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Company Information

BOARD OF DIRECTORS

Mr. Khalid A.H. Al-Sagar
Chairman
Mr. Ahmed H. Shaikh
Chief Executive
Mr. Aehsun M.H. Shaikh
Mr. Irfan Nazir Ahmed
Mr. Aamer Ghias
Mr. Usman Rasheed
Mr. Naseer Miyan

COMPANY SECRETARY

Mr. Muhammad Ijaz Haider

CHIEF FINANCIAL OFFICER

Mr. Abid Amin

AUDIT COMMITTEE

Mr. Khalid A. H. Al Sagar
Mr. Aamer Ghias
Mr. Naseer Miyan

HUMAN RESOURCE COMMITTEE

Mr. Ahmed H. Shaikh
Mr. Irfan Nazir Ahmed
Mr. Ahmed Jaudet Bilal

LEGAL ADVISOR

Hamid Law Associates

AUDITORS

KPMG Taseer Hadi & Co.
Chartered Accountants

BANKERS

JS Bank Limited
MCB Bank Limited
Citibank N.A
Faysal Bank Limited
Habib Bank Limited
HSBC Bank (Middle East) Limited
United Bank Limited
Standard Chartered Bank (Pakistan) Limited
NIB Bank Limited
National Bank of Pakistan
Allied Bank Limited
KASB Bank Limited
Silk Bank Limited
Summit Bank Limited
Al Baraka Bank Pakistan Limited

REGISTERED OFFICE

Ismail Aiwan-e-Science
Off Shahrah-e-Roomi Lahore, 54600
Ph: +92 (0)42 111-786-645
Fax: +92 (0)42 3576-1791

PROJECT LOCATIONS

Textile & Apparel

Unit I
2.5 KM off Manga, Raiwind Road,
District Kasur.
Ph: +92 (0)42 5384081
Fax: +92 (0)42 5384093

Unit II
Alipur Road, Muzaffaragarh.
Ph: +92 (0)661 422503, 422651
Fax: +92 (0)661 422652

Unit III
20 KM off Ferozepur Road,
6 KM Badian Road on Ruhi Nala,
Der Khurd, Lahore.
Ph: +92 (0)42 38460333, 38488862

Fertilizer

Unit I
Agritech Limited.
Iskanderabad,
District Mianwali.
Ph: +92 (0)459 392346-49

Unit II
Hazara Phosphate Fertilizers (Pvt.) Ltd.
Hattar Road,
Haripur.
Ph: +92 (0)995 616124-5

Directors' Review

The Directors of Azgard Nine Limited ("the Company") hereby present the un-audited interim financial statements for the nine months ended March 31, 2012 together with their review thereupon.

Principal Activities

The company's principal business is the manufacture and marketing of Denim focused Textile and Apparel products starting from raw cotton to retail ready goods. The Company holds a prominent position in the country's denim industry.

Azgard Nine, through its subsidiaries Agritech Limited AGL and Hazara Phosphate Fertilizers (Pvt.) Limited (HPFL), is also engaged in the manufacturing and marketing of both Nitrogenous and Phosphatic fertilizers.

Textile and Apparel

Major indicators of the economy continued to deteriorate as it faced formidable circumstances including rising fiscal deficit, energy and political crisis. From industry stand point energy crisis remained at centre stage as the unresolved issue of circular debt and ever increasing gas curtailment affected the industry which is already under the clench of high cost of production.

The Company's performance continued to be under stress not only because of the above mentioned circumstances but also because of the limited availability of working capital lines primarily due to the delay in sale of Agritech Limited. The Company operated at low capacity utilization level that lead to increased unabsorbed fixed cost coupled with inventory losses due to volatility in cotton prices.

The Company remains steadfast in its resolve to face all odds with courage while leaving no stones unturned to pull itself back on the track of growth and profitability. However the primary catalysts for the future performance would still be the availability of working capital lines along with the relief in the energy crisis.

Fertilizers

The Third quarter is generally considered as a low season for fertilizer sales and production. The Company's production in this quarter was further hampered due to gas load management program operated by GOP. During the period urea plant produced 25% of rated capacity which resulted in reduction in production of 23,424 MT.

Govt. imposed Gas Development Cess from Jan 1, 2012 which increased the per bag cost by Rs. 300. This cost raise was transferred to customers and the current price per bag of Urea rose to Rs. 1,790 inclusive of GST.

Operating Financial Results of Azgard Nine Limited (Stand Alone)

	Nine Months Ending March 31, 2012	Nine Months Ending March 31, 2011
Sales-Net	8,129,880,515	7,795,385,630
Operating (Loss)	(1,958,090,689)	(326,268,765)
Finance Cost	2,374,622,876	1,575,531,185
(Loss)/Profit before Tax	(4,332,713,566)	(1,901,799,950)
(Loss)/Profit after Tax	(4,417,112,596)	(1,982,042,305)
Earnings per share	(9.71)	(4.42)

Directors' Review

Consolidated Results Including its Subsidiaries

	Nine Months Ending March 31, 2012	Nine Months Ending March 31, 2011
Sales-Net	12,663,756,337	12,245,192,103
Operating (Loss)/Pofit	(1,397,356,081)	213,810,663
Finance Cost	4,186,618,199	2,813,927,717
(Loss)/Profit before Tax	(5,583,974,280)	(2,600,117,054)
(Loss)/Profit after Tax	(5,265,041,467)	(2,047,658,032)
Earnings per share	(11.24)	(4.55)

Future Market Outlook

Despite of the facts enumerated above which continues to threat Company's profitability we remain optimistic that energy shortages will reduce as the warmer weather conditions will hopefully result in more consistent supply of natural gas.

A ray of hope has emerged in the form of trade package recently approved by World Trade Organization (WTO) as a relief measure to help the country overcome devastating impact of 2010 floods. Under this package the country will be able to export more than 50 textile products to 27 European Union (EU) states at zero or reduced duty rates over the next two years. These concessions will certainly help boost textile exports and provide further support to our battered economy.

