

REPORT AND ACCOUNTS
FOR THE NINE MONTHS ENDED
MARCH 31, 2013

AL-ABID SILK MILLS LIMITED

REGISTERED OFFICE
A-39, S.I.T.E., Manghopir Road, Karachi.

AL-ABID SILK MILLS LIMITED

CONTENTS

Company Information	2
Directors' Report	3
Condensed Interim Balance Sheet	4
Condensed Interim Profit & Loss Account	6
Condensed Interim Statement Of Comprehensive Income	7
Condensed Interim Cash Flow Statement	8
Condensed Interim Statement of Changes in Equity	9
Notes to the Condensed Interim Financial Information	10

AL-ABID SILK MILLS LIMITED

COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. S.M. Jawed Azam	Chairman
	Mr. Naseem A. Sattar	Chief Executive Officer
	Mr. Azim Ahmed	Executive Director
	Mr. Qamar Mashkoor	Independent Non-Executive Director
	Mr. Muhammad Sajid Hafeez	Independent Non-Executive Director
	Mst. Adia Naseem	Non-Executive Director
	Mrs. Sadaf Nadeem	Non-Executive Director
	Syed Raza Abbas Jaffari	Nominee Director (N.I.T.)

SECRETARY Mr. Muhammad Kashif

AUDIT COMMITTEE	Mr. Qamar Mashkoor	Chairman
	Mr. Muhammad Sajid Hafeez	Member
	Mr. S.M. Jawed Azam	Member

AUDITORS Muniff Ziauddin & Co.,
Chartered Accountants

REGISTRARS

(a) Adam Patel & Company
34/2-F, Block-5, Clifton, Karachi.

(b) Jwaffs Registrar Services (Pvt) Ltd.
505, 5th Floor, Kashif Centre,
Near Hotel Mehran,
Main Shahrah-e-Faisal, Karachi.

BANKERS

Allied Bank Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Meezan Bank Limited
National Bank of Pakistan
Pak Oman Investment Company Limited
Pak Kuwait Investment Company (Private) Limited
PAIR Investment Company Limited
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
The Bank of Punjab
United Bank Limited

REGISTERED OFFICE A-39, S.I.T.E., Manghopir Road, Karachi.

MILLS A-39,
A-51 / B,
A-34 / A,
D-14 / C-1,
A-29 / B,
S.I.T.E., Karachi.

AL-ABID SILK MILLS LIMITED

Directors' Report to the Shareholder

The Board of Directors present the interim financial statements for the nine months ended March 31, 2013.

Oflate, the International economic conditions have been on the path of recovery process but at relatively slow pace from the turmoil prevailing in the last financial year. As a result, country's textile export grew by around 6.5% during the period under review. However, considering persistent energy crisis, instability in current political environment and poor law and order situation in the country, it looks difficult that the country will take full advantage of said emerging situation in the foreseeable future.

During the period under review, the company registered the total sales of Rs. 2.54 billion as against Rs. 6.01 billion registered during the corresponding period of last financial year. Due to significant fall in the sales, the company incurred the loss of Rs. 1.17 billion as compared with the loss of Rs. 765.48 million in the corresponding period of last financial year.

Our company has been passing through extremely tough time from the last financial year on account of various reasons, including but not only limited to heavy losses incurred and tight liquidity position etc. Due to acute shortage of working capital, company's export business is almost at standstill which has resulted underutilization of production facilities, sizeable drop in sales and resultantly heavy losses. Though, the company has already started fabric processing for local customers but the current level of capacity utilization which is mostly nominated for the local customers is insufficient to meet our overheads and expenses. Nevertheless, the management is still striving to achieve optimum level of production. In order to generate liquidity, the company had to dispose-off of their redundant stocks of goods during the period. The sale proceeds from the disposal of said stock and sizeable cash injection coming from the directors were utilized partly towards the payment of significant market debts and balance for meeting day to day working capital requirement. Consequently, company's liability under the head of "Trade and other payables" has been reduced considerably by around 1.36 billion i.e. from 2.38 billion to 1.02 billion, thus improving the leverage.

