

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM**  
**FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2014**



**A. F. FERGUSON & CO.**

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

**Introduction**

We have reviewed the accompanying condensed interim balance sheet of Engro Powergen Qadirpur Limited as at March 31, 2014 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows together with the notes forming part thereof for the quarter 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.

**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 quarter ended March 31, 2014 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting.

**Other matter**

The comparative information in the condensed interim balance sheet is based on the audited financial statements as at December 31, 2013. The comparative information in the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim statement of cash flows, and related explanatory notes, for the quarter ended March 31, 2013 have not been audited or reviewed.

**Chartered Accountants  
Karachi**

**Date: May 21, 2014**

**Engagement Partner: Waqas A. Sheikh**

*A. F. FERGUSON & CO., Chartered Accountants, a member firm of the PwC network  
State Life Building No. 1-C, I.I. Chundrigar Road, P.O. Box 4716, Karachi-74000, Pakistan  
Tel: +92 (21) 32426682-6/32426711-5; Fax: +92 (21) 32415007/32427938/32424740; <www.pwc.com/pk>*

*Lahore: 23-C, Aziz Avenue, Canal Bank, Gulberg V, P.O. Box 39, Lahore-54660, Pakistan; Tel: +92 (42) 35715864-71; Fax: +92 (42) 35715872  
Islamabad: PIA Building, 3rd Floor, 49 Blue Area, Fazl-ul-Haq Road, P.O. Box 3021, Islamabad-44000, Pakistan; Tel: +92 (51) 2273457-60; Fax: +92 (51) 2277924  
Kabul: Apartment No. 3, 3rd Floor, Dost Tower, Haji Yaqub Square, Sher-e-Nau, Kabul, Afghanistan; Tel: +93 (779) 315320, +93 (799) 315320*

ENGRO POWERGEN QADIRPUR LIMITED  
CONDENSED INTERIM BALANCE SHEET (UNAUDITED)  
AS AT MARCH 31, 2014

(Amounts in thousand)

	Note	(Unaudited) March 31, 2014	(Audited) December 31, 2013
Rupees			
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	4	14,378,703	15,233,998
Intangible assets		80,869	83,967
Long term deposits		2,491	2,491
Long term loans and advances		20,714	16,941
		<u>14,482,777</u>	<u>15,337,397</u>
<b>Current assets</b>			
Inventory		385,844	366,431
Stores and spares		404,248	367,678
Trade debts	5	2,802,247	476,333
Loans, advances, deposits, prepayments and other receivables	6	1,676,291	2,223,730
Taxes recoverable		45,424	43,901
Short term investments	7	50,000	-
Balances with banks	8	43,081	217,674
		<u>5,407,135</u>	<u>3,695,747</u>
<b>TOTAL ASSETS</b>		<u><b>19,889,912</b></u>	<u><b>19,033,144</b></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital		3,238,000	3,238,000
Share premium		80,777	80,777
Maintenance reserve	9	227,182	227,182
Hedging reserve		(29,766)	-
Unappropriated profit		2,561,586	1,976,627
Remeasurement of retirement benefit obligation - Actuarial gain		723	723
<b>TOTAL EQUITY</b>		<u>6,078,502</u>	<u>5,523,309</u>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Borrowings	10	8,919,223	9,586,454
<b>Current liabilities</b>			
Creditors, accrued and other liabilities	11	2,282,886	1,591,890
Accrued interest / mark-up		133,571	41,792
Current portion of borrowings	10	1,318,782	1,405,632
Derivative financial instrument	12	29,766	-
Short term borrowings		1,126,234	882,469
Retirement and other service benefits obligations		948	1,598
		<u>4,892,187</u>	<u>3,923,381</u>
<b>TOTAL LIABILITIES</b>		<u>13,811,410</u>	<u>13,509,835</u>
<b>Contingencies and Commitments</b>	13		
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>19,889,912</b></u>	<u><b>19,033,144</b></u>

