



www.descon.com

BOOK POST

IF UNDELIVERED PLEASE RETURN TO
DESCON CHEMICALS LIMITED

LAHORE

DESCON HEADQUARTERS,
18 KM FERAZEPUR ROAD,
LAHORE, PAKISTAN.

T: +92 42 3 5923721-7

F: +92 42 3 5923732

E: info@desconchemicals.com

W: www.desconchemicals.com

Half Yearly Report

December 31, 2014 (Un-Audited)



DESCON CHEMICALS LIMITED

Descon Chemicals Limited



Half Yearly Report
December 31, 2014 (Un-Audited)

CONTENTS

Company Information	1
Directors' Report	2
Auditors' Report to the Members on Review of Interim Financial Information	3
Condensed Interim Balance Sheet	4
Condensed Interim Profit and Loss Account	5
Condensed Interim Statement of Comprehensive Income ----	6
Condensed Interim Cash Flow Statement	7
Condensed Interim Statement of Changes in Equity	8
Notes to and Forming Part of the Condensed Interim Un-Audited Financial Information	9

Company Information

Board of Directors

Abdul Razak Dawood
Chairman

Taimur Saeed
Chief Executive Officer

Farooq Nazir
Taimur Dawood
Faisal Dawood

Chief Financial Officer

Yasir Siddique Sheikh

Company Secretary

Abdul Sohail

Auditors

M/s Horwath Hussain Chaudhary & Co.
Chartered Accountants

Internal Auditors

M/s KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisors

M/s Hassan & Hassan
Advocates

Bankers

Bank Al Habib Limited
Habib Metropolitan Bank Limited

Share Registrar

M/s Corplink (Pvt.) Limited
Wings Arcade, 1-K Commercial Area
Model Town, Lahore - 53000
Tel: 92 42 35887262, 35839182
Fax: 92 42 35869037

Registered Office

Descon Headquarters
18-km Ferozepur Road
Lahore - 53000, Pakistan
Tel: 92 42 35923721-9
Fax: 92 42 35923749

Plant Site

Site 1: 14.5-km Lahore - Sheikhupura Road,
Lahore, Pakistan.
Tel: 92 42 37970962
Fax: 92 42 37970229

Site 2: 14.8-km, Sheikhupura - Faisalabad Road
Mouza Bhikki, District Sheikhupura, Pakistan.
Tel: 92 56 3090955, 3091294
Fax: 92 56 3882189

Karachi Office

Business Avenue, 26/A, 9th Floor, Block 6,
PECHS, Shakra-e-Faisal, Karachi, Pakistan
Tel: 92 21 34544485-6
Fax: 92 21 3482674

Web Presence

Updated Company's Information together with the latest Half Yearly Report can be accessed at Descon's website, www.descon.com

DESCON CHEMICALS LIMITED
DIRECTORS REPORT TO THE SHAREHOLDERS
For the six months ended December 31, 2014

Ladies and Gentlemen

The Board presents the financial statements for the six months ended December 31, 2014. The Company has not been able to achieve its objectives despite management's best efforts to introduce new products and grow the organic business. The external environment is indeed very challenging with the phenomenal growth of the unorganized sector which creates an uneven playing field. However, your management has been able to further deliver savings by aligning the cost structure with the realities of the business. Power crises has not only impacted your business adversely but also the businesses of our customers, which is a double whammy.

Financial Highlights

	Quarter ended		Half year ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- Rupees '000' -----			
Sales	451,693	547,602	936,446	1,125,493
Gross profit	31,026	53,871	81,281	111,084
Operating profit/Loss	(5,312)	20,183	21,053	47,384
Loss for the period	(35,533)	(9,236)	(53,738)	(17,361)
Loss per share (PKR)	(0.18)	(0.05)	(0.27)	(0.09)

The Company has been able to control its cost compared to the same period last year. The administrative expenses of your Company have come down by 13% compared to the same period last year. With expected addition of new products in our existing product portfolio, we are confident that we will be able to overcome this challenging situation.

