



ANNUAL REPORT 2004



Nishat Chunian Ltd

Brief Profile

The Company was incorporated in 1990 as a public limited company with an equity investment of PKR 100 million. A spinning mill having a capacity of 14,400 spindles was established at Bhai Pheru, Tehsil Chunian. It started commercial production on March 10, 1991. The capacity was enhanced to 19,200 spindles in 1998. In 1998, the Company diversified its business interests by venturing into a weaving project with the installation of 99 air jet looms. A new state of the art spinning unit started production in November 2000, increasing the total spinning capacity to about 40,872 spindles. Subsequently weaving capacity has been increased to 212 air jet looms while the spinning capacity has been enhanced to 50,952 spindles. The Company is now equipped with the most modern manufacturing facilities in the country to produce high quality specialized products for its customers all over the world.

- 02** Company Information
- 03** Notice of Annual General Meeting
- 04** Directors' Report
- 09** Financial Highlights
- 10** Statement of Compliance with the Code of Corporate Governance
- 11** Statement of Compliance with the Best Practices on Transfer Pricing
- 12** Review Report to the Members on Statement of Compliance with Best Practices of Code of Corporate Governance
- 13** Auditors' Report
- 14** Balance Sheet
- 16** Profit and Loss Account
- 17** Cash Flow Statement
- 18** Statement of Changes in Equity
- 19** Notes to the Financial Statements
- 38** Pattern of Shareholding
- 41** Proxy Form

COMPANY INFORMATION

Board of Director:	Mr. Muhammad Saleem Mr. Shahzad Saleem Mr. Yahya Saleem Mr. Manzoor Ahmed Mr. Aftab Ahmad Khan Mr. Khalid Niaz Khawaja Syed Jawad Gillani	Chairman Chief Executive Nominee NIT
Audit Committee:	Mr. Shahzad Saleem Mr. Aftab Ahmad Khan Syed Jawad Gillani	Chairman Member Member
Company Secretary:	Mr. Farrukh Ifzal	
Bankers to the Company:	ABN AMRO Bank N.V Askari Commercial Bank Limited Citibank N.A. Faysal Bank Limited Habib Bank Limited Hong Kong & Shanghai Banking Corporation Limited Meezan Bank Limited NDLC IFIC Bank Standard Chartered Bank The Bank of Punjab Union Bank Limited United Bank Limited	
Auditors:	Riaz Ahmad & Company Chartered Accountants	
Registered & Head Office:	31-Q, Gulberg-II, Lahore, Pakistan. Phone :5761730-39 Fax :5878696-97 Web :www.nishatchunian.com	
Mills:	Spinning 1 49th Kilometre, Multan Road, Bhai Pheru, Tehsil Chunian, District Kasur. Spinning 2 & Weaving 49th Kilometre, Multan Road, Kamogal, Tehsil Pattoki District Kasur.	

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 15th Annual General meeting of the Shareholders of **Nishat (Chunian) Limited** will be held at the Registered Office of the Company, 31-Q, Gulberg II, Lahore on 23 December 2004 (Thursday) at 11.00 a.m. to transact the following business:-

1. To confirm the minutes of the last General Meeting.
2. To receive and adopt audited accounts of the Company for the period ended 30 September 2004 together with Directors' and Auditors' reports thereon.
3. To approve 12.50% Final Cash Dividend (i.e. Rs.1.25 per share) as recommended by the Directors. This is in addition to an interim dividend @ 12.50% (i.e. 1.25 per share) already paid for the half year ended 31 March 2004.
4. To appoint auditors for the year ending 30 September 2005 and to fix their remuneration. The present auditors M/s Riaz Ahmad & Company, Chartered Accountants, retire and being eligible offer themselves for reappointment.

SPECIAL BUSINESS:

5. To seek the consent of shareholders for transmission of quarterly accounts through website in compliance with Section 245 of the Companies Ordinance 1984 and Securities and Exchange Commission of Pakistan's (SECP) Circular No. 19 of 2004 and, if deemed fit pass the following resolution:

RESOLVED THAT

- a) Consent be and is hereby granted to place the quarterly accounts of the Company on the website of the Company, pursuant to the SECP's Circular No 19 of 2004 dated 14 April 2004.
 - b) The Chief Executive and the Company Secretary be and are hereby authorized severally or jointly, to apply SECP for its consent for such placing of the quarterly accounts on the website of the Company and to do all necessary acts, deeds and things in connection therewith and ancillary thereto including consultation with the Stock Exchanges on which the Company is listed.
6. To transact any other business with the permission of the Chair.

BOOKS CLOSURE

The Share Transfer Books of the Company will remain closed from 17 December 2004 to 23 December 2004 (both days inclusive) for the entitlement of dividend.

By Order of the Board

Furrukh Ifzal
Company Secretary

Lahore: 25 November 2004

Notes:

1. The Cash Dividend will be paid to the Shareholders, whose names will appear in the register of members as at the close of business on 16 December 2004.
2. All members should bring their original National Identity Cards for Identification purpose.
3. The beneficial owners of the shares registered in the name of Central Depository Company of Pakistan (CDC) and / or their proxies are required to produce their original National Identity Cards (NIC or Passports for identification purpose at the time of attending the meeting. The form of the proxy must be submitted with Company within the stipulated time duly witnessed by two persons whose names addresses and NIC numbers must be mentioned on the form along with attested copies of the NIC or the Passport of the beneficial owner and the proxy.
4. A member eligible to attend and vote at this meeting may appoint another member as his / her proxy to attend and vote instead of him / her Proxies in order to be effective must be received by the Company at the Registered Office not later than 48 hours before the time for holding the meeting during working hours.
5. Members are requested to immediately notify the change of address, if any

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

This statement sets out the material facts concerning the Special Business given in agenda item No. 5 (Placement of quarterly accounts on website) to be transacted at the Annual General Meeting of the Company to be held on 23 December 2004.

The Securities and Exchange Commission of Pakistan (SECP) vide Circular No 19 of 2004 has allowed the listed companies to place the quarterly accounts on their websites instead of sending the same to each shareholder by post. We appreciate this decision which would ensure prompt disclosure of information to the Shareholders, besides saving of costs associated with printing and dispatch of the accounts by post.

The Company is maintaining its website www.nishatchunian.com. Prior permission of the SECP would be sought for transmitting the quarterly accounts through Company's website after the approval of the Shareholders. The Company however, will supply the copies of accounts to the Shareholders on demand at their registered addresses, free of cost within one week of receiving such request.

The Directors of the Company have no interest in the above resolution that would need a further disclosure.

Economic Environment

During the year under review the economy continued to strengthen. All major economic indicators remained stable and interest rates remained low. However, the international economic scenario remained under depression in the aftermath of Iraq war and due to high oil prices. Moreover, cotton prices both locally and internationally went up drastically and hit an all time high of 3,600 per maund. The textiles industry remained under pressure because of the unfavorable international conditions and high cotton prices.

Performance of the Company

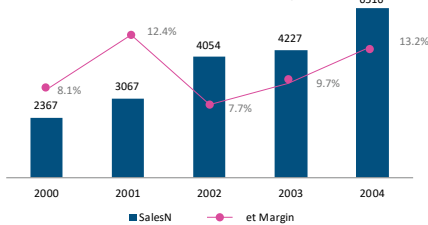
During the year under review company's performance was very good. Sales increased by 54.2% to highest ever level of Rs.6.516 billion while net profit increased by 94% to Rs.635 million. Net profit margin improved from 7.7% in year ending 2003 to 9.7% this year.