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

9/14

  
Chief Executive Officer

  
Director

ENGRO POWERGEN QADIRPUR LIMITED  
 CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)  
 FOR THE QUARTER ENDED MARCH 31, 2014

(Amounts in thousand except for earnings per share)

	Note	Quarter ended	
		March 31, 2014	March 31, 2013
		Rupees	
Sales	14	3,225,384	2,843,709
Cost of sales	15	(2,461,496)	(2,128,792)
<b>Gross profit</b>		<u>763,888</u>	<u>714,917</u>
Administrative expenses	16	(34,642)	(26,489)
Other expenses	17	(105,784)	(139)
Other income	18	144,117	-
<b>Profit from operations</b>		<u>767,579</u>	<u>688,289</u>
Finance cost	19	(182,620)	(96,224)
Workers' profits participation fund and workers' welfare fund	20	-	-
<b>Profit before taxation</b>		<u>584,959</u>	<u>592,065</u>
Taxation		-	(9)
<b>Profit for the period</b>		<u>584,959</u>	<u>592,056</u>
<b>Earnings per share - basic and diluted</b>	21	<u>1.81</u>	<u>1.83</u>

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

  
 Chief Executive Officer

  
 Director

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2014**

(Amounts in thousand)

	Quarter ended	
	March 31, 2014	March 31, 2013
	Rupees	
<b>Profit for the period</b>	584,959	592,056
<b>Other comprehensive income / (loss):</b>		
Items that may be reclassified subsequently to profit or loss		
- Hedging reserve - loss for the period	(29,766)	-
<b>Total comprehensive income for the period</b>	<u>555,193</u>	<u>592,056</u>

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

*app.*

  
**Chief Executive Officer**

  
**Director**

**ENGRO POWERGEN QADIRPUR LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2014**

(Amounts in thousand)

	Note	Quarter ended	
		March 31, 2014	March 31, 2013
		Rupees	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash (utilised in) / generated from operations	22	(258,339)	488,333
Taxes paid		(1,523)	(3,560)
Long term loans and advances - net		(3,773)	(963)
Net cash (utilised in) / generated from operating activities		<u>(263,635)</u>	<u>483,810</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(78,080)	(19,107)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividend paid		-	(696,170)
Finance cost paid		(26,643)	(67,090)
Net cash utilised in financing activities		<u>(26,643)</u>	<u>(763,260)</u>
Net decrease in cash and cash equivalents		(368,358)	(298,557)
Cash and cash equivalents at beginning of the period		(664,795)	(2,262,276)
Cash and cash equivalents at end of the period	23	<u><u>(1,033,153)</u></u>	<u><u>(2,560,833)</u></u>

The annexed notes 1 to 27 form an integral part of this condensed interim financial information.

*app.*



**Chief Executive Officer**



**Director**

**ENGRO POWERGEN QADIRPUR LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)**  
**FOR THE QUARTER ENDED MARCH 31, 2014**

(Amounts in thousand)

**1. LEGAL STATUS AND OPERATIONS**

- 1.1 The Company is an unlisted public limited company and was incorporated in Pakistan on February 28, 2006 under the Companies Ordinance, 1984. The Company is a subsidiary of Engro Powergen Limited which in turn is a wholly owned subsidiary of Engro Corporation Limited. The Company's registered office is located at 4th floor, Harbour Front Building, Plot Number HC-3, Block 4, Scheme Number 5, Clifton, Karachi.
- 1.2 The Company was established with the primary objective to undertake the business of power generation and sale. The Company has a 217.3 MW combined cycle power plant and commenced commercial operations on March 27, 2010. The electricity generated is transmitted to the National Transmission and Despatch Company (NTDC) under the Power Purchase Agreement (PPA) dated October 26, 2007. This agreement is for a period of 25 years.

**2. BASIS OF PREPARATION**

This condensed interim financial information of the Company is unaudited 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 (the Ordinance). In cases where requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the annual financial statements of the Company for the year ended December 31, 2013.