Future Outlook

We plan to continue to develop innovative and relevant products for our customers, while exploring new channels and markets. We are confident that your Company is on course to turn around the business to yield a market competitive return for its shareholders

We thank all stakeholders for their continued support during this very difficult period.

For and on behalf of the Board



Taimur Saeed
Chief Executive Officer

Lahore
February 19, 2015



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

Introduction

We have reviewed the accompanying condensed interim balance sheet of Descon Chemicals Limited as at December 31, 2014, 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 and the notes to the accounts for the six-month period then ended (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures included in the condensed interim profit and loss account for the quarters ended December 31, 2013 and December 31, 2014 have not been reviewed, as we are required to review only the cumulative figures for the six months period ended December 31, 2014.

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 financial information consists of making inquiries, primarily of persons responsible for the 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 interim financial information as of and for the half year ended December 31, 2014 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan.



Chartered Accountants

Lahore
February 19, 2015

Engagement partner: Abrar S. Chaudhury

**CONDENSED INTERIM BALANCE SHEET
AS AT DECEMBER 31, 2014 (UNAUDITED)**

		December 31, 2014 Unaudited	June 30, 2014 Audited
	Note	----- Rupees '000' -----	
ASSETS			
Non Current Assets			
Property, plant and equipment	4	500,667	515,068
Intangible assets		20,793	23,104
Long term investments		45,812	56,945
Long term deposits		8,297	8,297
Retirement benefit asset - prepayments		1,985	2,063
		<u>577,554</u>	<u>605,477</u>
Current Assets			
Stores and spares		12,604	11,951
Stock in trade		390,432	296,484
Trade debts		379,266	410,343
Loans and advances		99,920	150,488
Short term prepayments and other receivables		15,479	7,555
Bank balances		1,112	8,891
		<u>898,813</u>	<u>885,712</u>
Total Assets		<u>1,476,367</u>	<u>1,491,189</u>
EQUITY AND LIABILITIES			
Share Capital and Reserves			
Authorized share capital: 230,000,000 (June 30, 2014: 230,000,000) ordinary shares of Rs.5 each		<u>1,150,000</u>	<u>1,150,000</u>
Issued, subscribed and paid up share capital 199,557,856 (June 30, 2014: 199,557,856) ordinary shares of Rs. 5 each		997,789	997,789
Reserves		<u>(775,685)</u>	<u>(721,985)</u>
		222,104	275,804
Surplus on Revaluation of Property, Plant and Equipment	5	46,961	47,059
Non Current Liabilities			
Long term financing	6	174,500	179,333
Deferred tax liabilities		20,404	27,247
		194,904	206,580
Current Liabilities			
Trade and other payables		234,952	175,631
Accrued mark up		21,453	22,391
Short term borrowings		656,794	652,062
Current portion of long term financing		89,667	89,667
Provision for taxation		9,532	21,995
		1,012,398	961,746
Contingencies and Commitments	7	-	-
Total Equity and Liabilities		<u>1,476,367</u>	<u>1,491,189</u>