These measures coupled with the Government reactivating the textile policy benefits will help improve Company's profitability.

Steps are being taken to improve the financial health of the Company by restructuring its existing debts that include the conversion of the outstanding mark up till March 2012 into zero coupon PPTFC's and further two years grace period in the repayment of its long term loans. The Company is also in negotiations with preference shareholders to restructure the preference shares.

In addition to above the Company is also in the process of overhauling and consolidating it's core business through sale of its holding in Agritech Limited, which will result in a stronger balance sheet along with significantly improved debt profile. The sale process is expected to materialize shortly since the signing off of the related documentation has already been initiated and hopefully would conclude in the next quarter subject to necessary Corporate and Regulatory approvals.

The oversupply situation of Urea in the next quarter seems to aggravate the situation further with urea stocks touching around 1.0 million ton mark at the start of Kharif sowing season despite intermittent gas curtailments to the network based plants. Moreover, the Government's decisions to import another 300,000 tons of Urea will result in acute oversupply of Urea during the entire Kharif season of 2012. Continuous gas availability to network plants during summer will remain to be the biggest challenge for the fertilizer industry.

Directors' Review

Agritech Limited and Hazara Phosphate Fertilizers (Private) Limited are in the process of being merged pursuant to a Scheme of Amalgamation and Merger filed with the Lahore High Court. The merger is in process and the shareholders' approval (under the supervision of COURT) for the said merger has been passed in a general meeting. The Court Order giving effect to the merger is expected to be issued during this quarter

Acknowledgement

The Board takes this opportunity to thank the Company's valued customers and the financial institutions who have been there with the Company in testing times and have rendered their strong support that will Insha'Allah bring the Company back to the path of growth.

The board also wishes to place on record its appreciation for the employees of the Company who have been putting in their efforts and prayers for the success of their organization.

on behalf of the Board

Lahore
April 30, 2012

Chief Executive Officer

Condensed Unconsolidated Interim Financial Information

Condensed Interim Unconsolidated Balance Sheet (Un-audited)

As at 31 March 2012

	Note	31 March 2012 Un-Audited Rupees	30 June 2011 Audited Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized share capital		**15,000,000,000**	15,000,000,000
Issued, subscribed and paid-up capital		**4,548,718,700**	4,548,718,700
Reserves		**7,515,630,325**	7,566,084,048
Accumulated loss		**(6,168,942,654)**	(1,845,738,603)
		5,895,406,371	10,269,064,145
Surplus on revaluation of property, plant and equipment		**3,630,961,266**	3,724,869,810
Non-current liabilities			
Redeemable capital - *Secured*		**3,434,054,392**	3,953,868,892
Long term finances - *Secured*		**3,052,948,826**	3,390,029,147
Liabilities against assets subject to finance lease - *Secured*		**25,841,170**	37,135,730
		6,512,844,388	7,381,033,769
Current liabilities			
Current portion of non-current liabilities		**2,362,136,986**	1,531,656,600
Short term borrowings - *Secured*		**8,163,275,234**	8,035,475,980
Trade and other payables		**4,123,515,520**	2,043,608,344
Due to related party		**295,631,314**	317,158,570
Interest/mark-up accrued on borrowings		**3,500,151,924**	2,811,260,162
Dividend payable		**32,729,078**	32,729,078
		18,477,440,056	14,771,888,734
Contingencies and commitments	*5*	**-**	-
		34,516,652,081	36,146,856,458
ASSETS			
Non-current assets			
Property, plant and equipment		**13,518,197,246**	13,835,133,413
Intangible assets		**4,719,294**	8,289,489
Long term investments		**2,689,884,362**	2,692,146,629
Long term deposits - *Unsecured, considered good*		**30,704,493**	21,613,393
		16,243,505,395	16,557,182,924
Current assets			
Stores, spares and loose tools		**291,151,362**	473,028,964
Stock in trade		**3,142,584,132**	3,763,161,375
Trade receivables		**2,552,511,646**	3,185,586,167
Advances, deposits, prepayments and other receivables		**1,049,653,295**	955,318,688
Short term investments		**10,969,811,440**	10,969,811,440
Current taxation		**33,284,879**	76,509,215
Cash and bank balances		**234,149,932**	166,257,685
		18,273,146,686	19,589,673,534
		34,516,652,081	36,146,856,458

The annexed notes 1 to 9 form an integral part of this condensed interim unconsolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Unconsolidated Profit and Loss Account (Un-audited)

For the nine months ended 31 March 2012

	July 2011 to March 2012 Un-Audited Rupees	**January 2012 to March 2012 Un-Audited Rupees**	July 2010 to March 2011 Un-Audited Rupees	January 2011 to March 2011 Un-Audited Rupees
Sales - *Net*	**8,129,880,515**	**3,650,059,706**	7,795,385,630	2,569,767,026
Cost of sales	**(9,128,463,579)**	**(4,315,169,882)**	(7,400,888,707)	(2,534,553,319)
Gross (loss)/profit	**(998,583,064)**	**(665,110,176)**	394,496,923	35,213,707
Administrative expenses	**(389,270,825)**	**(112,683,550)**	(361,640,865)	(112,396,822)
Selling and distribution expenses	**(374,484,631)**	**(185,900,395)**	(317,796,457)	(113,346,774)
Net other (expense)/income	**(195,752,169)**	**(287,672,224)**	(41,328,366)	26,866,443
Loss from operations	**(1,958,090,689)**	**(1,251,366,345)**	(326,268,765)	(163,663,446)
Finance cost	**(2,374,622,876)**	**(872,800,814)**	(1,575,531,185)	(570,452,988)
Loss before taxation	**(4,332,713,565)**	**(2,124,167,159)**	(1,901,799,950)	(734,116,434)
Taxation	**(84,399,030)**	**(37,546,765)**	(80,242,355)	(26,413,877)
Loss after taxation	**(4,417,112,595)**	**(2,161,713,924)**	(1,982,042,305)	(760,530,311)
Loss per share - ***Basic and diluted***	**(9.71)**	**(4.75)**	(4.42)	(1.69)