Future outlook:

It is expected that company's financial health will turn into positive from the upcoming financial year as a consequence of corrective measures undertaken towards the cost reduction. The upcoming finalization of rescheduling of credit lines with banks and additional funding for working capital sought from the banks would ultimately help the company significantly towards resumption of export business in the next few months.

It is expected that with the commencement of export and continuing with the local fabric processing of local customers, the company's production capacity will be adequately utilized on gradual basis thus further moving towards our target of achieving optimum level of cost and production.

Towards the end, your Directors appreciate the services rendered by its workers, staff and executives of the company and look forward to their continued hard work with full dedication. We also acknowledge with thanks the cooperation extended by our banks, creditors and financial institutions. At the same time we thank all our well wishers and valued shareholders for their reposing confidence in us.

With profound regards,

For and on behalf of the
Board of Directors

April 29, 2013

(NASEEM A. SATTAR)
Chief Executive

AL-ABID SILK

CONDENSED INTERIM BALANCE SHEET

	Notes	Unaudited March 2013 Rupees	Audited June 2012 Rupees
EQUITY & LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital		200,000,000	200,000,000
20,000,000 Ordinary Shares of Rs. 10/- each			
Issued, subscribed and paid-up capital		134,095,500	134,095,500
Reserves			
Capital reserve		372,834,000	372,834,000
Accumulated loss		(5,142,577,938)	(3,971,777,236)
		(4,769,743,937)	(3,598,943,236)
Shareholder's equity		(4,635,648,439)	(3,464,847,736)
Surplus on revaluation of fixed assets	5	3,513,398,189	4,322,049,990
LIABILITIES			
NON- CURRENT LIABILITIES			
Loan from director - unsecured		271,105,867	150,000,000
Long term loan from banks		-	5,497,697
Liabilities against assets subject to finance lease		17,012,180	37,371,128
Deferred Taxation	6	594,169,588	-
Retirement benefits		33,130,414	53,025,686
		915,418,049	245,894,511
CURRENT LIABILITIES AND PROVISIONS			
Trade and other payables		1,021,779,350	2,377,216,020
Accrued markup		249,606,600	251,155,976
Current maturity of long term loans			
- and Lease Liability		65,390,408	50,330,019
Short term finances		5,017,971,743	5,157,323,419
		6,354,748,101	7,836,025,434
CONTINGENCIES AND COMMITMENTS	7	-	-
		6,147,915,900	8,939,122,199

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

Naseem A. Sattar
Chief Executive Officer

MILLS LIMITED

AS AT MARCH 31, 2013

	Notes	Unaudited March 2013 Rupees	Audited June 2012 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	8	5,395,232,416	5,803,979,302
Long term security deposit		1,946,645	1,946,645
CURRENT ASSETS			
Stores and spares		126,205,105	148,078,304
Stock in trade		184,993,013	2,427,947,404
Trade debts		76,432,709	125,640,071
Loans and advances		21,460,595	21,074,499
Trade deposits and prepayments		11,108,458	15,288,691
Other receivables		249,095,729	270,784,874
Tax refunds due from government		67,690,475	79,093,357
Cash and bank balances		13,750,755	45,289,052
		750,736,839	3,133,196,252
		6,147,915,900	8,939,122,199

