,692,011)**	(6,280,277)
Loans and advances	**(2,911,892)**	(7,317,625)
Deposits and prepayments	**(3,032,632)**	(12,694,546)
Due from Associated Companies	**(125,025)**	(304,041)
Other receivables	**34,345**	(2,529)
Sales tax refundable	**25,789,421**	(63,375,502)
Increase / (decrease) in trade and other payables	**56,670,714**	(143,936,149)
	99,062,794	(98,004,529)
Cash generated from / (utilised in) operations	**83,236,536**	(70,289,928)
Income tax paid	**(5,846,243)**	(10,534,636)
Net cash generated from / (utilised in) operating activities	**77,390,293**	(80,824,564)
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	**(2,370,746)**	(26,532,649)
Purchase of intangible asset	**(1,333,300)**	0
Sale proceeds of operating fixed assets disposed-off	**7,676,212**	0
Long term loans	**(99,143)**	0
Security deposits	**(853,000)**	200,000
Profit on bank deposits received	**1,415,340**	5,030
Net cash generated from / (utilised in) investing activities	**4,435,363**	(26,327,619)

	Half-year ended	
	31 Dec., 2013 Rupees	31 Dec., 2012 Rupees
CASH FLOW FROM FINANCING ACTIVITIES		
Term finances - obtained	**0**	150,000,000
Term finances - repaid	**(21,666,667)**	(16,666,667)
Musharakah finance - net	**(7,000,000)**	(7,000,000)
Lease finances - net	**(10,230,592)**	(7,362,916)
Short term finances - net	**(10,448,422)**	(5,724,836)
Finance cost paid	**(30,059,293)**	(27,783,140)
Dividends paid	**0**	(444)
NET CASH (UTILISED IN) / GENERATED FROM FINANCING ACTIVITIES	**(79,404,974)**	85,461,997
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	**2,420,682**	(21,690,186)
CASH AND CASH EQUIVALENTS - At beginning of the period	**80,390,490**	36,563,692
CASH AND CASH EQUIVALENTS - At end of the period	**82,811,172**	14,873,506

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

SALMAN HAYAT NOON
Chief Executive

MIRZA SHOAIB BAIG
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE HALF-YEAR ENDED 31 DECEMBER, 2013

	Issued, subscribed and paid up share capital	Unappropriated profit / Accumulated (loss)	Total
	----------	Rupees	----------
Balance as at June 30, 2012 (Audited)	**139,392,000**	**164,125,973**	**303,517,973**
Total comprehensive loss for the half year ended December 31, 2012	-	(27,228,301)	(27,228,301)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation for the half year ended December 31, 2012 - net of deferred taxation	-	563,997	563,997
Balance as at December 31, 2012 (Un-audited)	**139,392,000**	**137,461,669**	**276,853,669**
Total comprehensive loss for the half year ended June 30, 2013	-	(100,707,999)	(100,707,999)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation for the half year ended June 30, 2013 - net of deferred taxation	-	564,000	564,000
Balance as at June 30, 2013 (Audited)	**139,392,000**	**37,317,670**	**176,709,670**
Total comprehensive loss for the half year ended December 31, 2013	-	(77,119,225)	(77,119,225)
Surplus on revaluation of property, plant and equipment realised during the period on account of incremental depreciation for the half year ended - net of deferred taxation	-	515,408	515,408
Balance as at December 31, 2013 (Un-audited)	**139,392,000**	**(39,286,147)**	**100,105,853**

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

SALMAN HAYAT NOON
Chief Executive

MIRZA SHOAIB BAIG
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE HALF-YEAR ENDED 31 DECEMBER, 2013

1. THE COMPANY AND ITS OPERATIONS

Noon Pakistan Limited (the Company) was incorporated in Pakistan on September 26, 1966 as a Public Company and its shares are quoted on Karachi and Lahore Stock Exchanges. It is principally engaged in processing and sale of toned milk, milk powder, fruit juices, allied dairy and food products. The registered office of the Company is situated at 66 Garden Block, New Garden Town, Lahore and the plant is located at Bhalwal, District Sargodha.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited 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. The figures for the half year ended December 31, 2013 have, however, been subjected to limited scope review by the 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 audited annual financial statements of the Company for the year ended June 30, 2013.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of this condensed interim financial information are same as those applied in the preparation of preceding audited annual published financial statements of the Company for the year ended June 30, 2013.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

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 of the Company for the year ended June 30, 2013.