The annexed notes 1 to 9 form an integral part of this condensed interim unconsolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Unconsolidated Statement of Comprehensive Loss (Un-audited)

For the nine months ended 31 March 2012

	July 2011 to March 2012 Un-Audited	**January 2012 to March 2012 Un-Audited**	July 2010 to March 2011 Un-Audited	January 2011 to March 2011 Un-Audited
	Rupees	**Rupees**	Rupees	Rupees
Loss after taxation	**(4,417,112,595)**	**(2,161,713,924)**	(1,982,042,305)	(760,530,311)
Other comprehensive income/(loss) for the period:				
Changes in fair value of cash flow hedges	**(48,198,912)**	**(5,382,431)**	(13,185,328)	1,546,930
Changes in fair value of available for sale financial assets	**(2,254,811)**	**-**	(98,461)	(23,077)
	(50,453,723)	**(5,382,431)**	(13,283,789)	1,523,853
Total comprehensive loss for the period	**(4,467,566,318)**	**(2,167,096,355)**	(1,995,326,094)	(759,006,458)

The annexed notes 1 to 9 form an integral part of this condensed interim unconsolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Unconsolidated Cash flow Statement (Un-audited)

For the nine months ended 31 March 2012

	31 March 2012 Un-Audited Rupees	31 March 2011 Un-Audited Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	**(4,332,713,565)**	(1,901,799,950)
Adjustments for non-cash and other items	**2,433,342,976**	2,114,447,071
(Loss)/profit before changes in working capital	**(1,899,370,589)**	212,647,121
Effect on cash flow due to working capital changes	**2,667,651,314**	(948,026,674)
Cash generated from/(used in) operating activities	**768,280,725**	(735,379,553)
Finance cost paid	**(699,802,186)**	(996,969,431)
Taxes paid	**(41,174,695)**	(79,683,636)
Long term deposits	**(10,875,900)**	(453,491)
Net cash generated from/(used in) operating activities	**16,427,944**	(1,812,486,111)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	**(98,551,712)**	(78,058,805)
Proceeds from disposal of property, plant and equipment	**12,842,780**	9,801,677
Return on investments in term finance certificates	**21,323,299**	88,555,218
Redemption of held to maturiy investments	**7,456**	-
Interest received	**15,689,647**	2,498,005
Net cash (used in)/generated from investing activites	**(48,688,530)**	22,796,095
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances	**-**	244,903,733
Liabilities against assets subject to finance lease	**(6,119,163)**	-
Due to related party	**(21,527,258)**	(17,557,587)
Short term borrowings	**127,799,254**	(101,620,799)
Preference shares	**-**	1,725,919,887
Net cash generated from financing activities	**100,152,833**	1,851,645,234
Net increase in cash and cash equivalents	**67,892,247**	61,955,218
Cash and cash equivalents as at begining of the period	**166,257,685**	67,772,100
Cash and cash equivalents as at end of the period	**234,149,932**	129,727,318

The annexed notes 1 to 9 form an integral part of this condensed interim unconsolidated financial information

Lahore | **CHIEF EXECUTIVE** | **DIRECTOR**

Condensed Interim Unconsolidated Statement of Changes in Equity (Un-audited)

For the nine months ended 31 March 2012

	Share capital			Reserves							
	Ordinary shares	Preference shares	Total	Share premium	Cash flow hedges	Reserve on merger	Preference shares redemption reserve	Available for sale financial assets	Total reserves	Accumulated profit/(loss)	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
As at July 01, 2010 - *Un-audited*	4,548,718,700	330,625,180	4,879,343,880	2,358,246,761	66,479,346	105,152,005	661,250,830	3,021,442,137	6,212,571,079	2,582,977,468	13,674,892,427
Total comprehensive income for the period	-	-	-	-	(13,185,328)	-	-	(98,461)	(13,283,789)	(1,982,042,305)	(1,995,326,094)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	100,036,907	100,036,907
Preference shares classified as current liability	-	(330,625,180)	(330,625,180)	-	-	-	-	-	-	-	(330,625,180)
Dividend on preference shares for the year ended December 31, 2011	-	-	-	-	-	-	-	-	-	(29,590,953)	(29,590,953)
As at March 31, 2011 - *Un-audited*	4,548,718,700	-	4,548,718,700	2,358,246,761	53,294,018	105,152,005	661,250,830	3,021,343,676	6,199,287,290	671,381,117	11,419,387,107
As at July 01, 2011 - *Audited*	4,548,718,700	-	4,548,718,700	2,358,246,761	48,894,931	105,152,005	661,250,830	4,392,539,521	7,566,084,048	(1,845,738,603)	10,269,064,145
Total comprehensive income for the period	-	-	-	-	(48,198,912)	-	-	(2,254,811)	(50,453,723)	(4,417,112,595)	(4,467,566,318)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	93,908,544	93,908,544
As at March 31, 2012 - *Un-audited*	**4,548,718,700**	**-**	**4,548,718,700**	**2,358,246,761**	**696,019**	**105,152,005**	**661,250,830**	**4,390,284,710**	**7,515,630,325**	**(6,168,942,654)**	**5,895,406,371**

The annexed notes 1 to 9 form an integral part of this condensed interim unconsolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Unconsolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

1 STATUS AND NATURE OF BUSINESS

Azgard Nine Limited("the Company")is incorporated in Pakistan as a Public Limited Company and is listed on Karachi Stock Exchange (Guarantee) Limited. The Company is a composite spinning, weaving, dyeing and stitching unit engaged in the manufacture and sale of yarn, denim and denim products. The registered office of the Company is situated at Ismail Aiwan-e- Science, off Shahrah-e-Roomi, Lahore. The company has three production units with Unit I located at 2.5 K.M off Manga, Raiwind Road, District Kasur, Unit II at 20 K.M off Ferozpur Road, 6 K.M Badian Road on Ruhi Nala, Der Khud, Lahore and Unit III at Alipur Road, Muzaffargarh.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim unconsolidated financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. The disclosures in the condensed interim unconsolidated financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the eighteen months ended 30 June 2011.