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



DIRECTOR

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UNAUDITED)**

		Half year ended		Quarter ended	
		December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	Note	----- Rupees '000' -----			
Sales - net					
		936,446	1,125,493	451,693	547,602
Cost of sales					
	8	(855,165)	(1,014,409)	(420,667)	(493,731)
Gross Profit		81,281	111,084	31,026	53,871
Operating Expenses:					
- Distribution costs		(36,966)	(34,137)	(21,912)	(16,038)
- Administrative expenses		(23,077)	(26,740)	(14,241)	(16,380)
- Research and development expenses		(185)	(2,823)	(185)	(1,270)
		<u>(60,228)</u>	<u>(63,700)</u>	<u>(36,338)</u>	<u>(33,688)</u>
Operating Profit/(Loss)		21,053	47,384	(5,312)	20,183
Other operating charges					
		(10,581)	(3,991)	(1,727)	(1,733)
Finance cost					
		(56,528)	(52,964)	(29,666)	(27,317)
Other income					
		5,879	9,304	3,171	5,492
Share of net loss of associated undertaking					
		(11,073)	(6,413)	(4,359)	(959)
Loss before taxation		(51,250)	(6,680)	(37,893)	(4,334)
Taxation					
		(2,488)	(10,681)	2,360	(4,902)
Net Loss for the period		<u>(53,738)</u>	<u>(17,361)</u>	<u>(35,533)</u>	<u>(9,236)</u>
Loss per share - basic (Rupees)		<u>(0.27)</u>	<u>(0.09)</u>	<u>(0.18)</u>	<u>(0.05)</u>

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



DIRECTOR

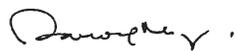
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
FOR THE HALF YEAR AND QUARTER ENDED DECEMBER 31, 2014 (UNAUDITED)**

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- Rupees '000' -----			
Net Loss for the period	(53,738)	(17,361)	(35,533)	(9,236)
Other comprehensive income				
Items that may be reclassified subsequently to the profit and loss				
Unrealized surplus / (deficit) on remeasurement of investment available for sale	16	(40)	91	(16)
Share of other comprehensive (loss) / income of associate	(76)	43	-	43
	(60)	3	91	27
Total comprehensive loss for the period	(53,798)	(17,358)	(35,442)	(9,209)

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



DIRECTOR

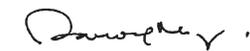


CHIEF EXECUTIVE

**CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)**

	Half year ended	
	December 31, 2014	December 31, 2013
	----- Rupees '000' -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation and share of loss of associate	(40,177)	(267)
- Depreciation	15,054	16,246
- Amortization of intangible asset	2,310	2,310
- Provision for gratuity	78	84
- Provision for obsolescence of stock	528	89
- Provision for doubtful debt	9,224	3,037
- Gain on disposal of property, plant and equipment	(296)	(700)
- Exchange gain	(71)	(241)
- Interest income	(268)	(341)
- Finance cost	56,528	52,964
	83,087	73,448
Operating profit before working capital changes	42,910	73,181
(Increase) / decrease in current assets:		
- Stores and spares	(652)	(1,816)
- Stock in trade	(94,477)	(68,986)
- Trade debts	21,925	(101,369)
- Loans and advances	(6,853)	(17,285)
- Short term prepayments and other receivables	(7,924)	(6,966)
Increase / (decrease) in current liabilities:		
- Trade and other payables	59,322	(19,734)
	(28,659)	(216,156)
Cash generated from / (used in) operations	14,251	(142,975)
Finance cost paid	(57,466)	(50,791)
Payment to gratuity fund	-	(174)
Income tax refunded / (paid)	35,627	(5,247)
Long term deposits and loans	-	(4,585)
	(7,588)	(203,772)
Net Cash used in Operating Activities		
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(653)	(1,322)
Capital work in progress	-	(464)
Proceeds from disposal of property, plant and equipment	296	1,521
Interest income received	268	341
	(89)	76
Net cash (used in) / generated from investing activities		
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term financing	(44,833)	(11,500)
Loan obtained from director	40,000	-
Short term borrowings	4,731	219,814
	(102)	208,314
Net Cash (used in) / generated from financing activities		
Net (decrease) / Increase in cash and cash equivalents	(7,779)	4,618
Cash and cash equivalents at the beginning of the period	8,891	11,438
Cash and cash equivalents at the end of the period	1,112	16,056

The annexed notes form an integral part of this condensed interim financial information (un-audited).



