COMPANY INFORMATION

Board of Directors

Mr.Mohammed Yousuf	Chairman
Hafiz Mohammed Irfan Nawab	Director
Mr.Ibrahim Younus	Director
Mr.Ismail Younus	Director
Mr.Mohammed Faizanullah	Director
Mr.Baber A. Dadabhoy	Director
Mr.Mohammed Younus Nawab	Chief Executive

Audit Committee

Mr.Mohammed Yousuf	- Chairman
Mr.Baber A. Dadabhoy	- Member
Mr.Mohammed Irfan Nawab	- Member and Secretary

C.F.O./Company Secretary

Mr.Abdul Hussain Antaria

Registered Office

SF Unit No.96, S.I.T.E.,
P.O.Box No.10651,
Karachi - 75700
Phone : 32561728 - 29
Fax : 32570833
E-mail : sanasales@cyber.net.pk

Mills

B-186, Hub Industrial Trading Estate,
Hub Chowki, District Lasbela,
Balochistan.
Phone : 0853-363443 - 44
Fax : 0853-363422

Auditors

Muniff Ziauddin & Co.
Chartered Accountants
F/17/3, Business Executive Centre
Block 8, Clifton,
Karachi.
Phone : 35375127 - 28
Fax : 35820325

Legal Advisors

Zaki & Co.,
Advocates
21-A, Wahab Arcade,
M.A.Jinnah Road,
Karachi.
Phone : 32628998/32628999

Bankers

Habib Metropolitan Bank Limited
Islamic Banking Branch,
Zaibunissa Street, Saddar,
Karachi.
Phone : 35650711 (3 lines)
Fax : 35650650

Share Registrars

Central Depository Co. of Pakistan Ltd.
Share Registrar Department
CDC House, 99-B, Block B, S.M.C.H.S.,
Karachi.
Phone : 111-111-500
Fax : 34326027

Website for financial data - http://www.sana-industries.com/

DIRECTORS' REPORT

The Directors take pleasure in submitting their Report together with the Audited Accounts of the Company for the year ended 30th June, 2013.

FINANCIAL RESULTS

The Financial Results of the Company for the year ended 30th June, 2013 are summarized below:-

		Rupees
Profit for the period before taxation		87,769,181
Less: Provision for taxation- current	17,169,859	
- prior years	13,627	
- deferred (current)	7,463,414	
		24,646,900
Less: Loss from discontinued operations		449,136
Profit after taxation		62,673,145
Earning per Share before tax		12.76
Earning per share (basic and diluted) after taxation		9.12

Alhamd-o-Lillah, the Al-mighty has been very kind in constantly showering HIS unlimited bounties on your Company for which we do not have appropriate words to thank HIM, may Allah continue to cherish HIS blessings on your Company, Ameen.

The consolidated profit before taxation for the current year has registered increase from Rs.83.61 million to Rs.87.77 million an increase of Rs.4.16 million (4.97%), the profit after taxation has also enhanced from Rs.55.79 million to Rs.62.67 million, an increase of Rs.6.88 million (12.33%). Provision of current year's deferred taxation amounting to Rs.7.46 has been provided. The earnings per Share has enhanced from Rs.8.12 to Rs.9.12, an increase of Rs.1.00 (12.31%). In order to facilitate our Shareholders following comparisons of operating and financial data are annexed.

(a) Comparison with last year	Annex-A
(b) Comparison with previous quarter	Annex-B
(c) Quarter-wise comparison of Balance Sheets	Annex-C
(d) Quarter-wise comparison of Profit & Loss accounts	Annex-D
(e) Statistical summary of key operating and financial data of last 6 years	Annex-E

The salient features for the year under review, of 'Textile Segment', are as under:

(1) Sales, in Rupee terms, has registered an increase of Rs182.35 million (20.23%), due to increase in production / quantity sold, in quantitative terms it has increased by 542,962 Kilos (21.29%). The Gross Profit amount has increased by 1.82 million (1.53%), however G.P.Rate has decreased by 2.04%, due to decline in selling price of Yarn and enhancement in its cost components. The net profit, before taxation, of Rs.67.30 million has also decreased to Rs.61.52 million, a decrease of Rs.5.78 million (8.59%).

(2) The production of Yarn, in quantitative terms has increased from 2,787,416 Kilos to 3,043,392 Kilos i.e., by 255,977 Kilos (9.18%), due to modernization of Plant.

(3) The average cost of raw-materials consumed has fractionally decreased by Rs.0.71 Per Kilo (0.31%) due to decrease in prices of raw-materials.

(4) The cost of manufacturing over heads has enhanced from Rs.75.91 per Kilo to Rs.87.97 per Kilo (15.89%), significant increases on this account are attributed to the following heads:

(a) Salaries and wages by Rs.25.11 million or Rs.5.87 per Kilo (20.75%) due to mandatory increase in salary rates of the workers.

(b) Fuel and Power by Rs.16.32 million or Rs.2.80 Per Kilo (9.18%) mainly due to increase in Gas prices.

(c) Services procured by Rs.6.94 million or Rs.2.27 per Kilo due to hiring of outside venders for doubling of Yarn.

(d) Repair and maintenance (including stores and spares) by Rs.3.59 million or Rs.0.44 per Kilo (4.99%), due to modernization of Plant.

(e) Other manufacturing overhead by Rs.2.17 million or Rs.0.54 Per Kilo due to increase in expenses.

(5) The Selling and Distribution expenses have increased by Rs.1.92 million or Rs.0.53 per Kilo, due to exports and increase in quantity sold.

(6) The General and Administration expenses have increased by Rs.3.27 million or Rs.0.59 per Kilo.

(7) The financial charges have increased by Rs.1.55 million due to increased in average borrowing during the current year which enhanced from Rs.163.72 million to Rs.194.73 million due to enhanced working capital requirements.

(8) The Workers' Profit Participation Fund and Workers' Welfare Fund have increased by Rs.0.48 million, due to increase in net profit.

(9) The net profit of last year, before tax (Textile Segment), of Rs.67.21 million has decreased to Rs.61.52 million (8.47%).

(10) The 'Consolidated amount of net profit' of last year, before tax of Rs.83.61 million has increased to Rs.87.32 million (4.43%).

(11) The 'Consolidated amount of net profit' of last year, after tax of Rs.55.79 million has increased to Rs.62.67 million (12.33%).

(12) The period of trade debts (receivable) has decreased from 51 days to 42 days.

(12) The inventory of raw-materials has increased from 43 days to 52 days.

(13) The inventory of finished goods has decreased from 59 days to 48 days.

Future Prospects

The Management does not foresee any major change in the future profitability of the Company and hopes that, Insha Allah, the present level of the profitability would be maintained during the current year.

Board of Directors

The present Board of Directors who were elected on 3rd December, 2010, will continue to hold the office up to 3rd December, 2013.

Auditors

The present Auditors M/s. Muniff Ziauddin & Co, Chartered Accountants, retire and being eligible, offer themselves for re-appointment.

Pattern of Holding of Shares

The Pattern of Holding of Shares as prescribed by the SECP Circular dated 28/3/2002 to the Stock Exchange has been included in the Annual Report.

Dividend and Notice of Book Closure

Your Directors have decided to recommend payment of a Final Cash Dividend @ Rs.5/= per Share (50%) plus Stock Dividend (Bonus Share) @ 25% i.e., One Share for every Four Shares held. The distribution this year, inclusive of Stock Dividend, comes to 82.24% of the current year's after tax earnings.

The Final Dividend will be paid to the shareholders, whose names appear in the Register of Members on 18/10/2013. The share transfer book of the Company will remain closed from 15/10/2013 to 21/10/2013 (both days inclusive). Transfers received in order at the office of the Registrar, Central Depository Company of Pakistan Limited at the close of business on 14/10/2013 will be treated in time for the purpose of payment of Dividend to the Transferees.

Corporate and Financial Reporting Framework

As required vide Circular No.2(10)SE/SMD/202 dated 28th March, 2002, issued to all Stock Exchanges of Pakistan and listing regulations of the Karachi, Lahore and Islamabad Stock Exchanges, the Board of Directors of Sana Industries Limited confirm that the Company applies the principles contained in the Code in the following manner.

(1) The financial statements present fairly the Company's state of affairs, the result of its operations, cash flows and changes in equity.

(2) The Company has maintained proper books of account.

(3) Appropriate accounting policies have been consistently applied in the preparation of financial statements and accounting estimates are based on have been adequately disclosed.

(4) The system of internal control is of sound design and has been effectively implemented and monitored.

(5) There are no significant doubts upon the Company's ability to continue as a going concern.

(6) There has been no material departure from the best practices of corporate governance, as detailed in the Stock Exchange's Listing Regulations.

(7) The Company operates an approved gratuity fund, being administered by a gratuity fund trust, covering all its employees who have completed their qualifying period. The Project Unit Credit Actuarial Cost Method (PUC) was used for calculating the accounting entries, which method is mandated under

the latest version of IAS-19. The most recent actuarial valuation of the scheme was carried out as at 30th June, 2011. Following are the significant assumption used for the valuation of scheme:

	30-Jun-2013	30-Jun-2012
Valuation discount rate	12.00% p.a	12.50% p.a
Salary increase	12.00% p.a	12.50% p.a
Expected rate of return on Plan Assets	12.00% p.a	12.50% p.a

A statement as to the value of assets / investments of gratuity fund, based on its audited accounts is as under:-

(a) Investment in Shares of listed companies	Rs.14,931,707/=
(b) Investment in Mutual Funds	Rs. 5,015,572/=
(c) Due from company	Rs. 1,980,975/=
(d) Bank balances	Rs.16,399,562/=

Total of assets / investments as on 30/6/2013	Rs. 38,327,816/=
	============

(8) Elections of Directors was held in the Extra-ordinary General Meeting held on 3/12/2010, in accordance with the provisions of Section 178 of the Companies Ordinance, 1984 for a term of three years, commencing from 3/12/2010. A total of 10 Meetings of the Board of Directors were held during the financial year ended 30th June, 2013. Number of Meeting attended by each Director are stated their against:

	Name of Directors	Number of Meeting Attended
(1)	Mr. Mohammed Yousuf	10
(2)	Mr. Mohammed Younus Nawab	10
(3)	Mr. Mohammed Irfan Nawab	10
(4)	Mr. Ibrahim Younus	10
(5)	Mr. Ismail Younus	10
(6)	Mr. Mohammed Faizanullah	10
(7)	Mr. Babar Dadabhoy	10

(9) No trades in the shares of the Company were carried out by its Directors, CEO, Company's Secretary and their spouses and minor children during the current financial year:

Personnel

I would like to place on record my sincere appreciation for the devotion and loyalty of the staff and workers without whose efforts this success could not have been achieved. I look forward to the same devotion and cooperation in the years to come.

On behalf of the Board

(Mohammed Younus Nawab)
Chief Executive.

Karachi: 24th September, 2013.

AUDITORS' REPORT TO THE MEMBERS

We have audited the annexed balance sheet of **Sana Industries Limited ("the Company")** as at June 30, 2013 and the related profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, for the year then ended and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

It is the responsibility of the company's management to establish and maintain a system of internal control, and prepare and present the above said statements in conformity with the approved accounting standards and the requirements of the Companies Ordinance, 1984. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with the auditing standards as applicable in Pakistan. These standards require that we plan and perform the audit to obtain reasonable assurance about whether the above said statements are free of any material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the above said statements. An audit also includes assessing the accounting policies and significant estimates made by management, as well as, evaluating the overall presentation of the above said statements. We believe that our audit provides a reasonable basis for our opinion and, after due verification, we report that:

(a) in our opinion, proper books of account have been kept by the company as required by the Companies Ordinance, 1984;

(b) in our opinion:

  (i) the balance sheet and profit and loss account together with the notes thereon have been drawn up in conformity with the Companies Ordinance, 1984, and are in agreement with the books of account and are further in accordance with accounting policies consistently applied;

  (ii) the expenditure incurred during the year was for the purpose of the Company's business; and

  (iii) the business conducted, investments made and the expenditure incurred during the year were in accordance with the objects of the Company;

(c) in our opinion and to the best of our information and according to the explanations given to us, the balance sheet, profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity together with the notes forming part thereof, conform with approved accounting standards as applicable in Pakistan, and give the information required by the Companies Ordinance 1984, in the manner so required and give a true and fair view of the state of the Company's affairs as at June 30, 2013 and of the Profit, its comprehensive income, cash flows and changes in equity for the year then ended; and

(d) in our opinion Zakat deductible at source under the Zakat and Ushr Ordinance 1980 (XVIII of 1980), was deducted by the Company and deposited in the Central Zakat Fund established under section 7 of that Ordinance.