2.2 Financial liabilities and continuing operations

As mentioned in the annual report of the Company for the eighteen months ended 30 June 2011, the Company in line with the worldwide and nationwide recessionary trends and other economic conditions is facing liquidity crisis. Due to liquidity problems and unavailability of working capital finances, the Company was not able to make timely purchases of raw materials and had to procure raw material at higher prices, resulting in substantial increase in cost of sales. High finance costs also had an adverse impact on profitability of the Company. This has perpetuated temporary liquidity issues, as referred to in note 7 to the financial statements. Consequently, the shareholders of the Company in the extraordinary general meeting held on 23 July 2010, approved the divestment of 79.87% shares held in Agritech Limited. The sale process is expected to materialize shortly since the signing off of the related documentation has already been initiated and hopefully would conclude in the next quarter subject to necessary Corporate and Regulatory approvals.

Majority of the funds generated through divestment of shares will be utilized towards repayment / prepayment of the Company's debts to the extent of Rs. 9,742.81 million. The Company is also in the process of getting approvals from majority of the lenders for the conversion of the outstanding amount of their mark up till 31 March 2012 into 5 year zero coupon PPTFC's. Since the Company intends to prepay 25% of the long term loans up front from the above mentioned sale proceeds, it has requested the respective lenders to allow it a further grace period of two years without increasing the overall tenure of the loans agreed under Master Restructuring Agreement for which positive feedback has been received from the lenders. For this purpose the respective loan repayment schedules would accordingly be

Condensed Interim Unconsolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

amended through amendment in the said agreement. Furthermore, the negotiations regarding settlement/restructuring of amount outstanding towards preference shareholders are in final phases.

With the divestment of shareholding in Agritech Limited and other proposed measures mentioned above, the management of the Company envisages that sufficient financial resources will be available for the continuing operations of the Company. With positive impact on the finance costs and more effective management of resources and raw material procurement, the Company is expected to continue its operations profitably, subject to impact, if any, of uncontrollable external circumstances including power crises and global market conditions.

3 ESTIMATES

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 the condensed interim financial information, the significant judgments made by the management in applying accounting policies, key estimates and uncertainty includes:

- Residual value and useful life estimation of fixed assets
- Taxation
- Provisions and contingencies
- Fair value of investment in subsidiaries

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies and methods of computation adopted in the preparation of the condensed interim financial information are the same as those applied in preparation of preceding annual financial statements for the eighteen months ended 30 June 2011.

4.2 In addition to above, following amendments to the International Financial Reporting Standards are mandatory for the first time for the financial year beginning on or after 1 January 2012, however, the adoption of these amendments is either not yet effective or the amendments did not have any significant impact on the financial information of the Company.

- IAS 12 (amendment) - Deferred Tax on Investment Property
- IAS 19 (amendment) - Employee Benefits
- IAS 1 (amendment) - Presentation of items of other comprehensive income
- IFRS 7 (amendment) - Transfers of Financial Assets
- IAS 32 (amendment) - Offsetting Financial assets and Financial Liabilities
- IFRS 7 (amendment) - Offsetting Financial assets and Financial Liabilities

Condensed Interim Unconsolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

5.1.1 Counter guarantees given by the Company to its bankers as at the reporting date amount to Rs. 167.79 million (30 June 2011: Rs. 152.05 million).

5.1.2 There is no material change in other contingencies from preceding audited published financial statements of the Company for the year ended 30 June 2011.

	31 March 2011 Un-Audited Rupees	30 June 2011 Audited Rupees
5.2 Commitments		
5.2.1 Commitments under irrevocable letters of credit for:		
- purchase of stores, spare and loose tools	**2,696,806**	5,919,288
- purchase of machinery	**19,180,769**	141,745,448
- purchase of raw material	**68,519,783**	25,800,276
	90,397,358	173,465,012
5.2.2 Commitments for capital expenditure	**10,465,663**	-

6 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties from the Company's perspective comprise subsidiaries, associated undertakings, key management personnel (including chief executive and directors) and post employment benefit plan. The Company in the normal course of business carries out transactions with various related parties and continues to have a policy whereby all such transactions are carried out at arm's length. Pricing for these transactions is determined as follows:

Nature of transaction	**Pricing mechanism**
Sales	Cost plus margin
Purchases	Comparable uncontrolled price method
Investments (including loans and advances)	Comparable uncontrolled price method
Borrowings	Comparable uncontrolled price method
Contribution to post employment benefit plan	As per terms of employment
Compensation of key management personnel	As per terms of employment

Condensed Interim Unconsolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

Details of transactions and balances with related parties are as follows:

		July 2011 to March 2012 Un-Audited	July 2010 to March 2011 Un-Audited
		Rupees	Rupees
6.1	**Transactions with related parties**		
6.1.1	***Subsidiaries***		
	Sale of goods	**323,381,601**	249,007,797
	Return on investment in TFCs	**21,323,299**	46,622,450
	Interest/markup	**47,886,695**	52,489,160
6.1.2	***Post-employment benefit plans***		
	Contribution to employees provident fund	**78,413,951**	66,312,552
6.1.3	***Key management personnel***		
	Short-term employee benefits	**36,837,413**	38,271,500

		31 March 2012 Un-Audited	30 June 2011 Audited
		Rupees	Rupees
6.2	**Balances with related parties**		
6.2.1	***Subsidiaries***		
	Borrowings	**295,631,314**	317,158,570
	Trade receivables	**915,432,994**	1,172,900,745
	Markup payable	**67,549,054**	125,521,696
	Investment in ordinary shares	**9,003,317,920**	9,003,317,920
	Investment in term finance certificates	**266,074,508**	266,081,964
6.2.3	***Key Management Personnel***		
	Short term employee benefits payable	**4,093,046**	4,834,943