The improved performance this year can be attributed to a number of factors. The increase in sales and profitability is due to optimal utilization of the available capacity, increase in sale prices, sale of high margin products and substantial sale of purchased greige fabrics. Through better management and aggressive marketing, the Company has retained its position as one of the most profitable textile companies in the country. Return on equity this year is 46.6%, while earning per share is Rs.14.32. The average return on equity during the last five years is 58.4%. Our target is to maintain a long term ROE of 30 - 40%

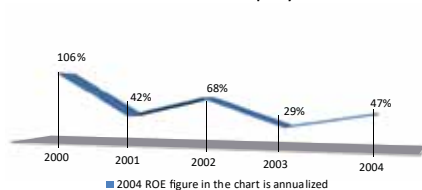
Investments and Sources of Financing

During the year, Rs.1,100 million were invested in the fixed assets. This is part of the Company's expansion plan to increase its spinning and weaving capacity and to set up a captive power plant with a capacity of 18 MW for production of cost effective electricity. Depreciation cash flow of Rs.209 million, retained earnings and net increase in long term debt of Rs.629 million were used to finance this expansion.

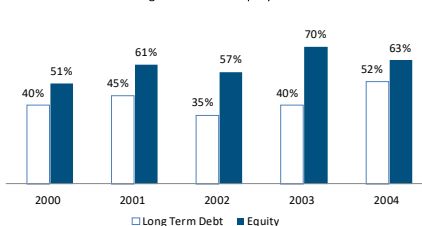
Sales and Net Profit Margin



Return on Equity

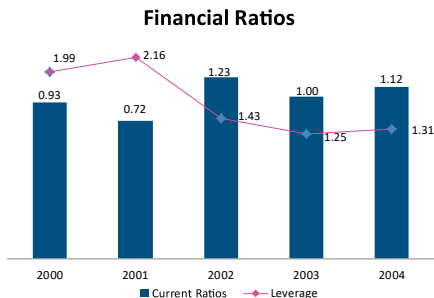


Long Term Debt to Equity Ratios



Financial Structure

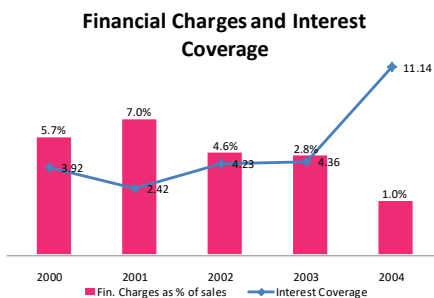
Since the seasonal and cyclical fluctuations expose the textile industry to higher risk, we have employed a conservative financial structure. We have identified the targeted levels of critical financial ratios such as the current ratio, debt to equity ratio and leverage. Decisions for further investments are made subject to the constraints of the targeted financial ratios. The illustration shows the historic figures of our current ratio and leverage.



The measures taken by management last year to take advantage of the fall in interest rates have shown their full impact this year. Because of re-profiling of debt, better cash management and low interest rates, financial charges decreased to Rs.71.54 million from 119.08 million last year. The illustration shows the last five years' financial charges as a percentage of sales, depicting the declining trend.

Business Strategy

One of the key factors of our competitiveness is our aggressive marketing strategy. We focus on niche marketing with specialized products. Our quality products are supplemented with professional customer service to build long term relationship with the customers. We have differentiated our company through consistent quality, reliable delivery and proactive handling of costumers' needs.

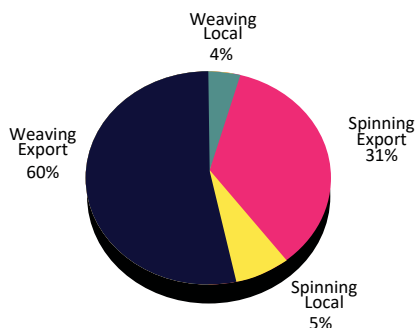


Investment in state of the art technology and top quality human resources has been the key element of our business strategy. The organisational structure is kept lean with very little hierarchy and bureaucracy compared to other organizations of similar size. This gives us the flexibility to respond quickly to the changes in the market situation.

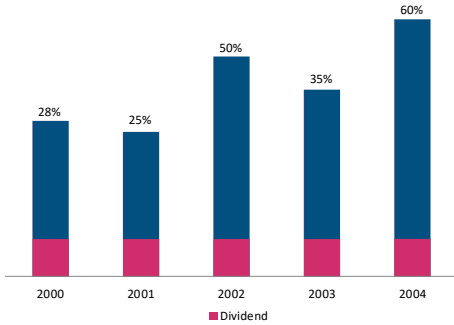
Dividends

Company has maintained a steady stream of dividend payouts while retaining adequate portion of the profits for future growth. This year also we have proposed Rs.1.25 per share as final dividend, that amounts to Rs.55.44 million, in addition to

Sales Breakup



Payout to Shareholders



Rs.1.25 per share already paid as interim dividend during the year. Rs.525 million are being transferred to general reserves.

Future Outlook

Removal of trade barriers and trend towards free trade regime worldwide is creating threats as well as opportunities. In future It will become increasingly difficult to maintain competitive edge, but at the same time potential rewards will also increase. Efficient and competitive organizations are likely to undergo accelerated growth getting market share from the less competitive ones. We are focusing our efforts on specialising in value added products and to become one of the top suppliers of high quality textile products worldwide. In order to fully utilize the business potential in post quota regime, we have an extensive expansion plan whereby a new spinning unit comprising 50,000 spindles is being set up along with a captive power plant of 18 MW production capacity. We have decided to go into the finishing business for Home Textiles. A new dyeing and finishing plant is being set up on Manga Raiwind Road and letters of credit for a majority of the equipments have been opened. The company is also acquiring the operating assets of Umer Fabrics Limited by way of merger. Umer Fabrics Limited is located in the vicinity of Nishat (Chunian) Limited and is the single largest external supplier of yarn for the company. This merger will rationalize the business structure, bring economies and significantly improve the flexibility, and efficiency. We are further looking into non-textile business to diversify our business and enter a sector that is dependent on the local market for sales and for the supply of raw materials. In this way we plan to reduce our exposure to currency fluctuations and international shocks.

Change of Financial Year

The Central Board of Revenue has directed the change of financial year end from September to June for textile industry. Consequent upon above direction and Circular No.29 of 2004 issued by the Securities and Exchange Commission of Pakistan (SECP), the next financial year will be of nine months and will close on 30 June 2005.

Placement of Quarterly Financial Statements on Website

Pursuant to the SECP's Circular No.19 dated 14 April 2004 directors have proposed, subject to the permission of SECP, to place the quarterly financial statements on company's website instead of sending the same by post to shareholders.