DIRECTOR

**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UNAUDITED)**

	Share Capital	Share Premium	Fair value Reserve	Revaluation Reserve	Accumulated Loss	Total
-----Rupees '000'-----						
Balance as at June 30, 2013 as previously reported	997,789	1,281	85	613	(656,252)	343,516
Effect of change in accounting policy	-	-	-	-	1,908	1,908
Balance as at June 30, 2013 as restated	997,789	1,281	85	613	(654,344)	345,424
Total comprehensive loss for six months period ended December 31, 2013 Transferred from surplus on revaluation of property, plant and equipment in respect of incremental depreciation charged in current period	-	-	3	-	(17,361)	(17,358)
Balance as at December 31, 2013	997,789	1,281	88	666	(671,705)	328,119
Balance as at June 30, 2014	997,789	1,281	257	718	(724,241)	275,804
Total comprehensive loss for six months period ended December 31, 2014 Transferred from surplus on revaluation of property, plant and equipment in respect of incremental depreciation charged in current period	-	-	(60)	-	(53,738)	(53,798)
Balance as at December 31, 2014	997,789	1,281	197	816	(777,979)	222,104

The annexed notes form an integral part of this condensed interim financial information (un-audited).



CHIEF EXECUTIVE



DIRECTOR

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UN-AUDITED)**

1. The Company and its Operations

1.1 Descon Chemicals Limited (the Company) was initially incorporated in Pakistan on December 17, 1964 as a private limited company under the Companies Act, 1913 (now the Companies Ordinance, 1984) and was converted into public limited company on August 19, 1991 with the name of Nimir Resins Limited. The name of the Company was changed to Descon Chemicals Limited on April 01, 2010 when the Company entered into a scheme of arrangement for merger / amalgamation with Descon Chemicals (Private) Limited.

1.2 Shares of the Company are quoted on Karachi and Lahore Stock Exchanges. The registered office of the Company is situated at Descon Headquarters, 18 KM, Ferozpur Road, Lahore. The principal activity of the Company is to manufacture surface coating resins, polyesters, optical brightener and textile auxiliaries.

2. Basis of preparation

2.1 This condensed interim financial information has been prepared in accordance with the directives issued by the Securities & Exchange Commission of Pakistan (SECP) and is in compliance with the International Accounting Standard - 34 (Interim Financial Reporting).

2.2 This condensed interim financial information is unaudited and has been subjected to limited scope review by the external auditors as required by the Code of Corporate Governance and is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984. The figures for the quarters ending on December 31, 2013 and 2014 presented in the condensed interim profit and loss account have not been reviewed by the external auditors.

2.3 This condensed interim financial information is presented in Pak rupees, which is the Company's functional and presentational currency. Figures have been rounded off to nearest thousand rupees, unless stated otherwise. This condensed 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 for the year ended June 30, 2014.

3. Significant Accounting Policies

The accounting policies and methods of computation of this condensed interim financial information are the same as those followed in the preparation of annual financial statements for the preceding financial year ended June 30, 2014.

4. Property, Plant and Equipment

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
	----- Rupees '000' -----	
Opening written down value	515,068	526,180
Revaluation Surplus	-	9,722
Additions during the period / year	653	12,861
Disposals during the period / year	(1,745)	(3,675)
	513,976	545,088
Depreciation charge for the period / year	(13,309)	(30,020)
	<u>500,667</u>	<u>515,068</u>

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UN-AUDITED)
5. Surplus on Revaluation of Property, Plant and Equipment

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
	----- Rupees '000' -----	
Land	43,088	43,088
Building	3,971	4,076
	<u>47,059</u>	<u>47,164</u>
Incremental depreciation (net of deferred tax) charged on revalued property, plant and equipment during the period / year	(98)	(105)
	<u>46,961</u>	<u>47,059</u>

6. Long Term Financing

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
	----- Rupees '000' -----	
Banking companies - Secured		
Bank Al-Habib Limited	187,500	225,000
Habib Metropolitan Bank Limited	36,667	44,000
	<u>224,167</u>	<u>269,000</u>
Less: Current portion	(89,667)	(89,667)
	<u>134,500</u>	<u>179,333</u>
Related parties - Unsecured		
Loan from director	40,000	-
	<u>174,500</u>	<u>179,333</u>