5. PROPERTY, PLANT AND EQUIPMENT

	Note	**Un-audited December 31, 2013**	Audited June 30, 2013
		------- Rupees -------	
Operating fixed assets:			
Owned	**5.1**	**555,749,285**	587,552,213
Leased	**5.4**	**61,312,726**	57,494,366
		617,062,011	645,046,579

5.1 Operating fixed assets - Owned

	Note	Un-audited December 31 2013	Audited June 30 2013
		------- Rupees -------	
Balance as at July 01		**587,552,213**	571,789,073
Add: Cost of additions during the period / year	5.2	**4,420,746**	72,130,998
Less: Book value of deletion during the period / year	5.3	**5,960,104**	131,553
Less: Book value of asset transferred to leased assets during the period / year		**2,349,152**	0
Less: Depreciation charged during the period / year		**27,914,418**	56,236,305
		555,749,285	587,552,213

5.2 Cost of additions

Owned

Buildings on freehold land	**504,271**	159,006
Plant and machinery	**2,731,325**	61,869,364
Electric and gas installations	**0**	207,357
Other works equipment	**0**	6,997
Office equipment	**375,150**	5,424,198
Furniture and fixtures	**0**	55,000
Vehicles	**810,000**	4,409,076
	4,420,746	72,130,998

5.3 Book value of deletions

Freehold land	**3,366,015**	0
Vehicles	**2,594,089**	131,553
	5,960,104	**131,553**

5.4 Operating fixed assets - Leased

Balance as at July 01	**57,494,366**	64,964,407
Add: Cost of additions during the period / year	**5,804,220**	0
Add: Book value of asset transferred from owned assets during the period / year	**2,349,152**	0
Less: Loss on sale and lease back transaction	**299,152**	0
Less: Depreciation charged during the period / year	**4,035,860**	7,470,041
	61,312,726	57,494,366

	Un-audited December 31, 2013 Rupees	Audited June 30, 2013 Rupees
6. DEFERRED TAXATION		
This is composed of the following:		
Taxable temporary differences arising in respect of:		
- accelerated tax depreciation allowances	**105,384,136**	108,504,261
- surplus on revaluation of property, plant and equipment	**5,657,518**	5,310,261
- lease finances	**5,044,748**	3,682,618
	116,086,402	117,497,140
Deductible temporary differences arising in respect of:		
available unused tax losses	**(85,434,875)**	(62,161,548)
minimum tax recoverable against tax charge in future years	**(67,356,190)**	(56,933,595)
tax credit on investments in BMR of plant and machinery	**-**	-
	(152,791,065)	(119,095,143)
	(36,704,663)	(1,598,003)

6.1 The net deferred tax asset of Rupees 36.705 million has not been recognised in these financial statements as the temporary differences are not expected to reverse in foreseeable future because taxable profits may not be available against which the temporary differences can be utilised.

7. TERM FINANCES		
Balance as at July 01	**187,500,000**	75,000,000
Add: Obtained during the period / year	**0**	150,000,000
Less: Repaid during the period / year	**21,666,667**	37,500,000
	165,833,333	187,500,000
Less: Current portion grouped under current liabilities	**94,027,778**	67,194,445
	71,805,555	120,305,555

8. TAXATION	Note	Quarter ended		Half year ended	
		December 31, 2013	December 31, 2012	**December 31, 2013**	December 31, 2012
		------------- Rupees -------------			
- Current	**8.4**	**4,724,369**	(863,536)	**10,422,595**	6,850,647
- Deferred		**5,194,399**	(864,131)	**(8,662,025)**	(9,751,972)
		9,918,768	(1,727,667)	**1,760,570**	(2,901,325)

8.1 Income tax assessments of the Company, except for Tax Year 2005, have been finalised by the Income Tax Department (the Department) or deemed to be assessed under section 120 of the Income Tax Ordinance, 2001 upto the year ended June 30, 2012. The Company has filed income tax return, for the Tax Year 2013, subsequent to the period end; adjustments relating to that year will be incorporated in the annual financial statements of the Company for the year ending June 30, 2014.