KARACHI: September 24, 2013

CHARTERED ACCOUNTANTS
(Muhammad Moin Khan)

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 28th Annual General Meeting of the Shareholders of the Company will, Insha-Allah be held on Monday, the 21st of October, 2013 at 4.00 P.M at the Company's Office, situated at SF-96, S.I.T.E., Karachi to transact the following business:-

ORDINARY BUSINESS

(1) To read and confirm the minutes of 27th Annual General Meeting held on 17th October, 2012.

(2) To receive and adopt the Audited accounts of the Company for the year ended 30th June, 2013, together with the Auditors' Report and Directors' Report thereon.

(3) To consider and approve Cash dividend of 50% for the year ended 30th June, 2013 as recommended by the Directors.

(4) To appoint Auditors of the Company and fix their remuneration for the year ended 30th June, 2014 The present Auditors M/s. Muniff Ziauddin & Co., Chartered Accounts retire and being eligible, offer themselves for re-appointment.

SPECIAL BUSINESS

(5) To consider and approve issuance of Stock Dividend (Bonus Share) @ 25% i.e., One share for every Four shares held for the year ended 30th June, 2013 as recommended by the Directors.

(6) To consider and approve payment of monthly remunerations to the Chief Executive and other full time working Directors of the Company.

(7) To transact any other business with the permission of the Chair.

A statement of material facts under Section 160(1)(b) of the Companies Ordinance, 1984 relating to the special businesses to be transacted is sent to all the Shareholders with the Notice of this AGM.

By Order of the Board

(Abdul Hussain Antaria)
CFO & Company Secretary

Karachi: 24th September, 2013

NOTES

1. The share transfer books of the Company shall remain closed from 15-Oct-2013 to 21-Oct-2013 (both days inclusive), and the final dividend will be paid to the Shareholders whose names will appear in the Register of Members on 14-Oct-2013.

2. A member entitled to attend and vote at the meeting may appoint a proxy in writing to attend the meeting and vote on the member's behalf. A proxy need not be a member of the Company.

3. Duly completed Forms of Proxy must be deposited with the Company Secretary at the office of the Company situated at SF-96, S.I.T.E.,Karachi (Phone No.32561728) not later than 48 hours before the time of meeting.

4. Shareholders (Non CDC) are requested to promptly notify the Company's Registrar of any change in their addresses and submit, if applicable to them, the Non-deduction of Zakat Form CZ-50 with the Registrar of the Company M/s. Central Depository Company of Pakistan Limited, Share Registrar Department, CDC House, 99-B, Block B, SMCHS, Karachi. All the Shareholders holding their shares through the CDC are requested to please update their addresses and Zakat with their Participants. This will assist in prompt receipt of Dividend.

5. Members who have not yet submitted photocopy of their Computerized National Identity Card to the Company are requested to send the same at the earliest.

6. CDC account holders will further have to follow the guidelines as laid down in Circular 1 dated 28th January, 2000, issued by the Securities and Exchange Commission of Pakistan.

STATEMENT UNDER SECTION 160(1)(b) OF THE COMPANIES ORDINANCE, 1984

A Statement under Section 160(1)(b) of the Companies Ordinance, 1984 pertaining to the Resolution is appended below:

AGNDA NO.5 - ISSUANCE OF BONUS SHARES

The Board of Directors in their meeting held on 24th September, 2013 had recommended the issue of Bonus Shares in the ratio of One Share for every Four Shares i.e., 25%, the following Resolution for which is being put before the Shareholders for their approval with or without modification:

RESOLVED that as recommended by the Board of Directors an amount of Rs.17,187,500/= (Rupees seventeen million one hundred eighty seven thousand five hundred only) be transferred to Reserve for issue of bonus shares by appropriation of Rs.17,187,500/= from un-appropriated profit and that the paid-up capital of the Company be increased by issue of 1,718,750 fully paid shares of Rs.10/= each in the ratio of one share for every Four Shares held i.e., 25% to the Shareholders whose names appear in the Register of Members at the close of business on 21st October, 2013 ranking pari passu in all respect with the existing shares of the Company.

FURTHER RESOLVED that in the event of any member holding fraction of shares, the Company Secretary be and is hereby authorized to consolidate such fractional entitlement and sell the same in the stock market and the proceeds of sale (less expenses) when realized be distributed to the entitled shareholders.

AGENDA NO.6 - REMUNERATION OF DIRECTORS

The Shareholders' approval is sought for the increase in remuneration of the following Directors:

NAME OF DIRECTOR	PRESENT SALARY	PROPOSED INCREMENT	NEW SALARY AFTER INCREMENT
(1) Mr.Mohammed Younus Nawab	Rs.240,000	Rs.60,000	Rs.300,000
(2) Mr.Mohammed Irfan Nawab	Rs.360,000	Rs.90,000	Rs.450,000
(3) Mr.Ibrahim Younus	Rs.180,000	Rs.45,000	Rs.225,000
(4) Mr.Ismail Younus	Rs. 75,000	Rs.25,000	Rs.100,000
(5) Mr.Mohammed Faizanullah	Rs. 75,000	Rs.25,000	Rs.100,000

It is pertinent to mention that these remunerations were fixed 2 years back in the 26th Annual General Meeting held on 15th October, 2011 and since then no increment has been made in the remunerations of the Directors.

For the purpose, it is proposed that the following Resolution be passed, with or without modification, by the Shareholder as an ordinary Resolution.

RESOLVED that the Company hereby approves and authorizes payment of monthly remunerations (salary) together with other benefits, in accordance with the Rules of the Company, be paid to the following full time working Directors of the Company, with effect from 1st July, 2013:

(a) Mr.Mohammed Younus Nawab, Chief Executive	:	Rs.300,000/- plus free use of Company's maintained Car.
(b) Mr.Mohammed Irfan Nawab, Director	:	Rs.450,000/- plus free use of Company's maintained Car.
(c) Mr.Ibrahim Younus, Director	:	Rs.225,000/- plus free use of Company's maintained Car.
(d) Mr.Ismail Younus, Director	:	Rs.100,000/- plus free use of Company's maintained Car.
(e) Mr.Mohammed Faizanullah, Director	:	Rs.100,000/- plus free use of Company's maintained Car.

The working Directors are interested in the Resolution to the extent of their respective remunerations.

Muniff Ziauddin & Co.

Chartered Accountants

An independent member firm of BKR International

BKR INTERNATIONAL

REVIEW REPORT TO THE MEMBERS ON STATEMENT OF COMPLIANCE WITH BEST PRACTICES OF CODE OF CORPORATE GOVERNANCE

We have reviewed the Statement of Compliance with the Best Practices (the statement) contained in the Code of Corporate Governance (the Code) for the year ended June 30, 2013, prepared by the Board of Directors of **Sana Industries Limited (the Company)** to comply the with Listing Regulation No. 35 of Karachi, Islamabad and Lahore Stock Exchanges (Guarantee) Limited where the Company is listed.

The responsibility for compliance with the Code of Corporate Governance is that of the Board of Directors of the Company. Our responsibility is to review, to the extent where such compliance can be objectively verified, whether the Statement of Compliance reflects the status of the Company's compliance with the provisions of the Code of Corporate Governance and report if it does not. A review is limited primarily to inquiries of the Company personnel and review of various documents prepared by the Company to comply with the Code.

As part of our audit of financial statements, we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board's statement on internal control covers all risks and controls, or to form an opinion on the effectiveness of such internal controls, the Company's corporate governance procedures and risks.

Further, Listing Regulations of the Stock Exchanges where the Company is listed, require the Company to place before the Board of Directors for their consideration and approval related party transactions distinguishing between transactions carried out on terms equivalent to those that prevail in arm's length transactions and transactions which are not executed at arm's length price recording proper justification for using such alternate pricing mechanism. Further, all such transactions are also required to be separately placed before the audit committee. We are only required and have ensured compliance of requirement to the extent of approval of related party transactions by the Board of Directors and placement of such transactions before the audit committee. We have not carried out any procedures to determine whether the related party transactions were undertaken at arm's length price or not.

Based on our review,

i) The Board has not made arrangements to carry out orientation courses on Code of Corporate Governance for its directors. Furthermore, the directors (excluding exempted directors) have not acquired the mandatory certification of directors training program from the Institute specified by the SECP.

Except for the paragraph (i) above, nothing has come to our attention which causes us to believe that the Statement does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code as applicable to the Company for the year ended June 30, 2013.

KARACHI: 2 4 SEP 2013

CHARTERED ACCOUNTANTS
(Muhammad Moin Khan)

SANA INDUSTRIES LIMITED
Annexure to Directors' Report
(Rupees in millions)

Comparison with last year **Annexure A**

Covering period FROM TO	01-Jul-2012 30-Jun-2013	01-Jul-2011 30-Jun-2012	VARIATION Amount	 Percentage
Turnover - net	1,195.06	1,012.71	182.35	18.01%
Cost of Sales	1,046.57	879.58	166.99	18.99%
Gross Profit	148.49	133.13	15.36	11.54%
G.P.Rate to Sales	12.43%	13.15%		-0.72%
Administrative, Selling, Financial & Other expenses	62.57	58.52	4.05	6.92%
Other income	1.40	1.67	(0.27)	-
Net profit before taxation	87.32	76.28	11.04	
N.P.Rate to Sales	7.31%	7.53%		
Provision for Taxation	24.65	20.49	4.16	
Profit after Taxation	62.67	55.79	6.88	
Earning per share (before tax) - restated	12.70	11.10	1.60	
Earning per share (after tax) - restated	9.12	8.12	1.00	

Comparison with previous quarter **Annexure B**

Covering period FROM TO	01-Apr-2013 30-Jun-2013	01-Jan-2013 31-Mar-2013	VARIATION Amount	 Percentage
Sales - net	326.00	251.73	74.27	29.50%
Cost of Sales	281.02	230.95	50.07	21.68%
Gross Profit	44.98	20.78	24.20	116.46%
G.P.Rate to Sales	13.80%	8.25%		5.55%
Administrative, Selling, Financial & Other expenses	17.33	14.10	3.23	22.91%
Other income	0.63	0.51	0.12	
Net profit before taxation	28.28	7.19	21.09	
N.P.Rate to Sales	8.67%	2.86%		
Provision for Taxation	5.35	1.61	3.74	
Profit after Taxation	22.93	5.58	17.35	
Earning per share (before tax) - restated	4.11	1.05	3.06	
Earning per share (after tax) - restated	3.34	0.81	2.53	

Annexure "C"

COMPARISON OF BALANCE SHEET OF THREE QUARTERS

	1ST QUARTER 30-Sep-2012 Rupees	2ND QUARTER 31-Dec-2012 Rupees	3RD QUARTER 31-Mar-2013 Rupees	4TH QUARTER 30-Jun-2013 Rupees
ASSETS				
NON CURRENT ASSETS				
Tangible fixed assets	207,451,313	208,692,861	236,464,326	243,250,312
Long-term deposits	848,200	848,200	1,085,450	1,085,450
	208,299,513	209,541,061	237,549,776	244,335,762
CURRENT ASSETS				
Stock-in-trade	167,718,744	212,636,457	205,918,395	220,162,819
Trade debts- unsecured, considered good	196,637,588	153,184,980	165,194,489	165,512,974
Advances	6,671,939	12,923,564	4,809,021	4,390,682
Deposits and pre-payments	4,368,528	3,312,292	1,802,899	592,244
Other receivables	19,017	2,829,682	2,639,615	2,693,049
Taxation - net	-	-	-	1,701,751
Cash and bank balances	12,428,897	8,832,242	17,516,181	15,475,483
	387,844,713	393,719,217	397,880,600	410,529,002
TOTAL ASSETS	596,144,226	603,260,278	635,430,376	654,864,764
EQUITY AND LIABILITIES				
SHARE CAPITAL AND RESERVES				
Share Capital	68,750,000	68,750,000	68,750,000	68,750,000
Reserves	234,220,254	199,503,877	204,957,120	227,885,433
Shareholder's equity	302,970,254	268,253,877	273,707,120	296,635,433
NON CURRENT LIABILITIES				
Diminishing Mushareqa	2,646,186	10,011,836	16,207,657	12,251,615
Staff benefits	389,203	380,885	347,972	832,996
Deferred taxation	16,445,372	15,198,275	15,699,980	24,928,122
	19,480,761	25,590,996	32,255,609	38,012,733
CURRENT LIABILITIES				
Trade and other payables	41,499,619	47,794,871	65,254,070	44,092,289
Accrued profit	7,850,472	4,815,996	5,289,810	6,141,366
Borrowings from Directors and related parties	9,725,000	47,950,000	46,850,000	37,900,000
Current portion of diminishing mushreqa arrangeme	6,350,868	6,682,474	7,148,044	9,093,337
Morabaha Arrangements	193,695,523	190,334,988	199,053,338	222,989,606
Taxation - net	14,571,729	11,837,076	5,872,385	-
	273,693,211	309,415,405	329,467,647	320,216,598
CONTINGENCIES AND COMMITMENTS	-	-	-	-
TOTAL EQUITY AND LIABILITIES	596,144,226	603,260,278	635,430,376	654,864,764
Debt Equity Ratio	6 : 94	9 : 91	10 : 90	7 : 93
Current Ratio	1.42	1.27	1.21	1 : 39

"Annexure D"

COMPARISON OF PROFIT & LOSS ACCOUNT OF THREE QUARTERS.