Azim Ahmed
Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Unaudited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Notes	NINE MONTHS PERIOD ENDED		THREE MONTHS PERIOD ENDED	
		Jul-Mar 13 Rupees	Jul-Mar 12 Rupees	Jan-Mar 13 Rupees	Jan-Mar 12 Rupees
Sales and services	9	2,544,442,437	6,011,538,577	487,721,676	1,558,839,484
Cost of sales		4,011,724,178	5,787,811,762	998,918,792	1,844,971,852
Gross (Loss) / profit		(1,467,281,741)	223,726,815	(511,197,116)	(286,132,368)
Operating expenses					
Distribution cost		72,062,098	233,063,360	10,794,141	91,073,139
Administrative expenses		151,106,327	217,772,796	40,937,972	71,222,464
Other operating expenses		3,136,651	-	1,436,651	-
		226,305,076	450,836,156	53,168,764	162,295,603
		(1,693,586,817)	(227,109,341)	(564,365,880)	(448,427,971)
Other income	10	370,555,665	4,830,715	4,718,598	15,733
Loss from operations		(1,323,031,152)	(222,278,626)	(559,647,282)	(448,412,238)
Finance cost	11	44,293,624	482,492,882	2,438,391	157,216,370
Loss before taxation		(1,367,324,776)	(704,771,508)	(562,085,673)	(605,628,608)
Taxation - net	12	85,563,772	60,712,466	61,795,926	14,706,345
Loss after taxation		(1,452,888,548)	(765,483,974)	(623,881,599)	(620,334,953)
Loss per share - basic and diluted		(108.35)	(57.08)	(46.53)	(46.26)

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

Naseem A. Sattar
Chief Executive Officer

Azim Ahmed
Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Unaudited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	NINE MONTHS PERIOD ENDED		THREE MONTHS PERIOD ENDED	
	Jul-Mar 13 Rupees	Jul-Mar 12 Rupees	Jan-Mar 13 Rupees	Jan-Mar 12 Rupees
Loss after taxation for the period	(1,452,888,548)	(765,483,974)	(623,881,599)	(620,334,953)
Incremental Depreciation on revalued assets for the period	282,087,846	-	94,029,282	-
Total Comprehensive Loss for the period	<u>(1,170,800,702)</u>	<u>(765,483,974)</u>	<u>(529,852,317)</u>	<u>(620,334,953)</u>

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

Naseem A. Sattar
Chief Executive Officer

Azim Ahmed
Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (Unaudited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	JUL - MAR 13	JUL - MAR 12
	Rupees	Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(1,367,324,776)	(704,771,508)
Adjustments for:		
Depreciation	391,954,614	120,883,165
Provision for gratuity	8,701,816	12,848,271
Gain on disposal of property, plant and equipment	(13,075,512)	(3,544,834)
	387,580,918	130,186,602
(Increase) / decrease in current assets:		
Stores and spares	21,873,201	9,313,934
Stock in trade	2,242,954,391	536,949,005
Trade debtors	49,207,362	198,297,814
Loan and advances	(386,096)	(5,552,239)
Trade deposits and prepayments	4,180,233	(11,053,468)
Other receivables	21,689,144	18,196,463
Tax refunds due from government	11,239,668	13,255,204
	2,350,757,903	759,406,713
Increase / (decrease) in current liabilities:		
Trade and other payable	(1,355,436,670)	(478,336,457)
Accrued mark-up	(1,549,376)	45,102,238
Short term finance	(139,351,676)	323,705,812
	(1,496,337,722)	(109,528,407)
Cash generated from operations	(125,323,677)	75,293,400
Taxes paid	(17,794,925)	(62,377,996)
Staff gratuity paid	(28,597,088)	(12,153,554)
Net cash generated from operations	(171,715,690)	761,850
CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure	(13,390,201)	(105,607,750)
Proceeds from disposal of fixed assets	43,257,983	10,408,780
Net cash used in investing activities	29,867,782	(95,198,970)
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from obligation under finance lease	-	29,179,000
Proceeds of loan from director	121,105,867	100,000,000
Payments of obligation under finance lease	(10,796,256)	(18,707,086)
Payment of long term loans	-	(16,493,118)
Net cash outflow from financing activities	110,309,611	93,978,796
Net (decrease) / increase in cash and cash equivalents	(31,538,297)	(458,324)
Cash and cash equivalents at the beginning of the period	45,289,052	37,465,489
Cash and cash equivalents at the end of the period	13,750,755	37,007,165