Corporate Governance

As required by the Code of Corporate Governance, directors are pleased to report that:

- a. The financial statements prepared by the management of the company present fairly its state of affairs, the results of its operations, cash flows and changes in equity.
- b. Proper books of accounts have been maintained by the Company.
- c. Appropriate accounting policies have been consistently applied in preparation of financial statements and accounting estimates are based on reasonable and prudent judgment.
- d. The International Accounting Standards, as applicable in Pakistan have been followed in preparation of financial statements.
- e. The system of internal controls is sound in design and has been effectively implemented and monitored.
- f. There are no doubts upon the company's ability to continue as a going concern.
- g. There has been no departure from the best practices of Corporate Governance, as detailed in the listing regulations.
- h. There has been no departure from the best practices of transfer pricing.
- i. The may operating and financial data for the last ten years is annexed.
- j. The value of investment of contributory provident fund as at 30 September 2004, amounts to Rs.8.23 million.
- k. There has been no trading of Shares by Chief Executive Directors, Chief Financial Officer, Company Secretary, their spouses and minor children, during the year.

DIRECTORS' REPORT

I. Board Meetings

During the year under review five (5) meetings were held
Attendance by each director is as follows:

Name of Director	Attendance
Mr. Muhammad Saleem	4
Mr. Shahzad Saleem	5
Mr. Yahya Saleem	5
Mr. Khalid Niaz Khawaja	1
Syed Jawad Gillani	1
Mr. Manzoor Ahmad*	3
Mr. Aftab Ahmad Khan **	1
Mr. Asif Jameel ***	1
Mr. Farid Afzal ****	1

* Appointed to fill casual vacancy of 03 January 2004

** Appointed to fill casual vacancy of 05 July 2004

*** Resigned on 03 January 2004

**** Resigned on 05 July 2004

On behalf of the Board

Muhammad Saleem

Chairman

Lahore: 25 November 2004

WITH THE CODE OF CORPORATE GOVERNANCE FOR
THE YEAR ENDED 30 SEPTEMBER 2004

This statement is being presented to comply with the Code of Corporate Governance contained in Regulation No.37 (Chapter XI) of Listing Regulations of Karachi Stock Exchange (Guarantee) Limited and Clause 40 (Chapter XIII) of the Listing Regulations of Lahore Stock Exchange (Guarantee) Limited for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of corporate governance.

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. At present the Board includes one independent non-executive director.
- 2 The directors have confirmed that none of them is serving as a director in more than ten listed companies, including this Company.
- 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 NBFIs or, being a member of a stock exchange, has been declared as a defaulter by that stock exchange.
- 4 Casual vacancies occurring in the Board on 3 January 2004 and 5 July 2004 were filled up by the directors within same day thereof.
- 5 The Company has prepared a 'Statement of Ethics and Business Practices', which has been signed by all the directors and employees of the Company.
- 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 directors, have been taken by the Board.
- 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 The Board arranged orientation courses for its directors during the year to apprise them of their duties and responsibilities.
- 10 The directors' report for this year has been prepared in compliance with the requirements of the Code and fully describes the salient matters required to be disclosed.
- 11 The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
- 12 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.
- 13 The Company has complied with all the corporate and financial reporting requirements of the Code.
- 14 The Board has formed an audit committee. It comprises three members, of whom two are non-executive directors.
- 15 The meetings of the audit committee were held at least once every quarter prior to approval of interim and final

results of Company and as required by the Code. The terms of reference of the committee have been formed and advised to the committee for compliance.

- 16 The Board has set-up an effective internal audit function with suitably qualified and experienced staff, conversant with the policies and procedures of the Company and involved in the internal audit function on a full time basis.
- 17 The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review programme of the Institute of Chartered Accountants of Pakistan (ICAP), 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 ICAP.
- 18 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.
- 19 We confirm that all other material principles contained in the Code have been complied with.

Lahore; 25 November 2004

Muhammad Saleem
Chairman

Statement of Compliance with the Best Practices on Transfer Pricing

The Company has fully complied with the best practices on Transfer Pricing as contained in the related Listing Regulations of the Karachi and Lahore Stock Exchanges.

Lahore; 25 November 2004

Muhammad Saleem
Chairman

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 contained in the Code of Corporate Governance prepared by the Board of Directors of Nishat (Chunian) Limited to comply with the Listing Regulation No.37 (Chapter XI) of the Karachi Stock Exchange (Guarantee) Limited and Listing Regulation No.40 (Chapter XIII) of the Lahore Stock Exchange (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 have not carried out any special review of the internal control system to enable us to express an opinion as to whether the Board's statement on internal control covers all controls and the effectiveness of such internal controls.

Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the best practices contained in the Code of Corporate Governance.

LAHORE: 25 November 2004

RIAZ AHMAD & COMPANY
Chartered Accountants

We have audited the annexed balance sheet of NISHAT (CHUNIAN) LIMITED as at 30 September 2004 and the related profit and loss account, 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, 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 respectively give a true and fair view of the state of the company's affairs as at 30 September 2004 and of the profit, its 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.

LAHORE: 25 November 2004

RIAZ AHMAD & COMPANY
Chartered Accountants

BALANCE SHEET AS AT 30 SEPTEMBER 2004

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	NOTE	2004 Rupees	2003 Rupees
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
50,000,000 ordinary shares of Rupees 10 each		500,000,000	500,000,000
Issued, subscribed and paid up share capital	3	443,520,000	443,520,000
Reserves	4	1,443,302,522	919,105,869
		1,886,822,522	1,362,625,869
LONG TERM LOANS	5	1,116,666,665	579,166,664
RETIREMENT AND OTHER BENEFITS	6	-	10,475,329
CURRENT LIABILITIES			
Current portion of long term loans	5	212,500,002	120,833,336
Finance under mark up arrangements and other credit facilities - Secured	7	765,602,724	679,647,803
Creditors, accrued and other liabilities	8	321,583,712	198,839,013
Taxation payable		-	76,684
Proposed dividend		55,440,000	110,880,000
		1,355,126,438	1,110,276,836
CONTINGENCIES AND COMMITMENTS	9		
		4,358,615,625	3,062,544,698

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

BALANCE SHEET AS AT 30 SEPTEMBER 2004

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	NOTE	2004 Rupees	2003 Rupees
ASSETS			
FIXED CAPITAL EXPENDITURE			
Operating fixed assets - Tangible	10	1,887,528,754	1,910,002,705
Capital work-in-progress	11	949,555,626	44,764,505
		2,837,084,380	1,954,767,210
LONG TERM DEPOSITS	12	385,750	425,450
CURRENT ASSETS			
Stores and spares	13	61,244,770	60,110,766
Stock in trade	14	688,744,637	532,498,532
Trade debts	15	443,334,644	291,023,004
Advances, deposits, prepayments and other receivables	16	301,848,616	193,411,358
Short term investment	17	5,570,000	-
Cash and bank balances	18	20,402,828	30,308,378
		1,521,145,495	1,107,352,038
		4,358,615,625	3,062,544,698

DIRECTOR

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	NOTE	2004 Rupees	2003 Rupees
Sales	19	6,516,226,312	4,226,715,280
Cost of goods sold	20	5,547,418,807	3,484,473,418
Gross profit		968,807,505	742,241,862
Administrative expenses	21	68,792,504	60,512,359
Selling and distribution expenses	22	109,442,914	188,538,075
		178,235,418	249,050,434
Operating profit		790,572,087	493,191,428
Other income	23	6,132,933	25,812,431
		796,705,020	519,003,859
Financial charges	24	71,540,677	119,083,826
Other charges	25	39,473,677	24,502,441
		111,014,354	143,586,267
Profit before taxation		685,690,666	375,417,592
Provision for taxation	26	50,614,013	48,000,000
Profit after taxation		635,076,653	327,417,592
Unappropriated profit brought forward		4,105,869	2,568,277
Available for appropriation		639,182,522	329,985,869
Appropriations			
Transfer to general reserve		525,000,000	215,000,000
Interim dividend Rupees 1.25 (2003: Rupees NIL) per share		55,440,000	-
Proposed final dividend rupees 1.25 (2003: Rupees 2.5) per share		55,440,000	110,880,000
		635,880,000	325,880,000
Unappropriated profit		3,302,522	4,105,869
Earnings per share	34	14.32	7.38