Condensed Interim Unconsolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

7 OVERDUE DEBT FINANCES

The Company is facing liquidity shortfall due to which it was unable to meet its obligations in respect of various debt finances. The details are as follows:

	Principal	Interest/mark-up	Total
	Rupees	Rupees	Rupees
Redeemable Capital	476,825,000	1,316,852,621	1,793,677,621
Long term finances	-	536,871,245	536,871,245
Bills payable	1,227,243,403	-	1,227,243,403
Short term borrowings	774,940,000	1,011,187,961	1,786,127,961
Preference shares	574,518,935	-	574,518,935
Preference dividend	28,727,041	-	28,727,041
	3,082,254,379	2,864,911,827	5,947,166,206

8 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial information has been authorized for issue on April 30, 2012 by the Board of Directors of the Company.

9 GENERAL

9.1 Figures have been rounded off to the nearest rupee.

9.2 The comparative figures have been re-arranged, where necessary, for the purpose of better presentation.

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

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Condensed Interim Consolidated Financial Information

Condensed Interim Consolidated Balance Sheet (Un-audited)

As at 31 March 2012

	Note	31 March 2012 Un-Audited Rupees	30 June 2011 Audited Rupees
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized share capital		**15,000,000,000**	15,000,000,000
Issued, subscribed and paid-up capital		**4,548,718,700**	4,548,718,700
Reserves		**3,108,598,400**	3,159,053,369
Accumulated loss		**(5,437,300,369)**	(464,226,537)
		2,220,016,731	7,243,545,532
Surplus on revaluation of property, plant and equipment		**6,820,490,430**	7,003,957,881
Non-controlling interests		**4,099,287,890**	2,582,107,738
Subordinated loan		**340,000,000**	340,000,000
Non-current liabilities			
Redeemable capital - *Secured*		**14,356,454,692**	13,327,897,970
Long term finances - *Secured*		**10,264,678,149**	9,966,538,549
Liabilities against assets subject to finance lease - *Secured*		**116,013,892**	177,573,883
Long term payables - *Unsecured*		**31,135,199**	31,135,199
Staff retirement benefits		**26,846,429**	20,372,547
Deferred taxation		**2,522,461,035**	2,973,657,218
		27,317,589,396	26,497,175,366
Current liabilities			
Current portion of non-current liabilities		**2,997,084,127**	3,212,265,941
Short term borrowings - *Secured*		**11,600,847,507**	11,284,647,753
Trade and other payables		**5,954,734,916**	6,040,024,804
Interest/mark-up accrued on borrowings		**7,637,464,416**	6,185,634,382
Dividend payable		**32,729,078**	32,729,078
		28,222,860,044	26,755,301,958
Contingencies and commitments	*5*	**-**	-
		69,020,244,491	70,422,088,475
ASSETS			
Non-current assets			
Fixed assets		**50,273,397,060**	50,168,926,414
Intangible assets		**5,438,354,038**	5,409,716,922
Long term investments		**8,632**	12,864
Long term deposits - *Unsecured, considered good*		**83,202,532**	52,831,484
Long term advances		**27,559,752**	28,663,924
Non-current assets held for disposal		**713,092,558**	713,092,558
		56,535,614,572	56,373,244,166
Current assets			
Stores, spares and loose tools		**2,454,903,044**	2,581,479,175
Stock in trade		**3,895,633,589**	4,430,657,751
Trade receivables		**3,707,710,875**	4,480,130,994
Advances, deposits, prepayments and other receivables		**2,053,161,692**	1,953,047,605
Current taxation		**81,464,614**	298,819,762
Cash and bank balances		**291,756,105**	304,709,022
		12,484,629,919	14,048,844,309
		69,020,244,491	70,422,088,475

The annexed notes 1 to 9 form an integral part of this condensed interim consolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Consolidated Profit and Loss Account (Un-audited)

For the nine months ended 31 March 2012

	July 2011 to March 2012 Un-Audited	**January 2012 to March 2012 Un-Audited**	July 2010 to March 2011 Un-Audited	January 2011 to March 2011 Un-Audited
	Rupees	**Rupees**	Rupees	Rupees
Sales - *Net*	**12,663,756,337**	**4,742,640,933**	12,245,192,103	3,237,933,708
Cost of sales	**(12,554,164,626)**	**(5,428,208,428)**	(10,496,816,458)	(3,185,333,331)
Gross profit/(loss)	**109,591,711**	**(685,567,495)**	1,748,375,645	52,600,377
Administrative expenses	**(901,834,997)**	**(208,675,231)**	(945,377,221)	(317,447,616)
Selling and distribution expenses	**(561,113,696)**	**(240,228,664)**	(468,361,277)	(170,733,675)
			-	
Net other (expense)/income	**(43,999,099)**	**(132,596,500)**	(120,826,484)	228,204,650
(Loss)/profit from operations	**(1,397,356,081)**	**(1,267,067,890)**	213,810,663	(207,376,264)
Finance cost	**(4,186,618,199)**	**(1,712,035,628)**	(2,813,927,717)	(1,232,007,165)
Loss before taxation	**(5,583,974,280)**	**(2,979,103,518)**	(2,600,117,054)	(1,439,383,429)
Taxation	**318,932,813**	**175,959,666**	552,459,022	304,362,771
Loss after taxation	**(5,265,041,467)**	**(2,803,143,852)**	(2,047,658,032)	(1,135,020,658)
(Loss)/profit after taxation attributable to:				
Equity holders of the Parent Company	**(5,112,724,360)**	**(2,671,739,002)**	(2,056,418,387)	(1,073,747,138)
Non-controlling interests	**(152,317,107)**	**(131,404,850)**	8,760,355	(61,273,610)
	(5,265,041,467)	**(2,803,143,852)**	(2,047,658,032)	(1,135,020,748)
Loss per share - *Basic and diluted*	**(11.24)**	**(5.83)**	(4.55)	(2.43)