	1ST QUARTER 30-Sep-2012 Rupees	2ND QUARTER 31-Dec-2012 Rupees	3RD QUARTER 31-Mar-2013 Rupees	4TH QUARTER 30-Jun-2013 Rupees	Y.T.D. 30-Jun-2013 Rupees
Net turnover	355,478,953	261,852,516	251,734,254	325,998,731	1,195,064,454
Cost of sales	(304,294,261)	(230,305,600)	(230,945,978)	(281,022,429)	(1,046,568,268)
Gross profit	51,184,692	31,546,916	20,788,276	44,976,302	148,496,186
G.P.Rate	14.40%	12.05%	8.26%	13.80%	12.43%
Selling and distribution expenses	(1,471,828)	(1,982,407)	(1,313,858)	(750,352)	(5,518,445)
General and administration expenses	(5,050,004)	(4,181,088)	(5,426,457)	(6,398,935)	(21,056,484)
Other operating expenses	(2,551,666)	(1,432,522)	(490,686)	(2,545,540)	(7,020,414)
Other operating income / (loss)	(42,464)	305,609	507,446	627,793	1,398,384
Operating profit	42,068,730	24,256,508	14,064,721	35,909,268	116,299,227
Finance cost	(7,639,727)	(6,840,920)	(6,865,932)	(7,183,467)	(28,530,046)
Profit for the period before taxation	34,429,003	17,415,588	7,198,789	28,725,801	87,769,181
Loss for discontinued operations	-	-	-	(449,136)	(449,136)
Provision for taxation - current	(11,127,873)	(8,823,224)	(1,098,652)	3,879,890	(17,169,859)
- prior year	-	-	(13,627)	-	(13,627)
- deferred (current)	1,019,336	1,247,097	(501,705)	(9,228,142)	(7,463,414)
	(10,108,537)	(7,576,127)	(1,613,984)	(5,348,252)	(24,646,900)
Profit after taxation	24,320,466	9,839,461	5,584,805	22,928,413	62,673,145
Earning per share before taxation	5.01	2.53	1.05	4.18	12.77
Earning per share after taxation	3.54	1.43	0.81	3.34	9.12

SANA INDUSTRIES LIMITED

Statistical summary of key operating & financial data for last six years

Annexure E

(Rupees in Millions)

YEAR END	Jun-2013	Jun-2012	Jun-2011	Jun-2010	Jun-2009	Jun-2008
OPERATING RESULTS						
Turnover	1,195.06	1,012.72	965.67	713.12	506.14	434.59
Gross profit	148.49	133.14	145.79	99.18	68.97	37.65
Operating expenses	27.02	21.45	21.11	17.27	12.72	12.67
Operating profit	121.47	111.69	124.68	81.91	56.25	24.98
Financial charges	28.53	26.98	21.84	18.02	14.21	16.49
Other expenses - net	7.02	10.10	7.88	5.40	2.62	0.38
Profit before tax	87.32	76.28	105.64	58.49	36.10	7.24
Taxation	24.65	20.49	36.79	21.62	12.65	5.07
Profit after tax	62.67	55.79	68.85	36.87	23.45	2.17
FINANCIAL POSITION						
Paid-up Capital	68.75	68.75	55.00	55.00	55.00	55.00
Retained earnings	227.89	209.90	209.11	173.25	155.62	137.68
Total equity	296.64	278.65	264.11	228.25	210.62	192.68
Long term loans & staff benefits	4.23	4.23	10.58	-	2.37	-
Deferred taxation & staff benefits	25.76	17.46	18.49	16.55	17.75	5.11
Current liabilities	320.22	273.56	222.48	158.21	145.49	161.84
Total assets	654.86	576.56	515.66	403.01	376.23	359.63
Fixed assets (Gross)	708.28	632.85	585.16	551.31	532.09	521.22
Accumulated depreciation	469.54	436.94	407.49	386.20	360.89	349.28
Fixed assets (Net)	238.74	195.91	177.67	165.11	171.20	171.94
Long term deposits	1.09	0.85	0.70	1.10	0.70	0.70
Current assets	410.53	379.33	336.13	236.61	204.04	186.80
RATIOS						
Fixed Assets Turnover	5.01	5.17	5.44	4.32	2.96	2.53
Trade Debts (days)	42	51	50	38	51	65
Inventory turnover (times)	5.08	5.06	2.79	4.12	5.39	5.37
Inventory turnover (days)	72	72	131	89	68	68
Sales growth %	18.00%	4.87%	35.41%	40.89%	16.46%	5.76%
Gross profit margin %	12.43%	13.15%	15.10%	13.91%	13.63%	8.66%
Total charges as % to sales	5.24%	5.78%	5.26%	5.71%	5.84%	6.80%
Net profit before tax % to sales	7.07%	7.53%	10.94%	8.20%	7.13%	1.67%
Tax rate (Effective) %	35.00%	35.00%	35.00%	35.00%	0.00%	0.50%
Net profit after tax (% to sales)	5.24%	5.51%	7.13%	5.17%	4.63%	0.50%
Return on Capital % (after tax)	91.16%	81.15%	125.18%	67.04%	42.64%	3.95%
Return on Equity % (after tax)	21.13%	20.02%	26.07%	16.15%	11.13%	1.13%
Earning per share pre-tax	12.70	11.10	19.21	10.63	6.56	1.32
Earning per share after tax	9.12	8.12	12.52	6.70	4.26	0.39
Break-up value per share	43.15	40.53	48.02	41.50	38.29	35.03
Debt Equity Ratio	9 : 91	7 : 93	10 : 90	7 : 93	9 : 91	3 : 97
Current Ratio	1.28	1.39	1.51	1.50	1.40	1.15
Quick Ratio	0.68	0.68	0.81	0.68	0.83	0.67
DISTRIBUTION						
Dividend per share Rs.	5.00	6.50	7.50	6.00	3.50	1.00
Stock Dividend	25%	Nil	25%	Nil	Nil	Nil
Dividend payout	82%	80%	80%	90%	82%	256%

SANA INDUSTRIES LIMITED
BALANCE SHEET
AS AT JUNE 30, 2013

	Note	2013	2012
		-------- (Rupees) -------	
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment	7	**243,250,312**	196,384,084
Long-term deposits		**1,085,450**	848,200
		244,335,762	197,232,284
CURRENT ASSETS			
Stock-in-trade	8	**220,162,819**	192,270,286
Trade debts - unsecured and considered good		**165,512,974**	172,368,869
Loans and advances	9	**4,390,682**	2,211,706
Trade deposits and short-term prepayments	10	**592,244**	891,744
Other receivables	11	**2,693,049**	214,004
Taxation - net		**1,701,751**	-
Cash and bank balances	12	**15,475,483**	10,973,269
		410,529,002	378,929,878
TOTAL ASSETS		**654,864,764**	576,162,162
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
10,000,000 Ordinary shares of Rs. 10/- each		**100,000,000**	100,000,000
Issued, subscribed and paid-up capital			
6,875,000 (June 30, 2012: 6,875,000) Ordinary shares of Rs. 10/- each	13	**68,750,000**	68,750,000
General reserves		**132,500,000**	132,500,000
Unappropriated profit		**95,385,433**	77,399,788
Shareholder's equity		**296,635,433**	278,649,788
NON CURRENT LIABILITIES			
Long-term musharaka	14	**12,251,615**	4,233,903
Staff benefits	15	**832,996**	893,719
Deferred taxation	16	**24,928,122**	17,464,708
		38,012,733	22,592,330
CURRENT LIABILITIES			
Trade and other payables	17	**44,092,289**	32,438,884
Finance cost payable	18	**6,141,366**	5,657,108
Loans from directors	19	**37,900,000**	27,420,000
Current portion of long-term musharaka	14	**9,093,337**	6,350,868
Short term morabaha	20	**222,989,606**	196,033,321
Taxation - net		**-**	7,019,862
		320,216,598	274,920,044
TOTAL EQUITY AND LIABILITIES		**654,864,764**	576,162,162
CONTINGENCIES AND COMMITMENTS	21		

The annexed notes from 1 to 42 form an integral part of these financial statements.

SANA INDUSTRIES LIMITED
CASH FLOW STATEMENT
FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013	2012
		-------- (Rupees) -------	
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit before taxation including discontinued operation		**87,320,045**	76,284,810
Adjustments for:			
Depreciation		**36,284,244**	33,673,307
Gain on sale of fixed assets		**(853,654)**	(1,139,447)
Profit on bank accounts		**(547,720)**	(490,514)
Staff benefits		**614,306**	707,406
Finance costs		**28,530,046**	26,978,372
Operating profit before working capital changes		**151,347,267**	136,013,934
Increase in current assets	32.1	**(25,395,159)**	(43,902,972)
Increase in current liabilities	32.2	**11,284,646**	6,043,520
Cash generated from operations		**137,236,754**	98,154,482
Finance costs paid		**(28,045,788)**	(27,592,770)
Income taxes paid		**(25,905,099)**	(36,550,429)
Staff benefits paid		**(675,029)**	(615,429)
Long-term deposit		**(237,250)**	(144,175)
Net cash inflow from operating activities		**82,373,588**	33,251,679
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		**(84,580,680)**	(53,269,259)
Profit received on bank accounts		**547,720**	490,514
Proceeds from sale of property, plant and equipment		**2,283,863**	3,175,345
Net cash used in investing activities		**(81,749,097)**	(49,603,400)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts under short-term morabaha		**26,956,285**	46,751,832
Receipts / (Repayments) under long-term musharaka		**10,760,181**	(5,821,629)
Borrowings from directors and family member		**10,480,000**	15,260,000
Dividend paid		**(44,318,742)**	(40,946,175)
Net cash inflow from financing activities		**3,877,723**	15,244,029
Net increase / (decrease) in cash and cash equivalents		**4,502,214**	(1,107,691)
Cash and cash equivalents at begining of the year		**10,973,269**	12,080,960
Cash and cash equivalents at the end of the year	12	**15,475,483**	10,973,269

The annexed notes from 1 to 42 form an integral part of these financial statements.

(Mohammed Younus Nawab)	(Ibrahim Younus)	(Abdul Hussain Antaria)
Chief Executive	Director	Chief Financial Officer

SANA INDUSTRIES LIMITED
PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED JUNE 30, 2013

	Note	2013	2012
		-------- (Rupees) -------	
Turnover	22	1,195,064,454	1,008,972,123
Cost of sales and services	23	(1,046,568,268)	(868,591,723)
Gross profit		148,496,186	140,380,400
Distribution expenses	24	(5,518,445)	(3,651,060)
Administrative expenses	25	(21,056,484)	(17,709,927)
		(26,574,929)	(21,360,987)
Other operating income	26	1,398,384	1,671,336
Operating profit		123,319,641	120,690,749
Finance costs	27	(28,530,046)	(26,978,372)
Other charges	28	(7,020,414)	(10,104,344)
		(35,550,460)	(37,082,716)
Profit before taxation		87,769,181	83,608,033
Taxation	29	(24,646,900)	(20,490,993)
Profit from continued operation		63,122,281	63,117,040
Loss from discontinued operation	30	(449,136)	(7,323,223)
Profit after taxation		62,673,145	55,793,817
Earning per share - Basic and diluted	31	9.12	8.12

The annexed notes from 1 to 42 form an integral part of these financial statements.