The preparation of condensed interim financial information in conformity with the above requirements requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2013.

**3. ACCOUNTING POLICIES**

The significant accounting policies applied in the preparation of these condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2013.

**4. PROPERTY, PLANT AND EQUIPMENT**

Operating assets, at net book value (note 4.1)

Capital work-in-progress (note 4.2)

Capital spares

	Unaudited March 31, 2014	Audited December 31, 2013
	————— Rupees —————	
	13,287,306	14,206,132
	21,239	106,293
	1,070,158	921,573
	<u>14,378,703</u>	<u>15,233,998</u>

*aps.*

(Amounts in thousand)

4.1 Additions to operating assets during the period / year were as follows:

	Rate of depreciation (%)	Unaudited March 31, 2014	Audited December 31, 2013
Rupees			
Plant & machinery, including capitalisation of :	3.6 - 14.2		
- (exchange gain) / exchange loss		(756,109)	922,426
- others		8,936	125,001
Buildings	2.5 - 8	126	2,001
Furniture, fixture and equipment	15 - 25	320	58,319
		<u>(746,727)</u>	<u>1,107,747</u>

4.2 Capital work-in-progress comprises of:

Plant & machinery	1,461	90,025
Building and civil works	2,631	419
Furniture, fixtures and equipments	866	885
Intangibles	16,281	14,964
	<u>21,239</u>	<u>106,293</u>

**5. TRADE DEBTS - Secured**

Considered good	<u>2,802,247</u>	<u>476,333</u>
-----------------	------------------	----------------

5.1 Trade debts, including delayed payment charges (note 6), are secured by a guarantee from the Government of Pakistan under the Implementation Agreement and as such are considered good.

	Unaudited March 31, 2014	Audited December 31, 2013
Rupees		

**6. LOANS, ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES**

Loans and advances to employees - considered good	12,485	9,840
Advances and deposits	13,173	9,167
Prepayments	27,079	63,852
Delayed payment charges (note 5.1)	744,244	729,986
Sales tax refundable (note 6.1)	110,781	30,043
Receivable from associated undertakings		
- Engro Powergen Limited	2,549	8,821
- Engro Fertilizers Limited	60	-
- Engro Polymer & Chemicals Limited	2	6
- Engro Corporation Limited	1,592	442
- Sindh Engro Coal Mining Company Limited	617	906
Security deposit	3,354	2,516
Insurance claim receivable (note 18.1)	516,510	380,512
Reimbursable cost from NTDC in respect of		
- Workers' Profits Participation Fund	102,461	267,525
- Workers' Welfare Fund	140,954	129,244
Others (note 6.2)	430	590,870
	<u>1,676,291</u>	<u>2,223,730</u>



(Amounts in thousand)

- 6.1 As at December 31, 2013, Rs. 22,820 relating to provincial input tax paid on services has been claimed for the period from July 2013 to December 2013. Though adjustment of provincial input tax was disallowed by the Federal Board of Revenue (FBR), subsequent to certain changes made through Finance Act, 2013, however, the Company filed constitution petition in this respect before the Honourable Sindh High Court, where interim relief was granted to the Company.

During the period, the Federal Government vide its SRO 212 (I) /2014 dated March 26, 2014 has allowed the adjustment of provincial input tax paid on services with effect from July 1, 2013.

- 6.2 At December 31, 2013, the Company was required to pay for a minimum quantity of gas (take or pay gas) agreed under section 3.3 of the Gas Supply Agreement (GSA), which was adjusted against gas purchased subsequent to the payment made.

## 7. SHORT TERM INVESTMENT

Represents amounts invested in Mutual Funds securities in respect of maintenance reserve (note 9).

	Unaudited March 31, 2014	Audited December 31, 2013
	Rupees	
<b>8. BALANCES WITH BANKS</b>		
<b>Deposit accounts</b>		
Foreign currency	2,623	2,816
Local currency	40,458	214,858
	<u>43,081</u>	<u>217,674</u>

## 9. MAINTENANCE RESERVE

In accordance with the Power Purchase Agreement (PPA), the Company is required to establish and maintain a separate reserve fund (the Fund) with a depository institution for payment of major maintenance expenses. Any interest income resulting from the depository arrangements of the Fund is to remain in the Fund if there is any short fall from the contractual limit.