The annexed notes 1 to 9 form an integral part of this condensed interim consolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Consolidated Statement of Comprehensive Loss (Un-audited)

For the nine months ended 31 March 2012

	July 2011 to March 2012 Un-Audited	**January2012 to March 2012 Un-Audited**	July 2010 to March 2011 Un-Audited	January 2011 to March 2011 Un-Audited
	Rupees	**Rupees**	Rupees	Rupees
Loss after taxation	**(5,265,041,467)**	**(2,803,143,852)**	(2,047,658,032)	(1,135,020,658)
Other comprehensive income/(loss) for the period:				
Changes in fair value of cash flow hedges	**(48,198,912)**	**(5,382,431)**	(13,185,328)	-
Exchange difference on translation of foreign subsidiaries	**(2,251,825)**	**5,624,367**	81,326,099	36,536,714
Changes in fair value of available for sale financial assets	**(2,254,811)**	**(2,250,579)**	(23,077)	-
	(52,705,548)	**(2,008,643)**	68,117,694	36,536,714
Total comprehensive loss for the period	**(5,317,747,015)**	**(2,805,152,495)**	(1,979,540,338)	(1,098,483,944)
Total comprehensive (loss)/income attributable to:				
Equity holders of the Parent Company	**(5,165,429,908)**	**(2,673,747,645)**	(1,988,300,693)	(1,037,210,334)
Non-controlling interests	**(152,317,107)**	**(131,404,850)**	8,760,355	(61,273,610)
	(5,317,747,015)	**(2,805,152,495)**	(1,979,540,338)	(1,098,483,944)

The annexed notes 1 to 9 form an integral part of this condensed interim consolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Consolidated Cash flow Statement (Un-audited)

For the nine months ended 31 March 2012

	31 March 2012 Un-Audited Rupees	31 March 2011 Un-Audited Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	**(5,583,974,280)**	(2,600,117,054)
Adjustments for non-cash and other items	**4,428,080,876**	5,986,900,244
(Loss)/profit before changes in working capital	**(1,155,893,404)**	3,386,783,190
Effect on cash flow due to working capital changes	**2,823,860,933**	(1,276,720,022)
Cash generated from operating activities	**1,667,967,529**	2,110,063,168
Finance cost paid	**(2,438,065,542)**	(2,241,715,266)
Taxes paid	**(25,706,635)**	(45,132,667)
Long term deposits	**(37,256,898)**	-
Net cash used in operating activities	**(833,061,546)**	(176,784,765)
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	**(1,180,034,799)**	(3,852,776,357)
Proceeds from sale of investment	**-**	483,531,018
Proceeds from disposal of property, plant and equipment	**16,329,166**	45,890,278
Net cash used in investing activites	**(1,163,705,633)**	(3,323,355,061)
CASH FLOW FROM FINANCING ACTIVITIES		
Long term finances	**124,708,213**	3,856,599,961
Liabilities against assets subject to finance lease	**(44,288,034)**	(43,244,867)
Loan from associates	**228,992,453**	-
Redeemable capital	**(667,251)**	87,868,309
Short term borrowings	**316,199,754**	(524,828,863)
Transactions costs on restructuring	**(96,022,226)**	-
Dividend paid		-
Preference shares	**1,593,342,690**	-
Net cash generated from financing activities	**2,122,265,599**	3,376,394,540
Net increase/(decrease) in cash and cash equivalents	**125,498,420**	(123,745,286)
Cash and cash equivalents as at begining of the period	**166,257,685**	321,703,032
Cash and cash equivalents as at end of the period	**291,756,105**	197,957,746

The annexed notes 1 to 9 form an integral part of this condensed interim unconsolidated financial information

Lahore **CHIEF EXECUTIVE** **DIRECTOR**

Condensed Interim Consolidated Statement of Changes in Equity (Un-audited)

For the nine months ended 31 March 2012

	Share capital			Reserves								
	Ordinary shares	Preference shares	Total	Share premium	Cash flow hedges	Translation reserve	Reserve on merger	Preference shares redemption reserve	Available for sale financial assets	Total reserves	Accumulated profit/(loss)	Total equity
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
As at 01 July 2010 - *Un-audited*	4,548,718,700	330,625,180	4,879,343,880	2,358,246,761	66,479,346	(92,671,639)	105,152,005	661,250,830	18,103	3,098,475,406	3,748,250,593	11,726,069,879
Disposal of subsidiary	-	-	-	-	-	-	-	-	-	-	1,732,848	1,732,848
Total comprehensive income for the period	-	-	-	-	(13,185,328)	81,326,099	-	-	(23,077)	68,117,694	(2,056,418,387)	(1,988,300,693)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	-	138,314,539	138,314,539
Preference dividend	-	-	-	-	-	-	-	-	-	-	(29,590,953)	(29,590,953)
Preference shares classified as current liability	-	(330,625,180)	(330,625,180)	-	-	-	-	-	-	-	-	(330,625,180)
As at 31 March 2011 - *Un-audited*	4,548,718,700	-	4,548,718,700	2,358,246,761	53,294,018	(11,345,540)	105,152,005	661,250,830	(4,974)	3,166,593,100	1,802,288,640	9,517,600,440
As at 01 July 2011 - *Audited*	4,548,718,700	-	4,548,718,700	2,358,246,761	48,894,931	(14,485,358)	105,152,005	661,250,830	(5,800)	3,159,053,369	(464,226,537)	7,243,545,532
Total comprehensive income for the period	-	-	-	-	(48,198,912)	(2,251,825)	-	-	(4,232)	(50,454,969)	(5,156,541,284)	(5,206,996,253)
Transfer of incremental depreciation from surplus on revaluation of fixed assets	-	-	-	-	-	-	-	-	-	-	183,467,452	183,467,452
As at 31 March 2012 - *Un-audited*	**4,548,718,700**	**-**	**4,548,718,700**	**2,358,246,761**	**696,019**	**(16,737,183)**	**105,152,005**	**661,250,830**	**(10,032)**	**3,108,598,400**	**(5,437,300,369)**	**2,220,016,731**