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

Naseem A. Sattar
Chief Executive Officer

Azim Ahmed
Director

AL-ABID SILK MILLS LIMITED

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (Unaudited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Share Capital	Capital Reserve	Accumulated Loss	Total
	----- Rupees -----			
Balance as at June 30, 2011 (Audited)	134,095,500	372,834,000	761,057,832	1,267,987,332
Total comprehensive loss for the nine months period ended March 31, 2012	-	-	(765,483,974)	(765,483,974)
Balance as at March 31, 2012 (Unaudited)	134,095,500	372,834,000	(4,426,142)	502,503,358
Total comprehensive loss for the three months period ended June 30, 2012	-	-	(3,967,351,094)	(3,967,351,094)
Balance as at June 30, 2012 (Audited)	134,095,500	372,834,000	(3,971,777,236)	(3,464,847,736)
Total comprehensive loss for the three months period ended September 30, 2012			(367,847,052)	(367,847,052)
Surplus on revaluation of fixed assets realised during the period on account of incremental depreciation			94,029,282	94,029,282
Balance as at September 30, 2012 (Unaudited)	134,095,500	372,834,000	(4,245,595,006)	(3,738,665,506)
Reversal of Finance cost for the period ended September 30, 2012			162,075,076	162,075,076
Balance as at September 30, 2012 (Unaudited) Restated	134,095,500	372,834,000	(4,083,519,930)	(3,576,590,430)
Total comprehensive loss for the six months period ended March 31, 2013			(1,247,116,572)	(1,247,116,572)
Surplus on revaluation of fixed assets realised during the period on account of incremental depreciation			188,058,564	188,058,564
Balance as at March 31, 2013 (Unaudited)	134,095,500	372,834,000	(5,142,577,938)	(4,635,648,438)

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

Naseem A. Sattar
Chief Executive Officer

Azim Ahmed
Director

AL-ABID SILK MILLS LIMITED

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (Unaudited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

1 LEGAL STATUS AND OPERATIONS

Al-Abid Silk Mills Limited (the Company) was incorporated as a private limited company in the year 1968, later on it was converted into public limited company as on December 24, 1987 under Companies Ordinance, 1984. Currently, the shares of the Company are listed on Karachi and Lahore Stock Exchanges. The registered office is located at A-39, S.I.T.E., Manghopir Road, Karachi. The Company is principally engaged in manufacturing and processing of various kinds of fabrics and export of printed and dyed cloth, bed sets and other textile made-ups. The manufacturing facilities of the Company are located at Karachi.

2 BASIS OF PREPARATION

2.1 The condensed interim financial information of the Company for the nine months period ended March 31, 2013 is unaudited and being submitted to the shareholders in accordance with the requirements of Section 245 of the Companies Ordinance, 1984 (the Ordinance) and the listing regulations of the Karachi and Lahore stock exchanges and has been prepared in accordance with the requirements of the International Accounting Standard 34 'Interim Financial Reporting' (IAS 34) and provisions of and directives issued by the Securities and Exchange Commission of Pakistan (SECP) under the Ordinance. Wherever the requirements of IAS 34 differ from the requirements of the Ordinance or directives issued by the SECP, the Ordinance and the said directives have been followed.

2.2 The condensed interim financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the annual audited financial statements of the Company for the year ended June 30, 2012.

2.3 These condensed interim financial information are presented in Pak Rupees, which is the functional currency of the Company. All the financial information presented in Pak Rupee has been rounded off to the nearest rupee.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1 The principal accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the consistent with those applied in the preparation of the financial statements for the year ended June 30, 2012.

3.2 Deferred Taxation

Deferred tax is recognised using the balance sheet liability method on all temporary differences between the carrying amounts of assets and liabilities for the financial reporting purposes and the amounts used for taxation purposes.

Deferred tax asset is recognised for all the deductible temporary differences only to the extent that it is probable that future taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilised. Deferred tax asset is reduced to the extent that it is no longer probable that the related tax benefit will be realised. Deferred tax liabilities are recognised for all the taxable temporary differences.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax is charged or credited in the profit and loss account, except in the case of items credited or charged to other comprehensive income / equity in which case it is included in other comprehensive income / equity.