Under the PPA, 1/24th of the annual operating and maintenance budget of the Power Plant less fuel expenses is required to be deposited into the Fund on each capacity payment date until such reserve equals to nine such deposits. After the second agreement year and thereafter the Fund may be re-established at such other level that the Company and NTDC mutually agree.

In 2012, the Company due to uncertain cash flows resulting from delayed payments by NTDC has, as per flexibility available under the PPA, reduced the amount deposited to Rs. 50,000, which has been invested in mutual fund securities as at March 31, 2014 (note 7). Till such time the amount is deposited again to the required level, the Company has unutilized short term financing available to meet any unexpected maintenance requirement that may arise in the foreseeable future.

*M/S.*

(Amounts in thousand)

	Unaudited March 31, 2014	Audited December 31, 2013
	Rupees	
<b>10. BORROWINGS, secured</b>		
Long term borrowings	10,238,005	10,992,086
Less: Current portion shown under current liabilities	<u>1,318,782</u>	<u>1,405,632</u>
	<u>8,919,223</u>	<u>9,586,454</u>
<b>11. CREDITORS, ACCRUED AND OTHER LIABILITIES</b>		
Creditors	1,127,347	294,178
Accrued liabilities	867,619	1,142,526
Provision for insurance settlement (note 18.1)	105,591	-
Security deposits	566	566
Payable to retirement benefit fund	3,923	3,923
Provision against sales tax recoverable	3,810	3,810
Provision against HSD tariff adjustments	-	5,000
Withholding tax payable	3,828	4,719
Workers' profits participation fund	29,248	7,924
Workers' welfare fund	<u>140,954</u>	<u>129,244</u>
	<u>2,282,886</u>	<u>1,591,890</u>

**12. DERIVATIVE FINANCIAL INSTRUMENT**

As at March 31, 2014, the Company has outstanding exchange rate forward contract with a bank for US\$ 3,300, to manage exchange rate exposure on outstanding foreign currency payments under the terms of foreign loan agreement with its senior lenders. Under the aforementioned agreement, the Company would pay respective rate agreed at the initiation of the agreement on settlement dates. As at March 31, 2014, the fair value of the outstanding forward contract amounts to a liability of Rs. 29,766.

	Unaudited March 31, 2014	Audited December 31, 2013
	Rupees	
<b>13. CONTINGENCIES AND COMMITMENTS</b>		
Contingent liabilities - guarantees (note 13.1)	<u>2,496,126</u>	<u>2,496,126</u>
Commitments in respect of :		
- letter of credit in favour of Company's senior lenders	791,731	843,872
- others	<u>100,789</u>	<u>133,271</u>
	<u>892,520</u>	<u>977,143</u>

- 13.1 The current balance represents bank guarantee given to Sui Northern Gas Pipelines Limited (SNGPL) representing an amount equivalent to three months contractual quantities of gas in accordance with the terms of Gas Supply Agreement between the Company and the SNGPL.

(Amounts in thousand)

- 13.2 A Corporate Guarantee amounting to USD 10,000 has been issued by Engro Corporation Limited in favour of the Company's Bank to secure the repayment of foreign loan installment to its senior lenders.
- 13.3 Gas Infrastructure Development Cess (GIDC), which was enacted under the GIDC Act, 2011 on December 15, 2011, was not charged during the year by SNGPL subsequent to the decision of the Peshawar High Court and Islamabad High Court, which had declared the levy of GIDC as unconstitutional. However, on December 30, 2013, the Honourable Supreme Court suspended the earlier decision of the Peshawar High Court. As a result, SNGPL on January 1, 2014 has invoiced to the Company the entire GIDC for the year ended December 31, 2013 amounting to Rs. 1,462,315.