(Mohammed Younus Nawab)
Chief Executive

(Ibrahim Younus)
Director

(Abdul Hussain Antaria)
Chief Financial Officer

SANA INDUSTRIES LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2013

	Issued, subscribed and paid-up capital	REVENUE RESERVES			Total
		General reserves	Un-appropriated profit	Sub - total	
	(Rupees)				
Balance as at June 30, 2011	**55,000,000**	**132,500,000**	**76,605,971**	**209,105,971**	**264,105,971**
Transactions with owners :					
Final dividend for the year ended June 30, 2011 @ Rs. 6 per share	-	-	(41,250,000)	(41,250,000)	(41,250,000)
Bonus Share for the year ended June 30, 2011 @ 25%	13,750,000	-	(13,750,000)	-	-
Total transactions with owners	13,750,000	-	(55,000,000)	(41,250,000)	(41,250,000)
Comprehensive income for the year :					
Profit after taxation for the year ended June 30, 2012	-	-	55,793,817	55,793,817	55,793,817
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	55,793,817	55,793,817	55,793,817
Balance as at June 30, 2012	**68,750,000**	**132,500,000**	**77,399,788**	**223,649,788**	**278,649,788**
Transactions with owners :					
Final dividend for the year ended June 30, 2012 @ Rs.6.5 per share	-	-	(44,687,500)	(44,687,500)	(44,687,500)
Comprehensive income for the year :					
Profit after taxation for the year ended June 30, 2013	-	-	62,673,145	62,673,145	62,673,145
Other comprehensive income	-	-	-	-	-
	-	-	62,673,145	62,673,145	62,673,145
Balance as at June 30, 2013	**68,750,000**	**132,500,000**	**95,385,433**	**241,635,433**	**296,635,433**

The annexed notes from 1 to 42 form an integral part of these financial statements.

(Mohammed Younus Nawab)
Chief Executive

(Ibrahim Younus)
Director

(Abdul Hussain Antaria)
Chief Financial Officer

STATEMENT OF COMPLIANCE WITH THE CODE OF CORPORATE GOVERNANCE FOR THE YEAR ENDED JUNE 30, 2013.

This statement is being presented to comply with Code of Corporate Governance (the Code) contained in the Listing Regulations of the Karachi, Lahore and Islamabad Stock Exchanges, for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with best practices of corporate governance.

Sana Industries Limited (the Company) has applied the principles contained in the Code in the following manner:

(1) The Company encourages representation of independent non-executive directors and directors representing minority interests on its Board of Directors (the Board). At present the Board includes:-

CATEGORY	NAMES
Executive Directors	Mr.Mohanmmed Younus Nawab Mr.Mohammed Irfan Nawab Mr.Ibrahim Younus Mr.Ismail Younus Mr.Mohammed Faizanullah
Non-Executive Director	Mr.Mohammed Yousuf
Independent Director	Mr.Babar A. Dadabhoy

The independent director meets the criteria of independence under clause i(b) of the CCG.

(2) The directors have confirmed that none of them is serving as a director in more than seven listed companies, including this Company (excluding the listed subsidiaries of listed holding companies, where applicable).

(3) All the resident directors of the Company are registered as taxpayers and none of them has defaulted in payment of any loan to a banking company, a DFI or an NBFI or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.

(4) Casual vacancy occurring in the Board during the year was duly filled in within the prescribed period.

(5) The Company has prepared a 'Code of Conduct', and has ensured that appropriate steps have been taken to disseminate it throughout the Company alongwith its supporting policies and procedures.

(6) The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained.

(7) All the powers of the Board have been duly exercised and decisions on material transactions, including appointment and determination of remuneration and terms and conditions of employment of the CEO and other executive and non-executive directors, have been taken by the Board/Shareholders.

(8) The meetings of the Board were presided over by the Chairman and, in his absence, by a director elected by the board for this purpose and the Board met at least once in every quarter. Written notices of the Board meetings, along with agenda and working papers, were circulated at least seven days before the meetings. The minutes of the meetings were appropriately recorded and circulated.

(9) Most of the Directors meet the exemption criteria of the Directors training program. Furthermore, the remaining four Directors will acquire the certification of Directors training program in the forthcoming

financial year and the Board will make arrangements to carry out orientation course on Code of Corporate Governance in due course.

(10) No new appointment of CFO/Company Secretary has been made during the year.

(11) The directors' report for this year has been prepared in compliance with the requirements of the CCG and fully describes the salient matters required to be disclosed.

(12) The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.

(13) The directors, CEO and executives do not hold any interest in the shares of the Company other than that disclosed in the pattern of shareholding.

(14) The Company has complied with all the corporate and financial reporting requirements of the CCG.

(15) The Board has formed an audit committee. It comprises of three members, of whom one is non-executive director, one Independent and one executive director.

(16) The meetings of the audit committee were held at least once every quarter prior to approval of interim and final results of the Company as required by the CCG. The terms of reference of the committee have been formed and advised to the committee for compliance.

(17) The board is in the process of forming an HR and Remuneration Committee.

(18) The Board has outsourced the internal audit function to Mr. Muhammad Farooque Dandia & Co (Chartered Accountants) who are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.

(19) The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the Institute of Chartered Accounts of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the Company and that the firm and all its partners are in compliance with international Federation of Accountants (IFAC) guidelines on Code of Ethics as adopted by Institute of Chartered Accountants of Pakistan.

(20) The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the listing regulations and the auditors have confirmed that they have observed IFAC Guidelines in this regard.

(21) The 'closed period', prior to the announcement of interim/final results, and business decisions, which may materially effect the market price of company's securities, was determined and intimated to directors, employees and stock exchange(s).

(22) Material/price sensitive information has been disseminated among all market participants at once through stock exchange(s).

(23) We confirm that all other material principles enshrined in the CCG have been complied with except that the position of the Company Secretary and CFO is held by the same person. The said decision has been taken by the Board keeping in view the size of the Company.

On behalf of the Board

(Mohammed Younus Nawab)
Chief Executive.

Karachi: 24th September, 2013.

SANA INDUSTRIES LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2013

	2013	2012
	-------- (Rupees) -------	
Net profit for the year	**62,673,145**	55,793,817
Other comprehensive income	-	-
Total comprehensive income for the year	**62,673,145**	55,793,817

The annexed notes from 1 to 42 form an integral part of these financial statements.

(Mohammed Younus Nawab)
Chief Executive

(Ibrahim Younus)
Director

(Abdul Hussain Antaria)
Chief Financial Officer

1 NATURE OF BUSINESS

Sana Industries Limited (the Company) was incorporated in Pakistan as a public limited Company under the Companies Ordinance, 1984. The shares of the Company are quoted on the Karachi, Lahore and Islamabad Stock Exchanges. The Company is engaged in the following activities.

i) manufacturing and sale of man-made blended yarn;
ii) providing services in respect of cold storage through "compartmentalized cold store project"; and
iii) local trading and export of processed poultry bi-products (discontinued).
iv) processing of "ready to eat" meals.

The registered office of the Company is located at SF-96, S.I.T.E., Karachi, Pakistan.

2 STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan. Approved accounting standards comprise of such International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board as are notified under the Companies Ordinance, 1984, provisions of and directives issued under the Companies Ordinance, 1984. Incase requirements differ, the provisions or directives of the Companies Ordinance, 1984 shall prevail.

3 BASIS OF MEASUREMENT

3.1 These financial statements have been prepared under historical cost convention.

3.2 These financial statements are presented in Pak rupees which is the Company's functional and presentation currency.

4 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 Standards and interpretations that become effective but not relevant to the company or donot have material effect

The following standards and interpretations are effective for financial periods beginning on or after July 1, 2012 but are either not relevant or do not have any effect / material effect on the financial statements of the Company:

IAS 1 Presentation of Financial Statements - Amendments to revise the way other comprehensive income is presented.

IAS 12 Income taxes - limited scope amendment (recovery of underlying assets)

4.2 Property, plant and equipment

These are stated at cost less accumulated depreciation and impairment, if any, except for leasehold land, SF/96 premises (tenancy rights) and capital work in progress, which are stated at cost.

Depreciation is charged to profit and loss account using straight line method so as to write off the historical cost of the assets over their estimated useful lives at the rates given in note 7.1. Depreciation on additions is charged from the month in which the asset is put to use and on disposals upto the month the asset is in use. Assets' residual values and useful lives are reviewed, and adjusted, if appropriate annually.

The carrying values of property, plant and equipment are reviewed at each reporting date for indication that an asset may be impaired and carrying values may not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount. The recoverable amount is the greater of net selling price and value in use.

Maintenance and normal repairs are charged to profit and loss account as and when incurred. Major renewals and improvements, if any, are capitalized when it is probable that respective future economic benefits will flow to the Company.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Gains and loasses on disposals are determined by comparing proceeds with the carrying amount of the relvant assets. These are included in the profit and loss account.

The carrying value of property, plant and equipment are reviewed at each reporting date for indication that an asset may be impaired and carrying values not be recovered. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets or cash generating units are written down to their recoverable amount.

4.3 Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of fixed assets are capitalized in the relevant fixed asset for the period upto the date of commercial production, or commencement of its intended use. All other borrowing costs are charged to profit and loss account as and when incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.4 Stock-in-trade

These are stated at the lower of net realizable value (NRV) and cost determined as follows:

- Raw and packing material	-	on a weighted average basis;
- Stock-in-transit	-	at invoice price plus other charges
- Work-in-process and finished goods	-	at weighted average cost of
- Waste stock	-	at net realizable value.

Net realisable value is determined by considering selling price of stock in the ordinary course of business less costs of completion and cost necessary to be incurred in order to make the sale.

4.5 Stores and spares

The cost of stores and spares are charged to revenue as and when acquired. The cost of stores and spares inventory left unused is not considered material.

4.6 Trade debts and other receivables

Trade debts and other receivables are recognized and carried at original invoice amount less an estimated allowance made for doubtful receivables based on review of outstanding amounts at the year end. Balances considered bad and irrecoverable are written off when identified.

4.7 Cash and cash equivalents

Cash and cash equivalents are carried at cost. For the purposes of cash flow statement, cash and cash equivalents consist of cash in hand and balances with banks.

4.8 Long and short-term borrowings

These are recorded at the proceeds received. Installments due within one year are shown as a current liability and mark-up on borrowings is charged as an expense an an accrual basis.

4.9 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost which is the fair value of the consideration to be paid in future for goods and services.

4.10 Provisions

Provisions are recognised when the Company has a present, legal or constructive obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

4.11 Financial instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the contractual rights under the instruments are realised, expired or surrendered. Financial liabilities are derecognised when the obligation is extinguished, discharged, cancelled or expired. Any gain or loss on recognition or derecognition of the financial assets and financial liabilities is taken to profit and loss account.

4.12 Offsetting of financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet only when the Company has a legally enforceable right to offset the recognised amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously. Corresponding income and expenditure is also netted off and recorded on a net basis in profit and loss account.

4.13 Employee benefits

Defined benefit scheme

The Company operates a recognised, funded defined benefit gratuity scheme for all its permanent employees which is administered by the Trustees. Contributions are made to the fund on the basis of actuarial valuation carried out each year using Projected Unit Credit Method. Under this method, the cost of providing gratuity is charged to the profit and loss account so as to spread the cost over the service lives of the employees in accordance with the advice of qualified actuaries. Actuarial gains / losses in excess of corridor limit as of the last balance sheet date are recognised over the remaining service lives of employees.

Compensated absences

The Company provides for its estimated liability towards leaves accumulated by employees on an accrual basis using current salary levels.