6.1 This represents long term financing obtained from director. The total amount is repayable over a period of 3 years including the moratorium of 2 years on the principal and interest amount, starting from the date of disbursement of loan. As per the articles of association of the Company, the Company hereby grants option to the lender to subscribe for upto 8,000,000 ordinary shares of Rs. 5 each of the Company at a subscription price of Rs. 5 per ordinary share. The option may only be exercised during the period from October 1, 2017 to the date until the date of repayment of loan is made to the lender in full.

7. Contingencies and Commitments

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
	----- Rupees '000' -----	
Contingencies		
Order passed by the Custom Department under Section 25 of the Customs Act not acknowledged by the Company.	1,020	1,020
This represents demand raised against Tax Years 2003, 2004, 2005 and 2006 by the Tax Authorities. The Company has not admitted these demands and filed appeals against these adjustments. No provision has been incorporated in these financial statements as the management is confident that these matters would be settled in the favour of the Company.	20,163	20,163
The Company has filed a suit against a material supplier and certain customers for the recovery of advance and trade debts. The Company expects a favourable outcome of the suit, therefore, no provision has been made in these financial statements.	35,653	35,653
Guarantees		
Sui Northern Gas Pipelines Limited	3090	3090
Commitments		
Letters of credit	95,279	160,961

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UN-AUDITED)
8. Cost of sales

	Half year ended		Quarter ended	
	December 31, 2014	December 31, 2013	December 31, 2014	December 31, 2013
	----- Rupees '000' -----			
Raw materials consumed	786,485	964,870	370,374	481,474
Chemicals consumed	743	990	491	990
Packing materials consumed	792	1,145	349	777
Stores and spares consumed	9,055	7,624	4,108	724
Fuel and power	22,542	23,165	11,246	14,359
Salaries, wages and benefits	22,034	25,083	11,388	12,958
Services through contract	6,813	6,750	3,374	3,275
Repairs and maintenance	851	1,741	549	147
Travelling and entertainment	1,720	2,288	980	1,764
Insurance	2,308	2,356	1,135	2,343
Transportation	2,705	4,995	1,342	4,995
Communication	184	264	82	129
Miscellaneous	266	375	169	143
Amortization	1,733	1,747	578	592
Depreciation	11,291	12,185	5,061	5,547
	<u>869,522</u>	<u>1,055,578</u>	<u>411,226</u>	<u>530,217</u>
Work in process:				
- Opening work in process	1,663	2,054	11,007	22,832
- Closing work in process	(6,295)	(11,844)	(6,295)	(11,844)
	<u>(4,632)</u>	<u>(9,790)</u>	<u>4,712</u>	<u>10,988</u>
Cost of goods manufactured	864,890	1,045,788	415,938	541,205
Finished goods:				
- Opening finished goods	96,428	99,380	110,882	83,285
- Closing finished goods	(106,153)	(130,759)	(106,153)	(130,759)
	<u>(9,725)</u>	<u>(31,379)</u>	<u>4,729</u>	<u>(47,474)</u>
	<u>855,165</u>	<u>1,014,409</u>	<u>420,667</u>	<u>493,731</u>

9. Transactions with Related Parties

Related parties and associated companies comprise related group companies, associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and associated companies, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

	December 31, 2014 (Un-audited)	December 31, 2013 (Un-audited)
	----- Rupees '000' -----	
Associates and related parties		
Purchase of materials, goods and services	1,965	2,342
Sale of materials and goods	-	2,483
Managerial services and expenses charged - net	35,906	27,654
Long term loan obtained from director	40,000	-
Staff retirement fund		
Company's contribution to Employees' Provident Fund Trust	2,022	2,224
Charge for the Gratuity Fund	78	214