The annexed notes 1 to 9 form an integral part of this condensed interim consolidated financial information

Lahore

CHIEF EXECUTIVE

DIRECTOR

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

1 STATUS AND NATURE OF BUSINESS

The Group comprises the following Companies:

Parent Company

Azgard Nine Limited ("the Parent Company") is incorporated in Pakistan as a Public Limited Company and is listed on Karachi Stock Exchange (Guarantee) Limited. The Company is a composite spinning, weaving, dyeing and stitching unit engaged in the manufacture and sale of yarn, denim and denim products. The registered office of the Company is situated at Ismail Aiwan-e-Science, off Shahrah-e-Roomi, Lahore. The company has three production units with Unit I located at 2.5 K.M off Manga, Raiwind Road, District Kasur, Unit II at 20 K.M off Ferozpur Road, 6 K.M Badian Road on Ruhi Nala, Der Khud, Lahore and Unit III at Alipur Road, Muzaffargarh.

Subsidiary Companies

Agritech Limited ("AGL") is incorporated in Pakistan as an Unquoted Public Limited Company and is engaged in manufacture and sale of urea fertilizer. Proportion of interest held by ANL as at the reporting date is 79.87%. During the period, ANL has divested 20.13% of its total holding through a combination of public subscription and private placement. AGL was acquired on July 01, 2006.

Hazara Phosphate Fertilizers (Private) Limited ("HPFL") is incorporated in Pakistan as a Private Limited Company and is engaged in manufacture and sale of granulated single super phosphate fertilizer. HPFL was acquired on November 28, 2008 by AGL. Proportion of interest held by AGL is 100%.

Farital AB ("FAB") is incorporated in Sweden. Investment in FAB was made in order to acquire Montebello SRL ("MSRL") a Limited Liability Company incorporated in Italy and owner of an Italian fabric brand. MSRL is engaged in import, export, wholesale and retail marketing and manufacture of textile and apparel products and accessories. Effective control of FAB and MSRL was obtained on December 31, 2008 by ANL. Proportion of interest held by ANL is 100%.

2 BASIS OF PREPARATION

2.1 Statement of compliance

The condensed interim unconsolidated financial information has been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. The disclosures in the condensed interim unconsolidated financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the eighteen months ended 30 June 2011.

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

2.2 Financial liabilities and continuing operations

Azgard Nine Limited

As mentioned in the annual report of ANL for the eighteen months ended 30 June 2011, the Company in line with the worldwide and nationwide recessionary trends and other economic conditions is facing liquidity crisis. Due to liquidity problems and unavailability of working capital finances, the Company was not able to make timely purchases of raw materials and had to procure raw material at higher prices, resulting in substantial increase in cost of sales. High finance costs also had an adverse impact on profitability of the Company. This has perpetuated temporary liquidity issues, as referred to in note 7 to the financial statements. Consequently, the shareholders of the Company in the extraordinary general meeting held on 23 July 2010, approved the divestment of 79.87% shares held in Agritech Limited. The sale process is expected to materialize shortly since the signing off of the related documentation has already been initiated and hopefully would conclude in the next quarter subject to necessary Corporate and Regulatory approvals.

Majority of the funds generated through divestment of shares will be utilized towards repayment / prepayment of the Company's debts to the extent of Rs. 9,742.81 million. The Company is also in the process of getting approvals from majority of the lenders for the conversion of the outstanding amount of their mark up till 31 March 2012 into 5 year zero coupon PPTFC's. Since the Company intends to prepay 25% of the long term loans up front from the above mentioned sale proceeds, it has requested the respective lenders to allow it a further grace period of two years without increasing the overall tenure of the loans agreed under Master Restructuring Agreement for which positive feedback has been received from the lenders. For this purpose the respective loan repayment schedules would accordingly be amended through amendment in the said agreement. Furthermore, the negotiations regarding settlement/restructuring of amount outstanding towards preference shareholders are in final phases.

With the divestment of shareholding in Agritech Limited and other proposed measures mentioned above, the management of the Company envisages that sufficient financial resources will be available for the continuing operations of the Company. With positive impact on the finance costs and more effective management of resources and raw material procurement, the Company is expected to continue its operations profitably, subject to impact, if any, of uncontrollable external circumstances including power crises and global market conditions.

Agritech Limited

The worldwide and nationwide recessionary trends and other economic conditions have perpetuated general credit and liquidity crisis. These circumstances are being faced by all the industrial and business sectors in Pakistan. AGL, in previous year as well as in current period

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

under review, also faced operational issues due to extended gas load shedding in winter and gas curtailment by Government of Pakistan for shifting the gas towards power sector to reduce electricity load shedding. Additionally, AGL has faced massive devaluation of the Pak Rupee over the past couple of years which increased urea project cost manifold, with high interest/mark-up rates resulting in substantially high finance costs on project finance and acquisition loans. This has perpetuated temporary, liquidity issues, as referred to in note 7 to the financial statements.

During the current period the AGL has entered into a second round of Rescheduling with the providers of debt finances and agreements in this respect have been signed. With the successful rescheduling of AGL's debts the management of the AGL envisages that sufficient financial resources will be available for the continuing operations of the AGL. The fertilizer sector is likely to remain robust in coming years. The trend indicates that the sales will continue to grow with improved operational profitability inspite of high finance costs and other factors.

3 ESTIMATES

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 the condensed interim financial information, the significant judgments made by the management in applying accounting policies, key estimates and uncertainty includes:

- Residual value and useful life estimation of fixed assets
- Taxation
- Provisions and contingencies
- Retirement and other benefits

4 SIGNIFICANT ACCOUNTING POLICIES

4.1 The accounting policies and methods of computation adopted in the preparation of the condensed interim financial information are the same as those applied in preparation of preceding annual financial statements for the eighteen months ended 30 June 2011.