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

CASH FLOW STATEMENT

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 Rupees	2003 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations (Note 32)	684,760,156	570,111,512
Financial charges paid	(66,210,576)	(134,785,104)
Taxes paid	(65,908,206)	(50,751,544)
Payment of employees' benefits	(14,907,450)	(4,951,954)
Net cash inflow from operating activities	537,733,924	379,622,910
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(1,100,113,467)	(338,180,232)
Acquisition of short term investment	(4,730,775)	-
Sale proceeds of fixed assets	9,209,126	29,652,759
Decrease in long deposits	39,700	120,000
Net cash (outflow) from investing activities	(1,095,595,416)	(308,407,473)
CASH FLOWS FROM FINANCING ACTIVITIES		
Long term loans received	750,000,000	350,000,000
Long term loans repaid	(120,833,333)	(540,000,000)
Dividend paid	(167,165,646)	(97,758,030)
Net cash inflow/(outflow) from financing activities	462,001,021	(287,758,030)
Net (decrease) in cash and cash equivalents	(95,860,471)	(216,542,593)
Cash and cash equivalents at the beginning of the year	(649,339,425)	(432,796,832)
Cash and cash equivalents at the end of the year (Note 33)	(745,199,896)	(649,339,425)

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Share capital	Reserve for Issue of bonus shares	General reserve	Unappropriated profit	Total
	Rupees	Rupees	Rupees	Rupees	Rupees
Balance as at 30 September 2002	403,200,000	40,320,000	700,000,000	2,568,277	1,146,088,277
Net profit for the year	-	-	-	327,417,592	327,417,592
Transfer from reserved for issue of bonus shares	40,320,000	(40,320,000)	-	-	-
Dividend (Final) - Rupees 2.5 per share	-	-	-	(110,880,000)	(110,880,000)
Transferred to general reserve	-	-	(215,000,000)	(215,000,000)	-
Balance as at 30 September 2003	443,520,000	-	915,000,000	4,105,869	1,362,625,869
Net profit for the year	-	-	-	635,076,653	635,076,653
Dividend (interim) - Rupees 1.25 per share	-	-	-	(55,440,000)	(55,440,000)
Transferred to general reserve	-	-	525,000,000	(525,000,000)	-
Proposed dividend (Final) Rupees 1.25 per share	-	-	-	(55,440,000)	(55,440,000)
Balance as at 30 September 2004	443,520,000	-	1,440,000,000	3,302,522	1,886,822,522

The annexed notes form an integral part of these financial statements.

CHIEF EXECUTIVE

DIRECTOR

1 LEGAL STATUS AND NATURE OF BUSINESS

Nishat (Chunian) Limited is a public limited company incorporated under the Companies Ordinance, 1984 and is listed on the Lahore and Karachi Stock Exchanges. Its registered office is situated at Lahore. The company is principally engaged in the manufacture and sale of yarn and fabric.

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

These financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan and the requirements of the Companies Ordinance, 1984. Approved accounting standards comprise of such International Accounting Standards as notified under the provisions of the Companies Ordinance, 1984. Wherever, the requirements of the Companies Ordinance, 1984 or directives issued by the Securities and Exchange Commission of Pakistan differ with the requirements of these standards, the requirements of the Companies Ordinance, 1984 or the requirements of the said directives take precedence.

2.2 Accounting convention

These accounts have been prepared under the historical cost convention, modified by capitalisation of exchange differences as referred to in note 2.8, except for revaluation of certain financial instruments at fair value and recognition of certain employee retirement benefits at present value.

2.3 Taxation

Current

Provision for current tax is based on the taxable income for the year determined in accordance with the prevailing law for taxation of income. The charge for current tax is calculated using prevailing tax rates or tax rates expected to apply to the profit for the year if enacted. The charge for current tax also includes adjustments where considered necessary to provision for tax made in previous years arising from assessments framed during the year for such years.

Deferred

Deferred tax is accounted for using the balance sheet liability method in respect of all temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of the taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets to the extent that it is probable that taxable profits will be available against which the deductible temporary differences, unused tax losses and tax credits can be utilized.

Deferred tax is calculated at the rates that are expected to apply to the period when the differences reverse based on tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax is charged or credited in the income statement, except in the case of items credited or charged to equity in which case it is included in equity.

However, provision for the current year is not considered necessary as the Company is chargeable to tax under section 169 of the Income Tax Ordinance 2001 and no timing differences are expected to arise in the foreseeable future.

2.4 Employee benefits

The main features of the schemes operated by the company for its employees are as follows:

Gratuity

The Company has replaced the gratuity scheme with provident fund scheme for permanent employees with effect from 01 July 2003.

Provident fund

There are approved and unapproved contributory provident funds for its site and head office employees respectively. Equal monthly contributions are made both by the employees and company to the funds in accordance with the fund rules. The company's contributions to these funds are charged to income currently.

FOR THE YEAR ENDED 30 SEPTEMBER 2004

Accumulating compensated absences

The company provides for accumulating compensated absences, when the employees render service that increases their entitlement to future compensated absences. Under the rules head office employees and factory staff are entitled to 20 days leave per year and factory workers are entitled to 14 days leave per year respectively. Unutilized leaves can be accumulated up to 10 days in case of head office employees, 40 days in case of factory staff and upto 28 days in case of factory workers. Any further un-utilized leaves will lapse. Any un-utilized leave balance i.e. 40 days and 28 days in case of factory staff and workers respectively can be encashed by them at any time during their employment. Unutilised leaves can be used at any time by all employees, subject to the Company's approval.

Provisions are made annually to cover the obligation for accumulating compensated absences and are charged to income.

2.5 Fixed capital expenditure

Operating fixed assets except freehold land and capital work-in-progress are stated at cost less accumulated depreciation. Cost in relation to certain plant and machinery signifies historical cost and exchange differences referred to in note 2.8 and mark-up etc. in note 2.13.

Depreciation on all other operating fixed assets is charged to profit on the reducing balance method so as to write off the historical cost of the assets over their estimated useful lives at the rates given in note 10.

The full annual rate of depreciation is applied to the costs of additions, except major additions or extension to existing facilities, while no depreciation is charged on assets deleted during the year. Major additions or extension to existing facilities are depreciated on a pro-rata basis for the period of use during the year.

Impairment loss or its reversal, if any, is also charged to income. Where an impairment loss is recognized, the depreciation charge is adjusted in future periods to allocate the assets' revised carrying amount over its estimated useful life.

The net exchange differences relating to an asset at the end of each year are amortised in equal installments over its remaining useful life.

Major repairs and improvements are capitalized. Minor repairs and renewals are charged to income. The gain or loss on disposal or retirement of an asset represented by the difference between the sale proceeds and the carrying amount of the asset is recognized as income or expense.