3.3 No new accounting standards, amendments to approved accounting standards and interpretations became effective during the period, which were either relevant to the Company or had any significant impact on Company's financial information.

4 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

4.1 The estimates / judgments and associated assumptions used in the preparation of the condensed interim financial information are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results.

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

AL-ABID SILK MILLS LIMITED

	March 31, 2013 Rupees (Unaudited)	June 30, 2012 Rupees (Audited)
5 SURPLUS ON REVALUATION OF FIXED ASSETS		
Balance at beginning of the period / year	4,322,049,990	514,699,488
Surplus during the period / year	-	3,807,350,502
Incremental depreciation on revalued assets for the period / year	(282,087,846)	-
Less: Deferred Tax relating to revaluation surplus	(526,563,955)	-
	3,513,398,189	4,322,049,990
5.1	<p>The Company has updated the revaluation of Leasehold land, Building on Leasehold land, Plant, Machinery & equipments, Furniture & Fixture, Office equipment, Electric, gas & Other Installation and Leased Plant, Machinery & equipments on June 30, 2012. The valuation has been determined by the independent valuer M/s. Anjum Adil & Associates on the basis of prevailing market rates which has resulted an increase in revaluation reserve by Rs. 3,807,350,502. The earlier valuation of Leasehold land was carried out by the same independent valuer on August 31, 2010 and August 31, 2007 on the basis of prevailing market rates at that time.</p>	
	March 31, 2013 Rupees (Unaudited)	June 30, 2012 Rupees (Audited)
6 DEFERRED TAXATION		
Credit/(debit) balances arising from:		
Surplus on revaluation of fixed assets	526,563,955	-
Liabilities against assets subject to finance lease	2,925,072	-
Retirement benefits -unfunded gratuity	(4,638,258)	-
Accelerated tax depreciation allowance	69,318,819	-
	594,169,588	-
7 CONTINGENCIES AND COMMITMENTS		
7.1 Contingencies:		
Bank guarantee	79,834,000	92,694,414
The bank guarantees have been issued in favor of various government agencies.		
7.2 Commitments:		
Commitments under LCs for raw materials and spares parts	4,368,084	5,595,120
8 PROPERTY, PLANT AND EQUIPMENT		
Operating fixed assets	5,378,432,416	5,787,179,302
Capital work-in-progress	16,800,000	16,800,000
	5,395,232,416	5,803,979,302
8.1	Jul-Mar 13 Rupees (Unaudited)	Jul-Mar 12 Rupees (Unaudited)
The fixed capital expenditures during the period as follows:		
Owned assets:		
Building on lease hold land	-	11,271,434
Plant, machinery and equipments	12,591,338	36,477,995
Furniture & fixture	-	23,016,508
Office equipment	100,000	2,161,961
Electric, gas and other installations	698,863	6,065,062
Vehicles	-	9,814,789
	13,390,201	88,807,749
8.2		
The disposals during the period as follows:		
Owned assets:		
Plant, machinery and equipments	944,461	14,642,584
Furniture & fixture	14,663,853	-
Vehicles	47,356,816	3,476,405
	62,965,130	18,118,989

AL-ABID SILK MILLS LIMITED

		Jul-Mar 13 Rupees (Unaudited)	Jul-Mar 12 Rupees (Unaudited)
9	SALES AND SERVICES		
	Sales		
	Export sales	1,795,813,920	5,647,425,963
	Local sales	<u>290,724,650</u>	<u>146,031,886</u>
		<u>2,086,538,570</u>	<u>5,793,457,849</u>
	Services		
	Cloth Processing - Printing and dyeing	457,903,867	218,080,728
		<u>2,544,442,437</u>	<u>6,011,538,577</u>
10	OTHER INCOME		
	Income from financial assets/liabilities		
	Profit on PLS deposits	143,358	178,036
	Income from non-financial assets/liabilities		
	Sales of scrap	4,258,146	1,107,845
	Waiver of trade liabilities	353,078,649	-
	Gain on disposal of property, plant and equipment	13,075,512	3,544,834
		<u>370,555,665</u>	<u>4,830,715</u>
11	FINANCE COST		
	The Company has not accrued markup of Rs. 547.332 million for the period as the matter is under negotiations with the banks for restructuring.		
12	TAXATION		
	Current	17,958,139	60,712,466
	Deferred	<u>67,605,633</u>	<u>-</u>
		<u>85,563,772</u>	<u>60,712,466</u>