During the period, the Company filed a writ petition against imposition of GIDC before the Honourable High Court of Lahore, based on which interim relief was granted for the period till December 2013. Accordingly, SNGPL has charged GIDC on invoices for the period subsequent to December 2013. The Company has also included GIDC in invoices raised by it for the period subsequent to December 2013, which have been accepted by NTDC.

	Quarter ended	
	March 31, 2014	March 31, 2013
	Rupees	
<b>14. SALES</b>		
Capacity purchase price	858,278	816,873
Energy purchase price	2,367,106	2,026,836
	<u>3,225,384</u>	<u>2,843,709</u>
<b>15. COST OF SALES</b>		
Gas and fuel oil consumed	2,133,474	1,832,519
Salaries, wages and staff welfare	80,913	71,644
Insurance	32,488	31,443
Traveling expenses	2,495	1,176
Depreciation and amortisation	177,865	167,115
Repairs and maintenance	3,963	4,144
Legal, professional and other services	3,639	1,465
Purchased services	3,370	3,030
Stores and spares consumed	7,075	4,981
Security related expenses	7,045	2,867
Communication and other office expenses	9,169	8,408
	<u>2,461,496</u>	<u>2,128,792</u>
<b>16. ADMINISTRATIVE EXPENSES</b>		
Salaries, wages and staff welfare	13,086	11,758
Traveling expenses	842	564
Purchased services	6,944	3,829
Contributions for corporate social responsibilities	4,924	5,530
Legal and professional services	4,712	1,484
Auditors remuneration	150	-
Depreciation and amortisation	2,496	2,769
Communication and other office expenses	1,488	555
	<u>34,642</u>	<u>26,489</u>

(Amounts in thousand)

	Quarter ended	
	March 31, 2014	March 31, 2013
	Rupees	
<b>17. OTHER EXPENSES</b>		
Exchange loss	193	139
Provision for insurance settlement (note 18.1)	105,591	-
	<u>105,784</u>	<u>139</u>
<b>18. OTHER INCOME</b>		
Insurance claim - net of deductible (note 18.1)	144,117	-
	<u>144,117</u>	<u>-</u>

18.1 Last year, on October 12, 2013, the plant was shut down due to breakdown in a machinery which was critical to the operations of the plant. After a series of repair activities the plant operations were resumed on December 27, 2013. The cost of new equipment, repair expenditure due to machinery breakdown and loss of profit due to business interruption are covered under the Company's insurance policy. The Insurance company has principally agreed to the settlement of repairs expenditure, cost of new equipment and business interruption loss suffered by the Company, upon submission of the claim alongwith necessary supports. Accordingly, as at December 31, 2013, the Company recorded receivable of Rs. 380,512 from the insurance company in respect of repairs expenditure and loss due to business interruption.

During the period, the Company purchased the new equipment i.e. Gas Turbine Gen Rotor. The cost (net off deductibles) of the equipment has been principally agreed to be reimbursed by the Insurance company amounting to Rs. 144,117 which has been recognised as insurance claim receivable. The Company has filed the insurance claim alongwith supporting documents with the Insurance company, which is under their review. Further, the Company has recognized a provision for settlement of claim (note 11), in respect of old equipment to be returned to the Insurance Company under the concept of subrogation.

	Quarter ended	
	March 31, 2014	March 31, 2013
	Rupees	
<b>19. FINANCE COST</b>		
Interest / markup on :		
- long term borrowings	87,622	101,348
- short term borrowings	30,800	63,438
Financial charges	82,139	166,338
	<u>200,561</u>	<u>331,124</u>
Less:		
Interest income on bank deposits	(3,296)	(1,787)
Delayed payment charges - overdue receivables	(14,645)	(233,113)
	<u>182,620</u>	<u>96,224</u>
<b>20. WORKERS' PROFITS PARTICIPATION FUND AND WORKERS' WELFARE FUND</b>		
Provision for		
- Workers' Profits Participation Fund	29,248	29,603
- Workers' Welfare Fund	11,699	11,841
	<u>40,947</u>	<u>41,444</u>
Recoverable from NTDC	(40,947)	(41,444)
	<u>-</u>	<u>-</u>