8.2 There is no change in the status of tax cases as set out in note 17 to the Company's audited annual financial statements for the year ended June 30, 2013 except as set out in note 8.3 below.

8.3 With respect to Tax Year 2011, the Federal Board of Revenue (FBR) vide its letter dated October 09, 2013 has closed the audit proceedings and accepted the proposal of review panel formed for hearing of the case. Earlier, the review panel concluded that the parameters applied to the Company were actually not applicable and proposed FBR to drop the Company's case from the list of cases selected for audit u/s 214c of the Income Tax Ordinance, 2001.

8.4 Provision made during the period represents minimum tax payable under section 113 after adjusting tax credit under section 65B of the Income Tax Ordinance, 2001.

9. CONTINGENCIES AND COMMITMENTS

CONTINGENCIES

9.1 Guarantees of Rupees 10.800 million (June 30, 2013: 10.800 million) has been issued by banks of the Company to Sui Northern Gas Pipeline Limited against gas connection and Unilever Pakistan Limited against sale fulfillment of sales order.

COMMITMENTS

9.2 There were no commitments as at December 31, 2013 and June 30, 2013.

10. LOSS PER SHARE - BASIC AND DILUTED

		QUARTER ENDED		HALF YEAR ENDED	
		31 December 2013	**31 December 2012**	**31 December 2013**	**31 December 2012**
There is no dilutive effect on the basic earnings per share which is based on:					
Loss attributable to ordinary shares	(Rupees)	**(61,389,905)**	(1,075,861)	**(77,119,225)**	(27,228,301)
Weighted average number of ordinary shares	(Numbers)	**13,939,200**	13,939,200	**13,939,200**	13,939,200
Loss per share	(Rupees)	**(4.40)**	(0.08)	**(5.53)**	(1.95)

11. PROFIT BEFORE WORKING CAPITAL CHANGES

	(Un-audited) HALF YEAR ENDED December 31 2013	December 31 2012
	------- Rupees -------	
Loss before taxation	**(75,358,655)**	(30,129,626)
Adjustments for non-cash charges and other items:		
Depreciation	**31,950,278**	31,160,118
Amortisation of computer software	**75,716**	38,670
Gain on sale of operating fixed assets	**(1,416,956)**	0
Finance cost	**30,932,210**	26,336,125
Deferred income recognised	**(57,097)**	(92,207)
Profit on bank deposits	**(2,080,284)**	(209,698)
Exchange fluctuation loss	**128,530**	611,219
	(15,826,258)	27,714,601

12. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertaking, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

	(Un-audited) QUARTER ENDED 31 December 2013	31 December 2012	HALF YEAR ENDED 31 December 2013	31 December 2012
	---------------------- (Rupees in thousand) ----------------------			
Associated companies				
Sale of dairy products	**16,994**	14,628	**165,284**	202,828
Purchase of stores and spares	**644,098**	323,067	**644,098**	323,067
Purchase of sugar	**3,282,000**	7,431,560	**11,857,320**	17,845,640
Other related parties				
Remuneration of Chief Executive Officer, Director and Executives	**11,972,054**	7,452,709	**23,098,647**	15,135,158

Period end balances

	(Un-audited) HALF YEAR ENDED December 31 2013	December 31 2012
	------- Rupees -------	
Associated companies		
Trade and other payables	**1,841,367**	32,551
Due from Associated Companies	**547,891**	872,512
Other related parties		
Salaries payable	**7,356,775**	2,130,503
Loan from Chief Executive	**70,000,000**	0

13. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the preceding audited annual published financial statements of the Company for the year ended June 30, 2013.

14. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was approved by the Board of Directors and authorised for issue on February 27, 2014.

15. CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of audited annual financial statements of preceding financial year, whereas, the condensed interim profit and loss account and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison. However, no significant rearrangements have been made.

SALMAN HAYAT NOON
Chief Executive

MIRZA SHOAIB BAIG
Director