12.1 Major revenues of the company up to December 31, 2012 were taxable under the Final Tax Regime on the basis of turnover and not on the basis of profits vide Circular No. 20 of 1992, dated July 1, 1992, has provided special treatment to Exporters maintaining books of accounts, which is Local Sales of goods (manufactured for export) as well as waste material not constituting more than 20% of such production, may also be treated as export sales if the assessee opts to pay tax on such sales at the rate applicable to export sales under section 80CC of Income Tax Ordinance, 1979.

12.2 Deferred tax accounting apply to the Company because its income is now covered under FTR and NTR due to above exceed of above limit.

	NINE MONTHS PERIOD ENDED		THREE MONTHS PERIOD ENDED	
	Jul-Mar 13 (Unaudited)	Jul-Mar 12 (Unaudited)	Jan-Mar 13 (Unaudited)	Jan-Mar 12 (Unaudited)
EARNINGS PER SHARE - BASIC & DILUTED				
13.1 Basic earnings per share				
Total comprehensive loss for the period	Rupees <u>(1,452,888,548)</u>	<u>(765,483,974)</u>	<u>(623,881,599)</u>	<u>(620,334,953)</u>
Weighted average number of shares	Number <u>13,409,550</u>	<u>13,409,550</u>	<u>13,409,550</u>	<u>13,409,550</u>
Basic earnings per share	Rupees <u>(108.35)</u>	<u>(57.08)</u>	<u>(46.53)</u>	<u>(46.26)</u>

13.2 Diluted earnings per share
There is no dilution effect on the basic earnings per share of the company.

AL-ABID SILK MILLS LIMITED

14 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim financial information are as follows:

	Jul-Mar 13 Rupees (Unaudited)	Jul-Mar 12 Rupees (Unaudited)
<u>Al-Abid Exports (Private) Limited (Associated Company)</u>		
Processing services rendered	<u>10,340,218</u>	3,057,993
Rent expense	<u>9,312,000</u>	<u>20,952,000</u>
<u>Al-Abid Silk Mills Limited</u>		
Key management personnel - Remuneration & Benefits	<u>11,925,000</u>	<u>11,925,000</u>
	March 31,2013 Rupees (Unaudited)	June 30,2012 Rupees (Audited)
<u>Al-Abid Exports (Private) Limited (Associated Company)</u>		
Outstanding balance - payable	<u>(1,599,286)</u>	<u>(1,511,472)</u>

The outstanding balance as at the balance sheet date is secured and the settlement terms are against the payments/receipts through normal banking channels for the transactions during the period.

15 OPERATING SEGMENT

This condensed interim financial information have been prepared on the basis of a single reportable segment. The company does not hold non current assets in any foreign country. Revenues from external customers attributed to foreign countries in aggregate are material.

The Company has earned revenues from five (2012: five) customers aggregating Rs. 1,213 million (2011: Rs. 3,197 million) during the period which constituted 70% (2012: 73%).

16 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements for the year ended June 30, 2012.

17 DATE OF AUTHORISATION FOR ISSUE

These financial statements were approved and authorized for issue in the Board of Directors' meeting held on April 29, 2013.

18 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation.

Naseem A. Sattar
Chief Executive Officer

Azim Ahmed
Director

BOOK POST
Printed Matter

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AL-ABID SILK MILLS LIMITED

Registrars:

Adam Patel & Company

34/2-F, Block-5, Clifton, Karachi.