4.14 Taxation

Current

Provision for current taxation is the higher of the amount computed on taxable income at the current rates of taxation after taking into account tax credits and rebates available, if any, and tax paid on presumptive basis and minimum tax computed at the prescribed rate on sales.

Deferred

Deferred tax is recognised using the balance sheet liability method on all temporary differences at the balance sheet date between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the assets may be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realizable.

Deferred tax assets and liabilities are measured at the tax rate that are expected to apply to the year when the asset is realized or the liability is settled, based on the tax rates that have been enacted or substantially enacted at the balance sheet date.

4.15 Revenue recognition

Revenue from sale of goods is recognised upon passage of title to the customer which generally coincides with physical delivery and acceptance of the goods.

Revenue from services in respect of cold storage is recognised on accrual basis.

Profit on bank accounts is recognised on accrual basis.

4.16 Foreign currency translation

Foreign currency transactions are translated into Pak Rupees (functional currency) using the exchange rates prevailling at the dates of the transactions. Monetary assets and liabilities in foreign currencies are translated into Pak Rupees using the exchange rate at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translations at the year end exchange rates of monetory assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

4.17 Segment reporting

Segment reporting is based on the operating (business) segments of the Company. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to the transactions with any of the Company's other components. An operating segment's operating results are reviewed regularly by the chief executive to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

Segment results that are reported to the chief executive include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Those incomes, expenses, assets, liabilities and other balances which cannot be allocated to a particular segment on a reasonable basis are reported as unallocated.

The Company has four reportable business segments; Textile (Manufacturing and sale of man-made blended yarn), Cold storage (Providing services in respect of cold storage through "compartmentalized cold store project), Poultry bi-products (Local trading and export of processed poultry bi-products) and Food stuff (Processing of "ready to eat" meals).

4.18 Discontinued operations

A discontinued operation is a component of the company's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs on disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative profit and loss account is restated as if the operation had been discontinued from the start of the comparative period.

Non-current (or disposal groups comprising assets and liabilities) that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. Immediately before classification as held for sale, the assets (or components of a disposal group) are remeasured in accordance with the Company's accounting policies. Thereafter generally the assets (or disposal group) are measured at the lower of their carrying amount and fair value less cost to sell. Any impairment loss on a disposal group first is allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to inventories, financial assets, deferred tax assets, employee benefit assets, investment property and biological assets, which continue to be measured in accordance with the company's accounting policies. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

4.19 Related party transactions

All transactions with related parties are carried on an arm's length basis.

4.20 Dividend and appropriation to reserves

Dividend and appropriation to reserves is recognised in the Company's fiancial statements in the period in which these are approved.

5 ADOPTIONS OF NEW AND REVISED STANDARDS AND INTERPRETATIONS

Satandards, ammendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company.

	Standard, interpretation and amendments	Effective date (accounting periods beginning on or after)
IFRS 1	First time Adoption of International Financial Reporting Framework - Amendments for government loans with a below-market rate of interest when transitioning to IFRSs	January 1, 2013
IFRS 7	Financial Instruments Disclosures - Amendments related to the offsetting of assets and liabilities	January 1, 2013
IFRS 7	Financial Instruments Disclosures - Deferral of mandatory effective date of IFRS 9 and amendments to transition disclosures	January 1, 2015
IFRS 9	Financial Instruments - Classification and Measurement	January 1, 2015
IFRS 10	Consolidated Financial Statements	January 1, 2013
IFRS 11	Joint Arrangements	January 1, 2013
IFRS 12	Disclosure of Interest in Other Entities	January 1, 2013
IFRS 13	Fair Value Measurement	January 1, 2013
IAS 1	Presentation of Financial Statements - Amendments resulting from Annual Improvements 2009-2011 Cycle (comparative information)	January 1, 2013
IAS 16	Propety Plant and Equipment - Amendments resulting from Annual Improvements 2009-2011 Cycle (servicing equipment)	January 1, 2013
IAS 19	Employee Benefits - Amended Standard resulting from the Post-Employment Benefits and Termination Benefits projects	January 1, 2013
IAS 27	Consolidated and Separate Financial Statements - Reissued as IAS 27 Separate Financial Statements (as amended in 2011)	January 1, 2013
IAS 28	Investments in Associates - Reissued as IAS 28 Investment in associates and Joint Ventures (as amended in 2011)	January 1, 2013
IAS 32	Financial Instuments Presentation - Amendments resulting from Annual Improvements 2009-2011 Cycle (tax effect of equity distributions)	January 1, 2013
IAS 32	Financial Instuments Presentation - Amendments relating to the offsetting of assets and liabilities	January 1, 2014

IFRIC 20	Stripping Cost in the Production Phase of a Surface Mine	January 1, 2013

The Company expects that the adoption of the above standards and interpretations will not have any material impact on its financial statements in the period of initial application except for the following,

IAS 19 - Employee Benefits (Revised) requires acturial gains and losses to be recognised in the other comprehensive income as they occur. Further amounts recorded in profit and loss account are limited to current and past service costs, gains and losses on settlement and interest income (expense). Furthermore all other changes in the net defined benefit asset (liability) are recognised in the other comprehensive income with no subsequent recycling to profit and loss account.

Unrecogninised acturial losses at June 30, 2013 amount to Rs. 13.4 million.

6 ACCOUNTING JUDGEMENTS AND ESTIMATES

The preparation of financial statements in conformity with approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Estimate and judgements are continually evaluated and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognised in the period in which the estimates is revised and in any future periods affected.

In the process of applying the company's accounting policies, management has made the following estimates and judgements which are significant to the financial statements:

Property, plant and equipment

Estimates with respect to residual values and depreciable lives and pattern of flow of economic benefits are based on the recommendation of technical team of the Company. Further, the Company reviews the value of the assets for possible impairment on an annual basis. Any change in the estimates in future years might affect the carrying amounts of the respective items of tangible fixed assets with a corresponding affect on the depreciation charge and impairment.

Staff retirement benfits

Certain actuarial assumptions have been adopted as disclosed in note 17.1.5 to the financial statements for valuation of present value of defined benefit obligations and fair value of plan assets. Any changes in these assumptions in future years might effect unrecognized gains and losses in those years. The acturial valuation involves making assumptions about discount rate, future salary increases and mortality rates.

Taxation

In making the estimates for income taxes payable by the Company, the management considers applicable tax laws and the decisions of appellate authorities on certain cases issued in past. 'Deferred tax assets are recognized for all unused tax losses and credits to the extent that it is probable that taxable profit will be available against which such losses and credits can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

Stock-in-trade

The Company reviews the Net Realizable Value (NRV) of stock-in-trade to assess any diminution in respective carrying value.

	Note	2013	2012
		-------- (Rupees) -------	
PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	7.1	238,738,246	195,907,836
Capital work-in-progress		4,512,066	476,248
		243,250,312	196,384,084

1 **Operating fixed assets**

13

PARTICULARS	COST			RATE % per annum	ACCUMULATED DEPRECIATION				BOOK VALUE AS AT JUNE 30, 2013
	AS AT JULY 01, 2012	ADDITIONS (DELETIONS)	AS AT JUNE 30, 2013		AS AT JULY 01, 2012	ADJUSTMENTS ON DISPOSAL	DEPRECIATION FOR THE YEAR	AS AT JUNE 30, 2013	
Leasehold land	12,095,494	-	12,095,494	-	-	-	-	-	12,095,494
SF/96 Premises (Tenancy Rights)	5,000,000	-	5,000,000	-	-	-	-	-	5,000,000
Building on leasehold land	82,447,839	10,559,771	93,007,610	10	46,036,969	-	6,306,036	52,343,005	40,664,605
Electrification - Factory Building	11,398,228	483,395	11,881,623	10	7,210,593	-	888,991	8,099,584	3,782,039
Office Premises SF/96	10,653,373	977,438	11,630,811	10	3,313,750	-	824,716	4,138,466	7,492,345
Plant and machinery	478,977,356	60,016,558 (3,805,233)	535,188,681	10	364,516,760	(2,565,597)	23,160,026	385,111,189	150,077,492
Handling equipments	8,058,241	1,242,194	9,300,435	10 & 20	2,770,834	-	959,504	3,730,338	5,570,097
Furniture, fixtures and office equipments	4,683,721	1,585,000 (432,000)	5,836,721	10	3,189,664	(241,429)	290,000	3,238,235	2,598,486
Trailor 'NISSAN'	2,800,000	-	2,800,000	25	1,808,333	-	700,000	2,508,333	291,667
Vehicles	15,107,246	5,655,007 (880,121)	19,882,132	20	6,705,905	(880,119)	3,042,118	8,867,904	11,014,228
Computers & software	1,435,124	25,500	1,460,624	20	1,197,858	-	110,979	1,308,837	151,787
Plastic Crates	193,425	-	193,425	50	191,545	-	1,874	193,419	6
JUNE 30, 2013 - Rupees	**632,850,047**	**80,544,863 (5,117,354)**	**708,277,556**		**436,942,211**	**(3,687,145)**	**36,284,244**	**469,539,310**	**238,738,246**

012 PARTICULARS	COST				ACCUMULATED DEPRECIATION				BOOK VALUE
	AS AT JULY 01, 2011	ADDITIONS (DELETIONS)	AS AT JUNE 30, 2012	RATE % per annum	AS AT JULY 01, 2011	ADJUSTMENTS ON DISPOSAL	DEPRECIATION FOR THE YEAR	AS AT JUNE 30, 2012	AS AT JUNE 30, 2012
Leasehold land	12,095,494	-	12,095,494	-	-	-	-	-	12,095,494
SF/96 Premises (Tenancy Rights)	5,000,000	-	5,000,000	-	-	-	-	-	5,000,000
Building on leasehold land	66,066,872	16,380,967	82,447,839	10	41,167,232	-	4,869,737	46,036,969	36,410,870
Electrification - Factory Building	11,336,853	61,375	11,398,228	10	6,322,858		887,735	7,210,593	4,187,635
Office Premises SF/96	8,406,627	2,246,746	10,653,373	10	2,522,498		791,252	3,313,750	7,339,623
Plant and machinery	454,680,287	28,273,567 (3,976,498)	478,977,356	10	344,925,066	(2,824,293)	22,415,987	364,516,760	114,460,596
Handling equipments	5,567,169	2,491,072	8,058,241	10 & 20	1,984,005		786,829	2,770,834	5,287,407
Furniture, fixtures and office equipments	4,324,076	336,145 (26,500)	4,633,721	10	2,909,733	(15,017)	289,365	3,184,081	1,449,640
Trailor 'NISSAN'	2,800,000	-	2,800,000	25	1,108,333		700,000	1,808,333	991,667
Vehicles	13,312,781	4,031,191 (2,236,726)	15,107,246	20	5,349,463	(1,373,866)	2,730,308	6,705,905	8,401,341
Computers & software	1,376,438	127,386 (18,700)	1,485,124	20	1,096,771	(9,350)	116,020	1,203,441	281,683
Plastic Crates	193,425	-	193,425	50	105,471		86,074	191,545	1,880
JUNE 30, 2012 - Rupees	585,160,022	53,948,449 (6,258,424)	632,850,047		407,491,430	(4,222,526)	33,673,307	436,942,211	195,907,836

7.2 **The depreciation charge (including discontinued operation) for the year has been allocated as follows:**

	Note	2013	2012
		-------- (Rupees) -------	
Manufacturing and services expenses	23	**31,151,902**	28,522,016
Fuel and power	23.1	**1,250,524**	3,688,398
Distribution expenses	24	**26,315**	26,315
Administration expenses	25	**3,855,503**	1,436,578
		36,284,244	33,673,307