(Amounts in thousand, except for earning per share)

- 20.1 The Company is required to pay 5% of its profit to the Workers' profits participation fund (the 'Fund') and 2% of its profit to the Workers' welfare fund. However, such payments will not affect the Company's overall profitability as they are recoverable from NTDC as pass through items under the terms of the Power Purchase Agreement (PPA). The Company is currently contesting the applicability of Workers' Welfare Fund on its income at Sindh High Court and Appellate Tribunal Inland Revenue.

	Three months ended	
	March 31, 2014	March 31, 2013
Rupees		
<b>21. EARNINGS PER SHARE</b>		
There is no dilutive effect on the basic earnings per share of the Company, which is based on:		
Profit for the period	584,959	592,056
	Number of shares	
Weighted average number of ordinary shares (in thousand)	323,800	323,800
	Rupees	
Earning per share - basic and diluted	1.81	1.83
	Quarter ended	
	March 31, 2014	March 31, 2013
Rupees		
<b>22. CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	584,959	592,065
<b>Adjustment for non-cash charges and other items:</b>		
- Depreciation and amortization	180,361	169,885
- Front end fee amortisation	2,031	2,031
- Finance cost	118,422	164,786
<b>Working capital changes (note 22.1)</b>	(1,144,112)	(440,434)
	(258,339)	488,333
<b>22.1 Working capital changes</b>		
(Increase)/Decrease in current assets:		
Inventory including stores and spares - net	(55,983)	(43,124)
Trade debts	(2,325,914)	(1,573,009)
Loans, advances, deposits, short term prepayments and other receivables	547,439	(284,336)
	(1,834,458)	(1,900,469)
Increase/(Decrease) in current liabilities:		
Creditors, accrued and other liabilities	690,996	1,459,017
Retirement and other service benefits	(650)	1,018
	(1,144,112)	(440,434)

*ajps.*

(Amounts in thousand)

	Quarter ended	
	March 31, 2014	March 31, 2013
	Rupees	
<b>23. CASH AND CASH EQUIVALENTS</b>		
Balances with banks (note 8)	43,081	49,347
Short term investments	50,000	-
Short term running finances	(1,126,234)	(2,610,180)
	<u>(1,033,153)</u>	<u>(2,560,833)</u>

**24. TRANSACTIONS WITH RELATED PARTIES**

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in this condensed interim financial information are as follows:

Nature of relationship	Nature of transactions	Quarter ended	
		March 31, 2014	March 31, 2013
		Rupees	
<b>Holding Company</b>	Purchase of services	14,964	9,239
	Services Rendered	1,662	11,331
	Dividend payment	-	653,600
<b>Associated undertakings</b>	Purchase of services	10,015	12,749
	Services Rendered	3,124	4,894
	Payment for CSR	3,500	4,000
<b>Key management personnel</b>	Managerial remuneration	15,850	9,962
	Retirement benefit schemes	1,016	712
	Other benefits	-	150
<b>Staff retirement benefits</b>		6,327	7,949

**25. CORRESPONDING FIGURES**

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the unaudited balances of comparable period of immediately preceding financial year. Further, the Company has reclassified the comparative figures wherever necessary, the effects of which are not material.

**26. NON-ADJUSTING EVENT AFTER BALANCE SHEET DATE**

The Board of Directors of the Company in its meeting held on 16 MAY 2014 have proposed an interim dividend of Rs. 1.54 per share amounting to Rs. 498,652. This condensed interim financial information does not reflect the dividend payable.

(Amounts in thousand)

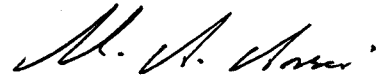
27. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on 16 MAY 2014 by the Board of Directors of the Company.

*app.*



Chief Executive Officer



Director