2.6 Stores and spares

Useable stores and spares are valued principally at moving average cost, while items considered obsolete are carried at nil value. Items in transit are valued at cost comprising invoice values plus other charges paid thereon.

2.7 Stock in trade

These are stated at the lower of cost and net realisable value except for waste stock which is valued at net realisable value. Cost of raw materials represents:

- Spinning: annual average cost
- Weaving: moving average cost

Cost of work-in-process and finished goods comprises cost of direct materials, labour and appropriate manufacturing overheads. Goods purchased for resale are stated at lower of cost based on FIFO and net realisable value.

Materials in transit are stated at cost comprising invoice values plus other charges paid thereon.

Net realisable value signifies the estimated selling price in the ordinary course of business less costs necessarily to be incurred in order to make a sale.

FOR THE YEAR ENDED 30 SEPTEMBER 2004

2.8 Foreign currencies

All monetary assets and liabilities in foreign currencies are translated into rupees at exchange rates prevailing at the balance sheet date. Transactions in foreign currencies are translated into rupees at the spot rate. All non-monetary items are translated into rupees at exchange rates prevailing on the date of transaction or on the date when fair values are determined.

Exchange differences on loans utilised for the acquisition of plant and machinery are capitalised upto the date of commissioning of the assets.

All other exchange differences are included in profit currently.

2.9 Borrowing cost

Mark-up, interest and other charges on long term borrowings are capitalized upto the date of commissioning of the respective plant and machinery, acquired out of the proceeds of such long term borrowings. All other mark-up, interest and other charges are charged to income.

2.10. Revenue recognition

Revenue from sales is recognised on despatch of goods to customers.

Return on deposits is accrued on a time basis by reference to the principal outstanding and the applicable rate of return.

Dividend income on equity investments is recognised as and when the right to receive dividend is established.

2.11 Cash and cash equivalents

Cash and cash equivalents are carried in the balance sheet at cost. For the purpose of cash flow statement, cash and cash equivalents comprise cash in hand, demand deposits, other short term highly liquid instruments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value and finances under mark-up arrangements. In the balance sheet, finances under mark-up arrangements are included in current liabilities.

2.12 Financial instruments

Financial instruments carried on the balance sheet include receivables, short term investment, cash and bank balances, finances under mark-up arrangements, long term loans and other payables, deposits, creditors, accrued and other liabilities. Financial assets and liabilities are recognized when the company becomes a party to the contractual provisions of the instrument.

Trade debts

Trade debts are carried at original invoice less an estimate made for doubtful debts based on a review of all outstanding amounts at the year end. Bad debts are written off when identified.

Short term investments

Short term investments available for sale are initially recognized at cost, which is the fair value of the consideration given. Subsequently, these are restated to fair value, with difference taken to the income currently.

Borrowings

Loans and borrowings are recorded at the proceeds received. In subsequent periods, borrowings are stated at amortised cost using the effective yield methods. Finance charges are accounted for on an accrual basis and are included in creditors, accrued and other liabilities to the extent of the amount remaining unpaid.

Creditors, accrued and other liabilities

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

Derivative financial instruments

These are recognized using the trade date accounting and are measured initially at cost. At subsequent

FOR THE YEAR ENDED 30 SEPTEMBER 2004

reporting dates these are remeasured to fair value and, any gain or loss arising from fair value measurement is reported in net profit or loss for the period.

The Company uses trade date accounting for the recognition of its forward exchange contracts. It designates these forward exchange contracts as fair value hedges of recognised assets or liabilities. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the income statement, along with changes in the fair value of the hedged asset or liability that is attributable to the hedged risk.

Certain derivative transactions, while providing effective economic hedges under the Company's risk management policies, do not qualify for hedge accounting under the specific rules of IAS 39. Changes in the fair value of any derivative instruments that do not qualify for hedge accounting under IAS 39 are recognized immediately in the income statement.

2.13 Mark-up, interest, profit and other charges

Mark-up, interest, profit and other charges on long term liabilities are capitalised upto the date of commencement of commercial production. All other mark-up, interest, profit and other charges are charged to income.

2.14 Provisions

Provisions are recorded when the company has a present obligation as a result of past event WHICH it is probable will result in an outflow of economic benefits and a reliable estimate can be made of the amount of the obligation.

2.15 Business segments

The company is divided into two business segments

- Spinning: Manufacturing of yarn.
- Weaving: Weaving of fabric.

2.15.1 Allocation of segment expenses

Joint expenses are allocated in the ratio of 60:40 to Spinning and Weaving segment respectively.

2.16 Related party transactions and transfer pricing

Transactions and Contracts with the related parties are carried out at an arm's length price determined in accordance with comparable uncontrolled price method.

	2004 Rupees	2003 Rupees
3. ISSUED, SUBSCRIBED AND PAID UP CAPITAL		
12,000,000 (2003: 12,000,000) ordinary shares of Rupees 10 each fully paid in cash	120,000,000	120,000,000
32,352,000 (2003: 32,352,000) ordinary shares of Rupees 10 each issued as fully paid bonus shares	323,520,000	323,520,000
44,352,000	443,520,000	443,520,000

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 Rupees	2003 Rupees
4. RESERVES		
Movement in and composition of is as follows		
Capital		
Reserves for issue of bonus shares	-	40,320,000
Bonus share issued	-	(40,320,000)
Revenue		
General	1,440,000,000	915,000,000
Unappropriated profit	3,302,522	4,105,869
	1,443,302,522	919,105,869
	1,443,302,522	919,105,869

5. LONG TERM LOAN - SECURED

Lender	2004 Rupees	2003 Rupees	Rate of interest	Number of installments	Interest Payable
Standard Chartered Bank-1	200,000,000	200,000,000	6-month KIBOR + 0.25%	Six equal half yearly installments commencing on 27 March 2005 and ending on 26 September 2007	Quarterly
ABN AMRO Bank-1	166,666,667	250,000,000	3-month KIBOR + 0.40%	Twelve equal quarterly installments commencing on 01 October 2003 and ending on 01 July 2006	Quarterly
Faysal Bank Limited	37,500,000	50,000,000	6.50%	Eight equal half yearly installments commencing on 26 March 2004 and ending on 26 September 2007	Semi annually
United Bank Limited	500,000,000	-	6-month KIBOR + 0.50%	Seven equal Half Yearly installments commencing on 28 September 2006 and ending on 28 September 2009	Quarterly
Habib Bank Limited	175,000,000	200,000,000	6-month KIBOR + 0.40%	Fourteen equal quarterly installments commencing on 01 May 2004 and ending on 01 November 2008	Quarterly
Habib Bank Limited-2	250,000,000	-	6-month KIBOR + 0.5%	Eight equal half yearly installments commencing on 01 April 2006 and ending on 27 September 2009	Quarterly
	1,329,166,667	700,000,000			
Less : Current portion shown under current liabilities	212,500,002	120,833,336			
	1,116,666,665	579,166,664			

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

- 5.1 These are secured by first pari passu hypothecation charge on all present and future fixed assets of the Company and an equitable mortgage of the Company's land to the extent of Rupees 2,809 million (2003:

	2004	2003
	Rupees	Rupees
6. RETIREMENT AND OTHER BENEFITS		
Staff Gratuity (Note 6.1)	-	10,475,329
6.1 The company has replaced the gratuity scheme with provident fund scheme for permanent employees with effect from 01 July 2003. The liability against gratuity has been fully settled during year.		
	2004	2003
	Rupees	Rupees
7. FINANCES UNDER MARK-UP ARRANGEMENT AND OTHER CREDIT FACILITIES - SECURED		
Short term running finances (Note 7.1)	525,239,710	619,227,247
Export finances - Preshipment / SBP refinance (Note 7.2)	240,363,014	60,420,556
	765,602,724	679,647,803

- 7.1 Short term running finances are available from commercial banks under mark-up arrangements amounting to Rupees 1,915 million (2003: Rupees 2,376 million). The rates of mark-up range from Rupees 0.0658 to Rupees 0.1381 (2003: 0.0479 to Rupees 0.3973) per Rupees 1,000 per diem or part thereof on the balance outstanding.
- 7.2 The company has obtained export finance facilities aggregating to Rupees 3,142 million (2003: Rupees 700 million from commercial banks. The rates mark-up range from Rupees 0.0767 to Rupees 0.1096 (2003: Rupees 0.0548 to Rupees 0.3014) per Rupees 1,000 per diem or part thereof on the balance outstanding.
- 7.3 Of the aggregate facilities of Rupees 1,720 million (2003: Rupees 1,236 million) for opening letter of credit and Rupees 165 million (2003: Rupees 85 million) for opening letter of guarantees, the amount utilized as at 30 September 2004 was Rupees 982.63 million (2003: Rupees 98 million) and Rupees 58.90 million (2003: Rupees 1.0 million) respectively.

The aggregate facilities are secured by hypothecation of all present and future current assets of the Company and lien on export bills.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004	2003
	Rupees	Rupees
8. CREDITORS, ACCRUED AND OTHER LIABILITIES		
Creditors	162,108,883	87,629,364
Accrued liabilities	57,112,117	52,285,974
Advances from customers	39,310,797	15,350,428
Mark-up on:		
Short term running finances and other credit facilities - Secured	8,004,721	5,591,280
Long term loans - secured	4,119,089	1,202,429
Retention money	5,212,839	3,362,487
Payable to provident fund trust	331,592	-
Due to associated undertaking - Security General Insurance	-	780,429
Forward exchange contracts (Note 8.1)	-	3,167,424
Workers' profit participation fund (Note 8.3)	36,273,313	19,819,026
Income tax deducted at source	2,044,930	781,013
Unclaimed dividend	5,685,331	6,530,977
Others	1,380,099	2,338,182
	321,583,712	198,839,013

8.1 The company entered into forward exchange contracts with local banks to sell U.S. Dollars at contracted rates. The fair value of these contracts is recognized as follows:

	2004	2003
	Rupees	Rupees
Value of U.S. Dollars to be delivered	-	1,041,857,857
Less: Receivables from banks against U.S. Dollars sold	-	1,038,690,433
	40,051,235	44,009,965

8.2 Creditors includes an amount of Rupees 1.051 million (2003: Rupees 1.501 million) payable to a related party.

	2004	2003
	Rupees	Rupees
8.3 WORKERS' PROFIT PARTICIPATION FUND		
Opening balance as at 01 October	19,819,026	29,720,113
Provision for the year (Note 25)	36,273,313	19,819,026
Interest for the year (Note 24)	968,930	1,316,392
	57,061,269	50,855,531
Less: Payments made during the year	20,787,956	31,036,505
Closing balance as at 30 September	36,273,313	19,819,026

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

The company has issued counter-guarantee amounting to Rupees 58.9 million (2003: Rupees NIL) in favour of bank for issuing letter of guarantee favouring Sui Northern Gas Pipelines Limited for gas connections.

9.2 Commitments

Commitments in respect of capital expenditure are Rupees 937.813 million (2003: Rupees 20.01 million). Letters of credit other than capital expenditure are Rupees 187.758 million (2003: Rupees 87.44 million).

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

10. OPERATING FIXED ASSETS - TANGIBLE

DESCRIPTION	COST			ACCUMULATED DEPRECIATION			Book	Depreciation Rate %	
	As at	As at	As at	Charge for	As at	Value as at			
	01 October 2003	Additions/ (Deletions) September 2004	30 September 2003	the year / (depreciation on deletions) 2004	30 September 2004	30 September 26-Jun			
Land	39,807,821	-	39,807,821	-	-	-	39,807,821	-	
Building	462,626,949	18,837,808	481,464,757	165,182,172	31,628,259	196,810,431	284,654,326	10	
Plant and machinery	2,093,530,910	145,063,939 (11,657,340)	2,226,937,509	624,961,938	160,620,471 (4,229,142)	781,353,267	1,445,584,242	10	
Electrical installations	68,756,796	18,002,693	86,759,489	26,623,219	6,013,627	32,636,846	54,122,643	10	
Tools and equipment	28,557,753	433,376	28,991,129	7,277,379	2,171,375	9,448,754	19,542,375	10	
Furniture and fixtures	11,367,718	892,005	12,259,723	3,431,024	882,870	4,313,894	7,945,829	10	
Office equipment	11,176,667	2,606,227	13,782,894	4,014,507	976,839	4,991,346	8,791,548	10	
Vehicles	41,130,996	9,486,298 (2,887,981)	47,729,313	15,462,666	6,769,992 (1,583,315)	20,649,343	27,079,790	20	
Rupees 2004	2,756,955,610	195,322,346 (14,545,321)	2,937,732,635	846,952,905	209,063,433 (5,812,457)	1,050,203,881	1,887,528,574		
Rupees 2003	2,312,358,422	488,848,602 (44,251,414)	2,756,955,610	678,016,797	196,448,960 (27,512,852)	846,952,905	1,910,002,705		
10.1 Additions to building, plant and machinery and electrical installations include mark up amounting to Rupees NIL (2003: Rupees 2.66 million).									
							2004	2003	
							Rupees	Rupees	
10.2 Depreciation charges for the year has been allocated as follows:									
Cost of goods sold (Note 20)							199,137,452	186,466,054	
Administrative expenses (Note 21)							9,925,981	9,982,906	
							209,063,433	196,448,960	

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

10.3 DISPOSAL OF OPERATING FIXED ASSETS

Detail of fixed assets sold during the year is as under:

Particulars of the Assets	Sold to	Cost of Assets	Book Value	Sale Proceeds	Mode of Disposal
Plant and machinery	Outsiders	Rupees	Rupees	Rupees	
Auto Coner	Anwar Textile Mills Ltd, Sheikh Sultan Trust Building, Karachi	3,250,000	2,369,250	1,500,000	Negotiation
Auto Coner	Anwar Textile Mills Ltd, Sheikh Sultan Trust Building, Karachi	3,250,000	2,925,000	1,500,000	Negotiation
Auto Coner	Crescent Boards Ltd, Sheikhpura Road, Bhiki	3,250,000	743,496	3,700,000	Negotiation
Ring Drafting System	Taha Spinning Mills Ltd, Hasrat Mohani Road, Karachi	1,907,340	1,390,452	544,626	Negotiation
Vehicles	Outsiders				
Honda Civic	Mr. Nasir Rana, Canal View, Lahore	1,009,010	413,290	760,000	Negotiation
Hyundai Shehzore	Mr. Khalid Mahmood, Mustafabad, Lahore	546,505	223,848	350,500	Negotiation
Tractor MF-240	Mr. Muhammad Ashraf, Yousafwala, Sahiwal	490,267	18,521	275,000	Negotiation
	Ex-Employees				
Suzuki Mehran	Mr. Tariq Nadeem Butt, Qila Sobha Singh, Norawal	354,000	226,560	354,000	Negotiation
Suzuki Alto	Mr. Noman Ahmed, Gulshan-e-Ravi, Lahore	488,199	312,447	225,000	Negotiation
					Company Policy
				2004	2003
				Rupees	Rupees