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UN-AUDITED)**
10. Segment Reporting

10.1 A business segment is a group of assets and operations engaged in providing products that are subject to risks and returns that are different from those of other business segments. The management has determined the operating segments based on the information that is presented to the Chief Executive Officer for allocation of resources and assessments of performance. Based on internal management reporting structure and products produced and sold, the Company is organized into following four operating segments:

- Coating and Emulsion
- Polyester
- Textile and Paper
- Trading

The management monitors the operating results of its business units separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is generally evaluated based on certain key performance indicators including business volume, gross profit, profit from operations, reduction in operating cost and free cash flows.

Segment assets include all operating assets used by a segment and consist principally of receivables, inventories and property, plant and equipment, net of impairment and provisions but do not include deferred taxes. Segment liabilities include all operating liabilities and consist principally of trade and bills payable.

10.2 Segment Analysis

The segment information for the reportable segments for the half year ended December 31, 2014 is as follows.

	Coating and Emulsion	Polyester	Textile and Paper	Trading	Total
-----Rupees '000'-----					
Segment Results for the half year ended December 31, 2014					
Revenue	531,931	26,362	239,332	138,821	936,446
Operating profit	19,344	(110)	(2,263)	4,082	21,053
Other operating expenses					(10,581)
Finance costs					(56,528)
Other income					5,879
Share of net loss of associate					(11,073)
Loss before taxation					(51,250)
Segment Results for the half year ended December 31, 2013					
Revenue	556,416	36,192	285,166	247,719	1,125,493
Operating profit	25,021	(2,281)	16,665	7,979	47,384
Other operating expenses					(3,991)
Finance costs					(52,964)
Other operating income					9,304
Share of net loss of associate					(6,413)
Loss before taxation					(6,680)

Segment asset and liabilities as at December 31, 2014

Segment assets	401,274	126,181	244,856	170,751	943,062
Segment liabilities	85,361	7,080	69,290	47,248	208,979

Segment asset and liabilities as at June 30, 2014

Segment assets	448,492	136,433	226,222	106,340	917,487
Segment liabilities	99,049	11,439	50,314	10,984	171,786

**NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR ENDED DECEMBER 31, 2014 (UN-AUDITED)**

	December 31, 2014 (Un-audited)	June 30, 2014 (Audited)
----- Rupees '000' -----		
Reportable segments' assets are reconciled to total assets as follows:		
Segment assets for reportable segments	943,062	917,487
Corporate assets unallocated	319,753	336,933
Cash and bank balances	1,113	8,892
Others	212,439	227,877
Total assets as per the balance sheet	<u>1,476,367</u>	<u>1,491,189</u>

Reportable segments' liabilities are reconciled to total liabilities as follows:

Segment liabilities for reportable segments	208,979	171,786
Corporate liabilities unallocated	920,960	921,062
Trade and other payables	67,831	53,483
Taxation - net	9,532	21,995
Total liabilities as per the balance sheet	<u>1,207,302</u>	<u>1,168,326</u>

10.3 Entity-wide disclosures regarding reportable segment are as follows:
- Information about products

One product of the Company comprises 13.47% (2014: 9.73%) of total sales for the year.

- Information about major customers

One customer of the Company accounts for 14.22% (2014: 15.48%) of total sales for the year.

- Information about geographical area

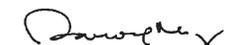
- All non-current assets of the Company are located in Pakistan as at the reporting date.
- Revenue from external customers attributed to foreign countries in aggregate is not material.

11. Authorization of Financial Information

This condensed interim financial information (un-audited) is authorized for issuance on February 19, 2015 by the Board of Directors of the Company.

12. General

Corresponding figures are re-arranged / reclassified, wherever necessary, to facilitate comparison and better presentation. No material reclassifications have been made in this condensed interim financial information (un-audited).


CHIEF EXECUTIVE

DIRECTOR