7.3 Details of fixed assets disposed off during the year are given below:

DESCRIPTION	DATE OF ACQUISITION	ORIGINAL COST	ACCUMULATED DEPRECIATION	BOOK VALUE	SALE PROCEEDS	GAIN/ (LOSS)	MODE OF DISPOSAL	PARTICULARS OF BUYERS
			---------- (Rupees) ----------					
Plant & Machinery								
Cotton Opening Blow Room	10-Sep-2004	824,500	659,601	164,899	172,414	7,515	Negotiation	M/s.Bombay Enterprises, Darul Ehsan Town, Faisalabad
Oil Extract Machine (w/out Panel)	26-Oct-2011	153,523	35,822	117,701	120,690	2,989	Negotiation	Shah Zaman 25-D, Muslim Town More, Ferozepur Road, Lahore
Turbo Diesel Generator Commins	30-Sep-1994	2,827,210	1,870,174	957,036	1,034,483	77,447	Negotiation	Bombay Enterprises Darul Ehsan Town, Faisalabad
Perkins Diesel Generator 60 KVA	13-Jul-2005	248,000	198,400	49,600	73,276	23,676	Negotiation	M/s.S.M.Power Generation 34-A, Mauripur Road, Gul Bai, Kara
Vehicle								
Honda Civic ABU-758 Model 1998	6-Mar-2008	468,121	468,120	1	430,000	429,999	Negotiation	Syed Fayyaz Hassan House # A-460, Block J, North Nazimabad, Karachi
Suzuki Bolan CN-8285 Model 2005	16-May-2005	412,000	411,999	1	400,000	399,999	Negotiation	Syed Fayyaz Hassan House # A-460, Block J, North Nazimabad, Karachi
Furniture, Fixture & Office Equipments								
Photocopier Toshiba 1710	31-May-2006	55,000	34,833	20,167	10,000	(10,167)	Trade-in	International Office Equipments
Photocopier Toshiba 1710	27-Sep-2012	25,000	-	25,000	25,000	-	Trade-in	30, Khan Mansion, I.I.Chundrigar R Karachi.
Mobile Phone Blackberry 9800 (Faizan)	30-Mar-2011	45,500	5,688	39,812	-	(39,812)	Theft	Snatched
Mobile Phone Blackberry 9900 (Faizan)	14-Jul-2012	33,500	1,675	31,825	-	(31,825)	Theft	Snatched
Mobile Phone HTC (Ismail Younus)	16-Feb-2013	25,000	833	24,167	18000	(6,167)	Trade-in	Elahi Electronics Shop 4, Al-Wasila Market, Saddar,
		5,117,354	3,687,145	1,430,209	2,283,863	853,654		

		Note	2013	2012
			-------- (Rupees) -------	
8	**STOCK-IN-TRADE**			
	Raw and packing materials	8.1	**90,444,632**	64,515,192
	Work-in-process		**10,261,820**	11,267,426
	Finished goods		**118,147,707**	115,442,748
	Waste stock		**1,308,660**	1,044,920
			220,162,819	192,270,286
8.1	**Raw and packing materials**			
	In hand		**76,451,930**	59,114,552
	In transit		**13,992,702**	5,400,640
			90,444,632	64,515,192
9	**LOANS AND ADVANCES**			
	Loans to employees - secured	9.1	**1,339,650**	1,153,931
	Unsecured advances to:			
	- Contractors		**1,014,245**	331,894
	- against imports and local purchases		**2,036,787**	725,881
			3,051,032	1,057,775
			4,390,682	2,211,706

9.1 These represent interest free loans to employees for personal use in accordance with the Company's policy and are secured against balance of gratuity fund. These are recoverable in equal monthly installments.

		Note	2013	2012
10	**TRADE DEPOSITS AND SHORT-TERM PREPAYMENTS**			
	Deposits		**174,000**	495,368
	Prepayments		**418,244**	396,376
			592,244	891,744
11	**OTHER RECEIVABLES**			
	Sales tax refundable		**2,342,900**	-
	Others		**350,149**	214,004
			2,693,049	214,004
12	**CASH AND BANK BALANCES**			
	Balances with banks on:			
	- in current accounts		**5,803,834**	6,075,796
	- in PLS accounts	12.1	**8,558,612**	4,183,073
			14,362,446	10,258,869
	Cash in hand		**1,113,037**	714,400
			15,475,483	10,973,269

12.1 These carry profit at the average rate of 5.71% per annum (2012: 6.11% per annum).

13 ISSUED, SUBSCRIBED AND PAID UP CAPITAL

2013	2012		Note	2013	2012
No. of shares				------(Rupees)------	
4,000,000	4,000,000	Ordinary shares of Rs.10/- fully paid in cash		**40,000,000**	40,000,000
2,875,000	2,875,000	Ordinary shares of Rs.10/- issued as fully paid bonus shares		**28,750,000**	28,750,000
6,875,000	6,875,000			**68,750,000**	68,750,000

14 LONG-TERM MUSHARAKA - secured

	2013	2012
Diminishing musharaka	**21,344,952**	10,584,771
Less: Current portion	**(9,093,337)**	(6,350,868)
	12,251,615	4,233,903

Represents Diminishing Musharaka obtained from a commercial bank for the import of (a) Gas generator, (b) Automatic Winders and (c) Spare parts for refurbishment and up-gradation of Automatic Winders. This carries rate of profit based on 6 months Kibor + 2.50%, to be revised semi-annually, floor 12% and ceiling 24%. The principal amount of Musharaka and profit thereon is to be paid in (a) Gas Generator in 31 installments commencing from August 20, 2011 and ending on February 20, 2014, (b) for Automatic Winders in 38 installments commencing from February 25, 2013 and ending on March 25, 2016 and (c) for Spare Parts in 39 installments commencing from May 31, 2013 and ending on June 11, 2016. All the facilities are secured against first exclusive charge over the assets financed by the bank and personal guarantees of three Directors of the Company.

15 STAFF BENEFITS

	Note	2013	2012
Provision for compensated absences	15.1	**832,996**	893,719

15.1 Provision for compensated absences

	2013	2012
Balance at beginning of the year	**893,719**	801,742
Charge for the year	**614,306**	707,406
Benefits paid during the year	**(675,029)**	(615,429)
Balance at end of the year	**832,996**	893,719

16 DEFERRED TAXATION

Deferred tax (asset) / liability on account of:

	2013	2012
- accelerated depreciation	**24,928,122**	17,464,708

17 TRADE AND OTHER PAYABLES

	Note	2013	2012
Creditors		**5,015,761**	4,057,637
Accrued expenses		**17,113,448**	15,545,244
Payable to gratuity fund	17.1	**1,980,975**	1,255,511
Gas Infrastructure Development Cess (GIDC)	17.2	**6,306,807**	-
Workers' Profits Participation Fund	17.3	**9,406,592**	8,487,678
Workers' Welfare Fund		**1,782,042**	1,616,666
Sales tax payable		**397,492**	362,377
Unclaimed dividend		**1,262,918**	894,160
Others		**826,254**	219,612
		44,092,289	32,438,884

	Note	2013	2012
		-------- (Rupees) -------	
17.1 Payable to gratuity fund			
Balance at beginning of the year		1,255,511	571,043
Charge for the year	17.1.2	2,075,746	1,255,511
Benefits paid during the year		(1,350,282)	(571,043)
Balance at end of the year		1,980,975	1,255,511
17.1.1 Reconciliation of defined benefit plan			
Present value of defined benefit obligation	17.1.3	24,941,471	23,589,094
Fair value of plan assets	17.1.4	(36,346,872)	(25,242,282)
Unrecognised actuarial gain		13,386,376	2,908,699
		1,980,975	1,255,511
17.1.2 Charge for defined benefit plan			
Current Service cost		2,599,828	2,391,984
Interest cost		2,811,714	2,739,072
Expected return on plan assets		(3,239,678)	(3,266,817)
Actuarial gain recognised		(96,118)	(608,727)
		2,075,746	1,255,512

The charge for the year has been allocated as follows:

		2013	2012
Cost of sales and services:			
Manufacturing and service expenses		1,516,640	622,065
Fuel and power		44,027	43,540
		1,560,667	665,605
Distribution costs		142,504	81,822
Administrative expenses		372,575	508,084
		2,075,746	1,255,511

		2013	2012
17.1.3 Movement in the present value of defined benefit obligations			
Balance at beginning of the year		23,589,094	20,099,420
Current service cost		2,599,828	2,391,984
Interest cost		2,811,714	2,739,072
Benefits paid during the year		(2,190,760)	(1,069,241)
Actuarial gain		(1,868,405)	(572,141)
Balance at end of the year		24,941,471	23,589,094
17.1.4 Movement in the fair value of plan assets			
Balance at beginning of the year		25,242,282	24,403,651
Expected return on plan assets		3,239,678	3,266,817
Amount paid by Company to the fund		1,350,282	571,043
Benefits paid		(2,190,760)	(1,069,241)
Actuarial gain / (loss)		8,705,390	(1,929,988)
Balance at end of the year		36,346,872	25,242,282

	2013	2012

17.1.5 Principal actuarial assumptions used in the actuarial valuation

Actuarial valuation of the scheme is carried on every year and the latest actuarial valuation was carried out at June 30, 2013. The significant assumptions used for actuarial valuation were as follows:

	2013	2012
Expected rate of increase in future salaries - per annum	**12.00%**	12.50%
Discount rate - per annum	**12.00%**	12.50%
Expected rate of return on plan assets	**12.00%**	12.50%

17.1.6 Comparison for five years

As at June 30,	2013	2012	2011	2010	2009
Present value of defined benefit obligations	24,941,471	23,589,094	20,099,420	14,567,952	12,912,328
Fair value of plan assets	36,346,872	25,242,282	24,403,651	17,435,332	11,500,599
(Surplus) / Deficit	(11,405,401)	(1,653,188)	(4,304,231)	(2,867,380)	1,411,729
Experience adjustment on plan liabilities	(1,868,405)	(527,141)	2,270,152	(877,733)	75,589
Experience adjustment on plan assets	8,705,390	(1,929,988)	3,118,570	(3,704,159)	2,893,855

	2013	2012
	-------- (Rupees) -------	

17.1.7 Major categories / composition of plan assets

	2013	2012
Equity securities and units of mutual funds	**19,947,310**	19,653,903
Bank balances	**16,399,562**	5,588,379
	36,346,872	25,242,282

17.1.8 Actual return on plan assets

The expected return on plan assets was determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date.

The return on plan assets was assumed to equal the discount rate. Actual return on plan assets during the year was Rs.4,983,465/- (2012: Rs.1,336,829/-).

17.2 Government of Pakistan had increased Gas Infrastructure Development Cess (GIDC) with effect from July, 2012 from Rs.13/- per MMBTU to Rs.100/- per MMBTU. Then on September 7, 2012 a new notification was issued and GIDC was fixed at Rs.50/- per MMBTU. This action was challenged vide CP No.2726/2012 in the Islamabad High Court and stay was obtained for the levy of the incremental GIDC. However, as a prudent policy, the Company has already provided the incremental liability.

17.3 Workers' Profit Participation Fund

	2013	2012
Balance at beginning of the year	**8,487,678**	5,676,335
Payments made during the year	**(4,319,458)**	(5,676,335)
	4,168,220	-
Allocation for the year	**4,713,380**	4,319,458
Finance charge on WPPF	**524,992**	4,168,220
Balance at end of the year	**9,406,592**	8,487,678

18 FINANCE COST PAYABLE

	2013	2012
Accrued morabaha profit	**6,112,183**	5,615,987
Accrued diminishing musharaka profit	**29,183**	41,121
	6,141,366	5,657,108

	Note	2013	2012
		-------- (Rupees) -------	

19 LOANS FROM DIRECTORS - unsecured

Borrowings from directors (including chief executive)		**37,900,000**	27,420,000

This represents short-term interest free borrowings from directors to meet working capital requirements with no payment period specified.

20 SHORT-TERM MORABAHA - secured

Commercial Bank	**20.1**	**222,989,606**	196,033,321

20.1 Short-term Morabaha arrangement had been obtained from a commercial bank for the regular purchases of raw material. The bank has approved a facility of Rs.270 million (2012: Rs.210 million). The effective rate of profit on Morabaha facility ranges between 11.11% to 14.04% (2012: 13.83% to 14.04%), based on KIBOR + 2.00% per annum. The arrangement is secured against first charge over stocks and receivables, land, building and plant & machinery (except assets financed under diminishing musharaka by another financial institution) located at H.I.T.E., Hub, Baluchistan, execution of promissory notes and personal guarantees of three directors of the Company.