11. CAPITAL WORK-IN-PROGRESS

Plant, machinery and equipments [include in transit

Rupees NIL (2003: Rupees 9.288 million)] (Note 11.1)

Civil works

734,376,931

21,554,687

215,178,695

23,209,818

949,555,626

44,764,505

11.1 Capital work-in-progress includes mark-up of Rupees 1.455 million (2003: Rupees NIL).

12. LONG TERM DEPOSITS

These represent long term security deposits.

2004
Rupees

2003
Rupees

13. STORES AND SPARES

Stores [include in transit Rupees 0.744 million (2003: Rupees NIL)]

Spares

29,151,267

31,859,452

32,093,503

28,251,314

61,244,770

60,110,766

13.1 Stores include the following items held by third parties:

Depreciation	Name of Party		
Miscellaneous store items	Shahtaj Weaving Mills Limited	8,172	-
Miscellaneous store items	Faisal Weaving Mills Limited	37,350	20,500
Miscellaneous store items	Kohinoor Weaving Mills Limited	706,287	3,327,918
Miscellaneous store items	Umer Fabrics Limited	71,373	-
		823,182	3,348,418

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 Rupees	2003 Rupees
14. STOCK IN TRADE		
Raw materials	426,513,553	350,381,579
Work in progress	74,725,873	54,151,437
Finished goods - own produced	177,945,905	124,434,389
Finished goods - trading stock	4,560,556	508,169
Waste	4,998,750	3,022,958
	688,744,637	532,498,532
14.1 Included in raw materials are 100 (2003: NIL) bales of cotton valuing Rupees 0.930 million (2003: Rupees NIL) lying at Umer Fabrics Limited		
	2004 Rupees	2003 Rupees
15. TRADE DEBTS - CONSIDERED GOOD		
Export - Secured	305,078,250	229,746,401
Local (Note 15.1)	138,256,394	61,276,603
	443,334,644	291,023,004
15.1 Local debtors include secured debts of Rupees 1.106 million (2003: Rupees NIL).		
	2004 Rupees	2003 Rupees
16. ADVANCES, DEPOSITS, PREPAYMENTS AND OTHER RECEIVABLES		
Advances - (considered good) to:		
Employee (Note 16.1)	2,606,359	4,739,147
Suppliers	79,708,412	72,054,421
Contractors	2,540,896	1,129,187
Short term deposits	70,000	45,000
Prepayments	593,194	575,151
Letter of credit - Margin, Deposits etc.	12,527,915	26,972,041
Balances with statutory authorities for sale tax	181,966,431	86,007,988
Balances with statutory authorities for income tax	15,217,509	-
Export rebate receivable	4,843,217	400,330
Other receivables	1,774,683	1,488,093
	301,848,616	193,411,358
16.1 Included in advances to employees are amounts from executives of Rupees 1.344 million (2003: Rupees 1.533 million).		
16.2 Advances to suppliers include Rupees 7.878 million (2003: Rupees 13.366 million) and other receivables include Rupees 0.278 million (2003: Rupees 0.266 million) due from Nishat Mills Limited and D.G. Khan Cement Company Limited - Related Parties.		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 Rupees	2003 Rupees
17. SHORT TERM INVESTMENT		
Available for sale - Quoted		
Sui Northern Gas Pipeline Limited - 100,000 (2003: NIL)		
Fully paid up ordinary shares of Rupees 10 each.	5,570,000	-
	5,570,000	-
18. CASH AND BANK BALANCES		
On saving accounts - Pak Rupees	128,146	5,512,631
On current accounts - including US \$ 58,461 (2003: US \$ 17,847)	20,139,728	22,975,118
Cash in hand	134,954	1,820,629
	20,402,828	30,308,378
19. SALES		
Export sales	5,922,317,905	3,677,454,674
Local sales (Note 19.1)	638,362,996	601,662,445
Export rebate	19,936,529	11,910,798
	6,580,617,430	4,291,027,917
Less: Commission to selling agents	64,391,118	64,312,637
	6,516,226,312	4,226,715,280
19.1 LOCAL SALES		
Sales	729,636,240	696,346,362
Doubling income	16,755,306	12,307,203
Sizing income	-	57,880
	746,391,546	708,711,445
Less: Sales tax	108,028,550	107,049,000
	638,362,996	601,662,445

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004 Rupees	2003 Rupees
20. COST OF GOODS SOLD		
Raw and packing material consumed	3,270,385,624	2,219,145,831
Stores and spares consumed	150,600,632	125,927,032
Salaries, wages and other benefits (Note 20.1)	145,473,582	126,980,521
Fuel and power	323,302,888	293,982,897
Insurance	5,672,253	4,436,086
Postage and telephone	1,122,115	1,206,004
Traveling and conveyance	547,431	667,529
Vehicle running	827,139	1,265,958
Entertainment	330,753	399,991
Depreciation (Note 10.2)	199,137,452	186,466,054
Repair and maintenance	2,797,013	1,626,334
Other	18,208,359	15,138,751
	4,118,405,241	2,977,242,988
Opening work in process	54,151,437	59,630,739
Closing work in process	(74,725,873)	(54,151,437)
Cost of goods manufactured	4,097,830,805	2,982,722,290
Opening stocks	124,434,389	88,069,613
Finished goods	3,022,958	3,767,025
Waste	127,457,347	91,836,638
	4,225,288,152	3,074,558,928
Closing stocks	(177,945,905)	(124,434,389)
Finished goods	(4,998,750)	(3,022,958)
Waste	(182,944,655)	(127,457,347)
	4,042,343,497	2,947,101,581
Cost of goods purchased for resale	1,505,075,310	537,371,837
	5,547,418,807	3,484,473,418