4.2 In addition to above, following amendments to the International Financial Reporting Standards are mandatory for the first time for the financial year beginning on or after 1 January 2012, however, the adoption of these amendments is either not yet effective or the amendments did not have any significant impact on the financial information of the Group.

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

- IAS 12 (amendment) - Deferred Tax on Investment Property
- IAS 19 (amendment) - Employee Benefits
- IAS 1 (amendment) - Presentation of items of other comprehensive income
- IFRS 7 (amendment) - Transfers of Financial Assets
- IAS 32 (amendment) - Offsetting Financial assets and Financial Liabilities
- IFRS 7 (amendment) - Offsetting Financial assets and Financial Liabilities

5 CONTINGENCIES AND COMMITMENTS

5.1 Contingencies

5.1.1 Counter guarantees given by the Company to its bankers as at the reporting date amount to Rs. 364.09 million 30 June 2011: Rs. 348.35 million).

5.1.2 There is no material change in other contingencies from preceding audited published financial statements of the Company for the year ended 30 June 2011.

	31 March 2011 Un-Audited Rupees	30 June 2011 Audited Rupees
5.2 Commitments		
5.2.1 Commitments under irrevocable letters of credit for:		
- purchase of stores, spare and loose tools	**32,185,311**	5,919,288
- purchase of machinery	**19,180,769**	141,745,448
- purchase of raw material	**123,149,783**	25,800,276
	174,515,863	173,465,012
5.2.2 Commitments for capital expenditure	**10,465,663**	-

6 RELATED PARTY TRANSACTIONS AND BALANCES

Related parties from the Group's perspective comprise associated undertakings, key management personnel (including chief executive and directors) and post employment benefit plans. The Group in the normal course of business carries out transactions with various related parties and continues to have a policy whereby all such transactions are carried out at arm's length. Pricing for these transactions is determined as follows:

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

Nature of transaction	**Pricing mechanism**
Borrowings	Comparable uncontrolled price method
Contribution to post employment benefit plan	As per terms of employment
Compensation of key management personnel	As per terms of employment

Details of transactions and balances with related parties are as follows:

	July 2011 to March 2012 Un-Audited	July 2010 to March 2011 Un-Audited
	Rupees	Rupees
6.1 Transactions with related parties		
6.1.1 *Associated Company*		
Mark-up on long term loan	**41,228,595**	40,756,033
Mark-up on redeemable capital	**59,605,676**	10,942,068
6.1.2 *Post-employment benefit plans*		
Contribution to employees provident fund	**91,444,358**	79,777,654
Contribution to employees gratuity trust	**6,986,666**	10,349,567
6.1.3 *Key management personnel*		
Short-term employee benefits	**108,728,124**	68,314,364
Post employment benefits	**176,970,751**	1,158,822

	31 March 2011 Un-Audited	30 June 2011 Audited
	Rupees	Rupees
6.2 Balances with related parties		
6.2.1 *Associated Company*		
Redeemable capital	**113,343,615**	76,926,502
Markup payable	**156,600,460**	115,371,594

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

	July 2011 to March 2012 Un-Audited	July 2010 to March 2011 Un-Audited
	Rupees	Rupees
6.2.3 *Key Management Personnel*		
Short term employee benefits payable	**4,093,046**	4,834,943

7 OVERDUE DEBT FINANCES

Azgard Nine Limited

Azgard Nine Limited is facing liquidity shortfall due to which it was unable to meet its obligations in respect of various debt finances. The details are as follows:

	Principal	**Interest/mark-up**	**Total**
	Rupees	**Rupees**	**Rupees**
Redeemable Capital	476,825,000	1,316,852,621	1,793,677,621
Long term finances	-	536,871,245	536,871,245
Bills payable	1,227,243,403	-	1,227,243,403
Short term borrowings	774,940,000	1,011,187,961	1,786,127,961
Preference shares	574,518,935	-	574,518,935
Preference dividend	28,727,041	-	28,727,041
	3,082,254,379	2,864,911,827	5,947,166,206

Agritech Limited

Agritech Limited in previous year as well as in current period faced operational issues due to revamp of existing plant and machinery and extended gas load shedding from SNGPL. As a result, the Company is facing liquidity shortfall due to which it was unable to meet its obligations in respect of various debt finances. The details are as follows:

	Principal	**Interest/mark-up**	**Total**
	Rupees	**Rupees**	**Rupees**
Redeemable Capital	234,502	850,312,873	850,547,375
Long term finances	256,250,000	746,480,227	1,002,730,227
Short term borrowings	782,497,000	129,385,016	911,882,016
Bills payable	548,275,460	70,995,620	619,271,080
	1,587,256,962	1,797,173,736	3,384,430,698

Condensed Interim Consolidated Notes to the Financial Information (Un-audited)
for the nine months ended 31 March 2012

In lieu of the prevailing situation, the Company decided to undergo restructuring of its entire long term debt and during the current period under review it has successfully completed second round of rescheduling. As a result of rescheduling the Company has been allowed further grace period of one year for the repayment of long term debts in the amount of Rs. 17,447.52 million. The rescheduling will allow the Company to repay the overdue principal of Rs. 990.314 million from cash generated from operations. The overdue markup amounting to Rs. 2,792.313 million is proposed to be converted into preference shares / PPTFCs. In this regard, lenders have provided their consents and the Company is in the process of making final arrangements for issuance of preference shares / PPTFCs. The remaining markup and the above overdue principal will be settled through cash generated from operations.

8 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial information has been authorized for issue on April 30, 2012 by the Board of Directors of the Parent Company.

9 GENERAL

9.1 Figures have been rounded off to the nearest rupee.

9.2 The comparative figures have been re-arranged, where necessary, for the purpose of better presentation.

Lahore **CHIEF EXECUTIVE** **DIRECTOR**