21 CONTINGENCIES AND COMMITMENTS

21.1 Commitments

Irrevocable letter of credits	**32,835,289**	58,715,270
Capital expenditure	**20,000,000**	50,000,000
Letter of guarantee issued by a commercial bank	**9,647,460**	9,647,460
Custom duty, sales tax, FED and Income tax on goods in transit	**480,628**	-

22 TURNOVER

Textile		
Manufacturing		
- local	**1,063,520,327**	895,828,623
- export	**13,418,180**	-
Trading	**1,063,961**	62,200
Waste stock	**5,628,975**	5,510,900
Services rendered	**116,607**	-
	1,083,748,050	901,401,723
Cold storage	**111,316,404**	107,570,400
	1,195,064,454	1,008,972,123

	Note	2013	2012
23 COST OF SALES AND SERVICES		-------- (Rupees) -------	
Raw and packing material consumed			
Opening stock		**59,114,552**	85,979,851
Purchases		**714,544,150**	613,047,092
Closing stock		**(76,451,930)**	(59,114,552)
		697,206,772	639,912,391
Manufacturing and services expenses			
Fuel and power	23.1	**134,811,366**	112,404,118
Salaries, wages and benefits		**125,568,729**	98,960,438
Repairs and maintenance		**16,329,417**	14,153,683
Stores and spares consumed		**15,368,776**	14,612,684
Insurance		**3,383,117**	2,821,402
Rent, rates and taxes		**595,904**	379,356
Depreciation	7.2	**30,699,777**	28,034,584
Security		**3,123,919**	2,772,894
Supply chain charges		**-**	8,436,703
Transportation		**-**	4,622,569
Others		**21,443,584**	10,531,189
		351,324,589	297,729,619
		1,048,531,361	937,642,010
Work-in-process			
Opening		**11,267,426**	10,750,163
Closing		**(10,261,820)**	(11,267,426)
		1,005,606	(517,263)
Finished goods, waste stock and poultry bi products			
Opening		**116,487,668**	47,954,644
Closing		**(119,456,367)**	(116,487,668)
		(2,968,699)	(68,533,024)
		1,046,568,268	868,591,723

23.1 FUEL AND POWER

	Note	2013	2012
Generation cost:			
Salaries, wages and benefits		**2,269,011**	1,337,455
Fuel expenses		**103,731,364**	83,829,286
Electricity		**18,181,718**	16,056,741
Stores and spares consumed		**880,220**	795,202
Oil and lubricants		**4,917,953**	4,988,133
Repairs and maintenance		**2,975,650**	1,437,385
Depreciation	7.2	**1,250,524**	3,688,398
Insurance		**174,696**	211,684
Others		**430,230**	59,834
		134,811,366	112,404,118

		Note	2013	2012
			-------- (Rupees) -------	
24	**DISTRIBUTION EXPENSES**			
	Salaries, wages and benefits		**2,674,900**	2,239,622
	Packing and forwarding expenses		**1,161,137**	1,010,240
	Communication		**314,302**	313,874
	Sales promotion expenses		**22,730**	12,466
	Marketing expenses		**-**	48,543
	Depreciation		**26,315**	26,315
	Export expenses		**1,319,061**	-
			5,518,445	3,651,060
25	**ADMINISTRATIVE EXPENSES**			
	Salaries, wages and benefits		**11,373,029**	10,469,298
	Printing and stationery		**249,298**	195,269
	Legal and professional charges		**1,024,217**	963,622
	Auditors' remuneration	**25.1**	**315,000**	305,000
	Fees and subscription		**637,716**	648,111
	Travelling and conveyance		**276,336**	489,417
	Repairs and maintenance		**1,222,703**	1,178,817
	Rent rates and taxes		**159,350**	201,552
	Depreciation	**7.2**	**3,855,503**	1,431,266
	Security expenses		**180,540**	144,829
	Electricity and gas		**1,060,282**	895,636
	Insurance		**318,514**	339,060
	Theft		**-**	49,815
	Miscellaneous		**383,996**	398,235
			21,056,484	17,709,927
25.1	**Auditors' remuneration**			
	Audit fee		**305,000**	305,000
	Out of pocket expenses		**10,000**	-
			315,000	305,000
26	**OTHER OPERATING INCOME**			
	Gain on disposal of fixed assets		**850,664**	1,139,447
	Prior sales tax refund		**-**	41,375
	Profit on PLS account		**547,720**	490,514
			1,398,384	1,671,336

		2013	2012
		-------- (Rupees) -------	
27	**FINANCE COSTS**		
	Profit on morabaha	26,034,049	24,603,713
	Profit on diminishing musharaka	1,967,485	2,123,494
	Morabaha documentation charges	77,490	38,791
	Guarantee commission	93,519	93,873
	Local L/C charges	243,828	24,999
	Bank charges	113,675	93,502
		28,530,046	26,978,372
28	**OTHER CHARGES**		
	Workers' Profit Participation Fund	4,713,380	4,319,458
	Finance charge on WPPF	524,992	4,168,220
	Workers Welfare Fund	1,782,042	1,616,666
		7,020,414	10,104,344
29	**TAXATION**		
	Current	17,169,859	24,898,471
	Prior	13,627	(3,381,334)
	Deferred	7,463,414	(1,026,144)
		24,646,900	20,490,993
29.1	**Reconciliation of accounting profit and tax expense**		
	Accounting profit	87,320,045	76,284,810
	Tax rate	35%	35%
	Tax on accounting profit at applicable rate	30,562,016	26,699,684
	Tax effect of income assessed under Final Tax Regime	72,915	-
	Prior year adjustment	13,627	(3,381,334)
	Effect of tax rebate	(6,001,656)	(2,827,357)
		24,646,902	20,490,993
30	**DISCONTINUED OPERATION**		
	Turnover	-	3,744,878
	Cost of sales and services	(452,125)	(10,990,512)
	Gross profit	(452,125)	(7,245,634)
	Distribution expenses	-	(13,118)
	Administrative expenses	-	(64,471)
	Other operating income	2,989	-
	Profit before taxation	(449,136)	(7,323,223)
	Taxation	-	-
	Profit after taxation	(449,136)	(7,323,223)
	Cash flows		
	Net cash from operating activities	519,941	(6,830,479)
	Net cash from investing activities	120,690	-
	Net cash inflows from discontinued operation for the year	640,631	(6,830,479)

	2013	2012
	-------- (Rupees) -------	

31 EARNING PER SHARE - BASIC AND DILUTED

There is no dilutive effect on basic earnings per share of the Company which is based on:

	2013	2012
Profit after taxation from continued operation	**63,122,281**	63,117,040
Loss from discontinued operation	**(449,136)**	(7,323,223)
	62,673,145	55,793,817
	Number of shares	
Weighted average number of shares	**6,875,000**	6,875,000
	-------- (Rupees) -------	
Earning per share from continued operation	**9.18**	9.18
Loss per share from discontinued operation	**(0.07)**	(1.07)
Basic and diluted earnings per share	**9.12**	8.12

32 WORKING CAPITAL CHANGES

32.1 (Increase) / decrease in current assets

	2013	2012
Stock-in-trade	**(27,892,533)**	(37,082,548)
Trade debts	**6,855,895**	(10,304,249)
Loans and advances	**(2,178,976)**	452,431
Trade deposits and short term pre-payments	**299,500**	(222,881)
Other receivables	**(2,479,045)**	3,254,275
	(25,395,159)	(43,902,972)

32.2 Increase in current liabilities

	2013	2012
Trade and other payables	**11,284,646**	6,043,520

33 REMUNERATION OF CHIEF EXECUTIVE AND DIRECTORS

	Chief Executive		Directors		Executives	
	2013	2012	**2013**	2012	**2013**	2012
	-----	-----	-----(Rupees)	-----	-----	-----
Remuneration	**1,920,000**	1,920,000	**5,520,000**	5,520,000	**3,544,759**	2,557,151
House rent	**768,000**	743,904	**2,208,000**	2,171,856	**868,950**	723,600
Retirement benefits	**192,000**	168,567	**146,719**	422,090	**16,642,156**	408,247
Utilities	**87,411**	216,096	**656,589**	588,144	**220,050**	182,400
	2,967,411	3,048,567	**8,531,308**	8,702,090	**21,275,915**	3,871,398
Number of persons	**1**	1	**4**	4	**4**	3

33.1 In addition, the directors are also provided with the free use of Company maintained cars and mobile telephone facility principally for business purposes.

33.2 No fee paid to Director for attending Board Meetings during the year. (2012: NIL).

34 TRANSACTIONS / BALANCES WITH RELATED PARTIES

Related parties of the Company comprise of companies with common directorship, retirement fund and directors. Detail of transactions / balances with related parties during the year, other than those which have been disclosed elsewhere in these financial statements, are as follows:

	2013	2012
	-------- (Rupees) -------	
Transaction:		
Contribution to the gratuity fund	1,350,282	571,043
Borrowing from directors and family member	62,625,000	90,349,759
Repayment of borrowing from directors and family member	52,145,000	75,089,759
Connect Logistics (Private) Limited (Associated company)	724,115	-
Balances:		
Connect Logistics (Private) Limited (Associated company)	724,115	-

35 CAPACITY AND PRODUCTION

	2013	2012
Number of spindles installed	24,888	24,888
Number of rotors	800	800
Average number of spindles operated during the period	24,361	23,930
Installed production capacity 30/s count - (KGs)	4,612,883	5,226,414
Actual production (KGs)	3,043,392	2,787,416
Number of shifts per day	3	3

36 FINANCIAL INSTRUMENTS BY CATEGORY

FINANCIAL ASSETS

	2013	2012
Loans and receivables at amortized cost		
Long-term deposits	1,085,450	848,200
Trade debts	165,512,974	172,368,869
Loans and advances	4,390,682	2,211,706
Trade deposits	592,244	891,744
Other receivables	2,693,049	214,004
Cash and bank balances	15,475,483	10,973,269
	189,749,882	187,507,792

FINANCIAL LIABLITIES

	2013	2012
Financial liabilities at amortized cost		
Long-term musharaka	12,251,615	4,233,903
Trade and other payables	44,092,289	32,438,884
Finance cost payable	6,141,366	5,657,108
Borrowing from Directors and family member	37,900,000	27,420,000
Current portion of long-term musharaka	9,093,337	6,350,868
Short term morabaha	222,989,606	196,033,321
	332,468,213	272,134,085

37 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The company's activities expose it to certain financial risk. Such financial risk emanate from various factors that include, but not limited to, market risk, credit risk and liquidity risk. The company's overall risk management focuses on the unpredictability of financial market and seeks to minimize potential adverse effects on the company's financial performance. Risk measures and managed by company are explained below:

37.1 Market risk

Market risk is the risk that the fair value of future cash flows of financial instrument will fluctuate due to changes in market variables such as interest rate and foreign exchange rates.

(i) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings from financial institution with floating interest rates. Management of the Company estimates that increase of 100 base point in the market interest rate, with all other factors remaining constant, would increase/decrease the Company's after tax profit by Rs.1,532,544 (2012: Rs.1,343,018). However, in practice, the actual result may differ from the sensitivity analysis.

(ii) Foreign currency risk

Foreign currency risk is the risk that the value of financial assets or a financial liability will fluctuate due to a change in foreign exchange rates. It arises mainly where receivables and payables exist due to transaction in foreign currency. As at June 30, 2013, the company is not exposed to risk in respect of financial assets or financial liabilities.

37.2 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted.

Credit risk arises from cash and cash equivalent, derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including trade receivables and committed transactions. Out of total financial assets of Rs.189,749,882 (2012: 187,507,792), the financial assets are subject to credit risk amounted to Rs.188,636,845 (2012: 186,793,392).

The maximum exposure to credit risk as at June 30, 2013, along with comparatives is tabulated below:

	2013	2012
	-------- (Rupees) -------	
Financial Assets		
Long-term deposits	**1,085,450**	848,200
Trade debts	**165,512,974**	172,368,869
Loans and advances	**4,390,682**	2,211,706
Trade deposits	**592,244**	891,744
Other receivables	**2,693,049**	214,004
Bank balances	**14,362,446**	10,258,869
	188,636,845	186,793,392
Bank balances		
Ratings		
A1+	**14,362,446**	10,258,868

Due to Company's long standing business relationships with these counter parties and after giving due consideration to their strong financial standing, management does not expect non-performance by these counter parties on their obligations to the company.

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37.3 Liquidity risk

Liquidity risk is a risk that an enterprise will encounter difficulties in raising funds to meet commitments associated with financial instruments. The management believe that it is not expose to any significant level of liquidity risk.

The management forecasts the liquidity of the Company on basis of expected cash flow considering the level of liquid assets necessary to meet such risk. This involves monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financial liabilities in accordance with their contractual maturities are presented below:

2013	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
		----------(Rupees)----------			
Musharaka	1,481,510	7,611,827	12,251,615	-	**21,344,952**
Trade and other payables	44,092,289	-	-	-	**44,092,289**
Finance cost payable	3,822,769	2,318,597	-	-	**6,141,366**
Borrowing from Directors and family member	37,900,000	-	-	-	**37,900,000**
Short-term morahaba	85,998,364	136,991,242	-	-	**222,989,606**
Total	**173,294,932**	**146,921,666**	**12,251,615**	**-**	**332,468,213**

2012	Less than 3 months	3 to 12 months	1 to 5 years	> 5 years	Total
		----------(Rupees)----------			
Musharaka	1,058,478	5,292,390	4,233,903	-	10,584,771
Trade and other payables	33,332,604	-	-	-	33,332,602
Finance cost payable	2,128,976	3,528,132	-	-	5,657,108
Borrowing from Directors and family member	27,420,000	-	-	-	27,420,000
Short-term morahaba	34,908,870	161,124,451	-	-	196,033,321
Total	**98,848,928**	**169,944,973**	**4,233,903**	**-**	**273,027,804**

37.4 Fair value of financial instruments

Fair value is an amount for which an asset could be exchanged, or a liability settled, between knowledgeable willing parties in an arm's length transactions. Consequently, differences may arise between the carrying value and the fair value estimates.

As at June 30, 2013 the net fair value of all financial assets and financial liabilities are estimated to approximate their carrying value.

37.5 Capital risk management

The company is objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide return for shareholder and benefits for other stakeholder and to maintain an optimal capital structure.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholder, return capital to shareholder or issue new shares or sell assets to reduce debt.

The company manages its capital risk by monitoring its debt levels and liquid assets and keeping in view future investment requirement and expectations of shareholder. Debt is calculated at total borrowing ('long term loan' and 'current maturity of the long term loan' as shown in the balance sheet). Total capital comprises shareholders' equity as shown in the balance sheet under 'share capital and reserves'.

As at June 30, 2013 and 2012, the company has surplus cash reserves to meet its requirement and there was no debt position.

38 SEGMENTAL INFORMATION

For management purposes, the Company has identified three operating segments:

1. Textile - manufacturing and sale of man-made blended yarn;
2. Cold storage - providing services in respect of cold storage through "compartmentalized cold store project"; and
3. Poultry bi-products - local trading and export of processed poultry bi-products (discontinued).
4. Food stuff - processing of "ready to eat" meals.

The operating business are organized and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

2013	Textile	Cold Storage	Poultry bi-products	Food Stuff	Total
			(Rupees)		
			Discontinued Operation		
Turnover	1,083,748,050	111,316,404	-	-	**1,195,064,454**
Cost of sales and services	(962,973,616)	(84,046,777)	(452,125)	-	**(1,047,472,518)**
Gross profit	120,774,434	27,269,627	(452,125)	-	**147,591,936**
Distribution costs	(5,492,130)	(26,315)	-	-	**(5,518,445)**
Administrative expenses	(19,095,140)	(1,961,345)	-	-	**(21,056,485)**
Other operating income	887,760	510,624	2,989	-	**1,401,373**
Operating profit	97,074,924	25,792,591	(449,136)	-	**122,418,379**
Finance costs	(28,530,046)	-	-	-	**(28,530,046)**
Other charges	(5,805,887)	(1,192,372)	-	-	**(6,998,259)**
Profit before taxation	62,738,991	24,600,219	(449,136)	-	**86,890,074**
Taxation	(17,796,298)	(6,978,002)	234,985	-	**(24,539,315)**
Profit after taxation	44,942,693	17,622,217	(214,151)	-	**62,350,759**
OTHER INFORMATION					
Segment assets	497,842,455	119,338,661	953,227	3,895,066	**622,029,409**
Unallocated assets					**32,835,355**
Total assets					**654,864,764**
Segment liabilities	275,860,494	3,304,590	-	-	**279,165,084**
Unallocated liabilities					**79,042,092**
Total liabilities					**358,207,176**
Capital expenditure	51,078,560	30,097,303	-	3,881,066	**85,056,929**
Depreciation	19,220,360	16,611,759	452,125		**36,284,244**

2012	Textile	Cold Storage	Poultry bi-products	Food Stuff division	Total
	------------------	----------------	(Rupees)	----------------	----------------
			Discontinued Operation		
Turnover	901,401,723	107,570,400	3,744,878	-	**1,012,717,001**
Cost of sales and services	(782,449,715)	(86,142,009)	(10,990,512)	-	**(879,582,236)**
Gross profit	118,952,008	21,428,391	(7,245,634)	-	**133,134,765**
Distribution costs	(3,576,202)	(74,858)	(13,118)	-	**(3,664,178)**
Administrative expenses	(15,820,681)	(1,887,989)	(65,728)	-	**(17,774,398)**
Other operating income	661,332	1,010,004	-	-	**1,671,336**
Operating profit	100,216,457	20,475,548	(7,324,480)	-	**113,367,525**
Finance costs	(26,978,372)	-	-	-	**(26,978,372)**
Other charges	(8,561,965)	(1,542,379)	-	-	**(10,104,344)**
Profit before taxation	64,676,120	18,933,169	(7,324,480)	-	**76,284,809**
Taxation	(15,850,845)	(4,640,148)	-	-	**(20,490,993)**
Profit after taxation	48,825,275	14,293,021	(7,324,480)	-	**55,793,816**
OTHER INFORMATION					
Segment assets	453,240,354	109,804,272	1,523,053	-	**564,567,679**
Unallocated assets					**11,594,483**
Total assets					**576,162,162**
Segment liabilities	229,596,042	3,538,135	-	-	**233,134,177**
Unallocated liabilities					**64,378,197**
Total liabilities					**297,512,374**
Capital expenditure	38,618,643	14,413,606	916,200	-	**53,948,449**
Depreciation	18,092,343	15,093,532	487,432	-	**33,673,307**

39 CORRESPONDING FIGURES

Corresponding figures have been rearranged and reclassified for better presentation. Major reclassifications are as under:

Particulars	Previous Classification	Revised Classification	Rupees
Provision for compensated absences	Trade and other payables	Staff benefits	832,996

40 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on September 24, 2013 have proposed a cash dividend of Rs.5.00 per share (50%) amounting to Rs.34,375,000/- and Stock dividend (Bonus shares) at one share for every four shares held (25%), amounting to Rs.17,187,500/- for the year ended June 30, 2013 for approval of the members at the forthcoming Annual General Meeting to be held on October 21st, 2013.

41 GENERAL

Amounts have been rounded off to the nearest Rupee.

42 DATE OF AUTHORISATION FOR ISSUE

These financial statements were authorised for issue on **September 24, 2013** by the Board of Directors of the Company.

(Mohammed Younus Nawab) Chief Executive	(Ibrahim Younus) Director	(Abdul Hussain Antaria) Chief Financial Officer

PATTERN OF HOLDING OF THE SHARES HELD BY THE SHAREHOLDERS

as at 30 June 2013

No. of Shareholders	Shareholdings FROM		TO	Total Shares Held
102	1	to	100	2,656
156	101	to	500	37,749
64	501	to	1,000	53,632
90	1,001	to	5,000	222,318
41	5,001	to	10,000	298,166
10	10,001	to	15,000	121,784
4	15,001	to	20,000	65,272
3	20,001	to	25,000	75,000
2	25,001	to	30,000	57,515
1	30,001	to	35,000	30,938
2	40,001	to	45,000	85,912
3	60,001	to	65,000	184,642
3	70,001	to	75,000	217,875
1	85,001	to	90,000	87,000
2	90,001	to	95,000	187,122
1	100,001	to	105,000	103,283
1	165,001	to	170,000	167,580
1	170,001	to	175,000	173,596
1	230,001	to	235,000	231,152
1	300,001	to	305,000	304,456
2	335,001	to	340,000	673,678
1	1,720,001	to	1,725,000	1,724,467
1	1,765,001	to	1,770,000	1,769,207
493				6,875,000

CATEGORIES OF SHAREHOLDERS	NUMBER OF SHAREHOLDERS	TOTAL SHARES HELD	PERCENTAGE
Financial Institutions	3	31,575	0.46%
Individuals	481	6,127,772	89.13%
Insurance Companies	1	28,015	0.41%
Joint Stock Companies	4	11,937	0.17%
Modaraba Companies	1	937	0.01%
Mutual Funds	2	339,487	4.94%
Others	1	335,277	4.88%
TOTALS	493	6,875,000	100.00%

The above two statements include 377 Shareholders, holding 6,790,616 shares through the Central Depository Company of Pakistan Limited (CDC).

			Number	Total shares	%age
Directors,CEO and their Spouse and Minor Children (Name-wise).					
(1)	Mr.Mohammed Yousuf	Chairman / Director	1	103,283	1.50%
(2)	Mr.Mohammed Younus Nawab	Chief Executive	1	1,769,207	25.73%
(3)	Mr.Mohammed Irfan Nawab	Director	1	1,724,467	25.08%
(4)	Mr.Ibrahim Younus	Director	1	17,702	0.26%
(5)	Mr.Ismail Younus	Director	1	6,093	0.09%
(6)	Mr.Mohammed Faizanullah	Director	1	6,250	0.09%
(7)	Mrs.Sabiha Younus	Spouse (W/o Mohammed Younus Nawab)	1	304,456	4.43%
(10)	Mrs.Afshan Irfan	Spouse (W/o Mohammed Irfan Nawab)	1	71,250	1.04%
Associated Companies, Undertakings and related parties (Name-wise).			None	None	None
Executives			None	None	None
Public Sector Companies and Corporations			4	367,053	5.34%
Banks, DFIs, NBFIs, Insurance Companies, Takaful, Modarabas & Pension Funds			2	31,875	0.46%
Mutual Funds			-	-	-
General Public (Local)			472	2,124,893	30.91%
General Public (Foreign)			1	171	0.00%
Others			6	348,300	5.07%
			493	6,875,000	100.00%

Shareholders holding 10% or more voting interest in the Listed Companies

		Number	Total shares	%age
(1)	Mr.Mohammed Younus Nawab	1	1,769,207	25.73%
(2)	Mr.Mohammed Irfan Nawab	1	1,724,467	25.08%

FORM OF PROXY

M/s.Sana Industries Limited,
SF Unit No.96, S.I.T.E.,
P.O.Box No.10651,
Karachi-75700

I/We____

of__________________ holding CNIC No. ______________________being a member of

SANA INDUSTRIES LIMITED, and holder of ________ Ordinary Shares as per the Share Register Folio No.________

and/or CDC Participant I.D.No.__________________ and Account / Sub Account No.______________

hereby appoint______________________________________ of ______________

or failing him/her____________________________________ of______________

as my/our Proxy in my/our absence to attend and vote for me/us and on my/our behalf at the 28th Annual General Meeting scheduled to be held on 21st October, 2013 or at any adjournment thereof.

Signed this________________________ day of ________________2013.

Signature of Proxy ____________________________

Signature on Rs.5/- Revenue Stamp

Folio No. of Shareholder__________

No.of Shares held____________

Signature of Shareholder

WITNESSES

(1) Signature ______________

Name______________

CNIC No.______________

Address______________

____

____

(2) Signature ______________

Name______________

CNIC No.______________

Address______________

____

____

NOTES:

* A member entitled to attend and vote at the meeting may appoint a proxy in writing to attend the meeting and vote on the member's behalf. A Proxy need not be a member of the Company.
* If a member is unable to attend the meeting, they may complete and sign this form and send it to the Company Secretary, Sana Industries Limited, SF-96, S.I.T.E., Karachi, so as to reach not less than 48 hours before the time appointed for holding the meeting.
* The Proxy form shall be witnessed by two persons whose names, addresses and NIC / Passport numbers shall be stated on the form.
* Attested copies of NIC or the passport of the beneficial owners and the proxy shall be provided with the proxy form.
* The proxy shall produce his original NIC or original passport at the time of the meeting.
* In case of a corporate entity, the Board of Directors resolution / power of attorney with specimen signature shall be submitted (unless it has been provided earlier) along with proxy form to the Company.