20.1 Salaries, wages and other benefits include Rupees 1.861 million (2003: Rupees 1.741 million), Rupees 2.162 million (2003: Rupees 3.202 million) and Rupees 3.858 million (2003: Rupees NIL) in respect of staff compensated absences, staff gratuity and provident fund respectively.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004	2003
	Rupees	Rupees
21. ADMINISTRATIVE EXPENSES		
Salaries, allowances and benefits (Note 21.1)	27,921,746	21,319,533
Printing and stationery	1,264,435	1,078,501
Vehicle running expenses	2,483,310	1,557,223
Traveling and conveyance	14,981,481	12,170,345
Postage and telephone	4,432,768	5,416,116
Fee and subscription	1,094,781	2,112,863
Legal and professional	382,058	784,080
Electrical, gas and water	1,854,693	2,024,734
Insurance	1,075,526	1,351,253
Repair and maintenance	192,838	384,727
Entertainment	1,047,302	784,054
Auditor's remuneration (Note 21.2)	355,000	355,000
Advertisement	243,463	233,542
Depreciation (Note 10.2)	9,925,981	9,982,906
Other expenses	1,537,122	957,482
	68,792,504	60,512,359
21.1 Salaries, allowances and benefits include Rupees 0.270 million(2003: Rupees 0.245 million) and Rupees 0.178 million (2003: Rupees 0.147 million) in respect of provident fund contribution by the employer and staff compensated absences respectively.		
	2004	2003
	Rupees	Rupees
21.2 AUDITORS' REMUNERATION		
Statutory audit	220,000	220,000
Half yearly review	55,000	55,000
Certification fees etc.	25,000	25,000
Out of pocket expenses	55,000	55,000
	355,000	355,000
22. SELLING AND DISTRIBUTION EXPENSES		
Ocean freight	52,036,273	51,757,554
Freight and octroi	15,784,002	18,637,515
Forwarding and other expenses	35,107,376	20,610,799
Export marketing expenses	6,515,263	97,532,207
	109,442,914	188,538,075
23. OTHER INCOME		
Profit on sale of fixed assets	476,262	12,914,197
Sale of scrap	962,570	1,368,932
Exchange gain (Note 23.1)	0	9,620,988
Unrealized gain on short term investment	839,225	0
Profit on saving accounts	14,868	107,101
Rental income	1,200,000	1,200,000
Others	2,640,008	601,213
	6,132,933	25,812,431
23.1 This includes net gain on forward exchange contracts settled during the previous year.		

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004	2003
	Rupees	Rupees
24. FINANCIAL CHARGES		
Mark-up on running finances	17,170,995	26,240,397
Mark-up on export finances:		
Reshipment	9,105,146	16,369,390
Postshipment	-	53,610
Interest on long term loans - secured	21,898,740	54,187,883
Interest on workers' profit participation fund (Note 8.3)	968,930	1,316,392
Bank and other charges	22,396,866	20,916,154
	71,540,677	119,083,826

25. OTHER CHARGES

Workers' profit contribution fund (Note 8.3)	36,273,313	19,819,026
Donations (Note 25.1)	2,922,180	1,515,991
Unrealized loss on forward contracts (Note 25.2)	-	3,167,424
Exchange loss (Note 25.3)	278,184	-
	39,473,677	24,502,441

25.1 Donations

Name of donee in which a director or his spouse has an interest:

Mian Muhammad Yahya Trust, Lahore

Mr. Muhammad Saleem, Chairman and

Mr. Shahzad Saleem, Chief Executive are the trustees

2,922,180

1,515,991

25.2 This represents the unrealized loss on the recognition of the forward contracts, a hedging instruments, at fair value (Note 8).

25.3 This includes net loss on forward exchange contracts settled during the year.

	2004	2003
	Rupees	Rupees
26. PROVISION FOR TAXATION		
Current year (Note 26.1)	71,000,000	47,050,821
Prior year	(20,385,987)	949,179
	50,614,013	48,000,000

26.1 The provision for current year taxation represents the tax liability under section 169 of the Income Tax Ordinance, 2001. For purposes of current year taxation the tax losses available for carry forward as at 30 September 2004 are estimated at approximately Rupees 18.813 million (2003: Rupees 23.903 million), including assessed tax losses of Rupees 40.093 million (2003: Rupees 44.827 million).

26.2 Deferred tax provision has not been recognized, as the company is being assessed under the presumptive tax regime and the Company's export sales for the foreseeable future are likely to remain above the present threshold, i.e. 80% of the total sales.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2004	2003
	%	%
26.3 TAX CHARGES RECONCILIATION		
Numerical reconciliation between the average effective tax rate and the applicable tax rate:		
Applicable tax rate		
Tax effect under presumptive tax regime	35.00	35.00
Effect of charges in prior year's tax	(24.65)	(22.46)
	(2.97)	0.25
	(27.62)	(22.21)
Average effective tax rate charged to profit and loss account.	7.38	12.79

27. REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amount charged in accounts for the year for remuneration, including certain benefits, to the Chief Executive, Directors and Executives of the company is as follows:

	Chief Executive		Director		Executive	
	2004	2003	2004	2003	2004	2003
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Managerial remuneration	1,059,327	890,100	2,369,403	1,990,896	5,348,089	2,788,081
Contribution to provident fund/gratuity	-	-	-	-	190,805	320,890
House rent	476,697	400,548	1,066,233	895,908	1,835,831	1,173,839
Utilities	551,269	432,557	669,878	328,937	298,081	220,081
Others	2,015,344	1,572,194	3,023,539	3,675,080	517,305	139,291
	4,102,637	3,295,399	7,129,053	6,890,821	8,190,111	4,642,182
Number of persons	1	1	2	2	8	5

27.1 The Company also provides to Chief Executive, Directors and certain Executives with free use of Company maintained cars and residential telephones.

28. TRANSACTIONS WITH RELATED PARTIES

The company parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Amounts due to / due from related parties are disclosed in note 8 and note 16 and remuneration of the key management personnel is disclosed in note 27.

	2004	2003
	Rupees	Rupees
Purchase of goods and services	516,212,014	478,390,957
Sales of goods and services	73,791,313	252,991,796
Insurance premium paid	876,450	4,549,856
Insurance claims received	208,584	358,856

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	Spinning		Weaving		Total	
	2004 Rupees	2003 Rupees	2004 Rupees	2003 Rupees	2004 Rupees	2003 Rupees
29. SEGMENT INFORMATION						
Segment revenue						
- External	2,350,391,599	1,622,024,195	4,165,834,713	2,604,691,085	6,516,226,312	4,226,715,280
- Inter segment	349,819,973	571,482,657	0	0	349,819,973	571,482,657
Net sales	2,700,211,572	2,193,506,852	4,165,834,713	2,604,691,085	6,866,046,285	4,798,197,937
Segment result before tax	320,945,882	251,908,394	469,626,205	241,283,034	790,572,087	493,191,428
29.1 INTER SEGMENT PRICING						
Inter segment sales are recorded at fair market value. Effect of gain / loss on transfer is reversed periodically.						
	Spinning		Weaving		Total	
	2004 Rupees	2003 Rupees	2004 Rupees	2003 Rupees	2004 Rupees	2003 Rupees
29.2 SEGMENT ASSETS						
Segment assets	1,930,108,151	1,465,979,303	1,502,733,018	1,284,192,044	3,432,841,169	2,750,171,347
Unallocated assets					925,774,456	312,373,351
					4,358,615,625	3,062,544,698
29.3 SEGMENT LIABILITIES						
Segment liabilities	107,418,439	50,975,207	102,351,084	100,047,197	209,769,523	151,022,404
Unallocated liabilities					2,262,023,580	1,548,896,425
					2,471,793,103	1,699,918,829
29.4 OTHER SEGMENT INFORMATION						
Capital expenditure	159,300,375	222,450,781	164,955,021	101,963,034	324,255,396	324,413,815
Unallocated capital expenditure					775,858,071	13,766,417
					1,100,113,467	338,180,232
Depreciation	103,797,733	100,832,545	95,339,719	85,633,509	199,137,452	186,466,054
Unallocated depreciation					9,925,981	9,982,906
					209,063,433	196,448,960
Non-cash items other than depreciation					-	-
					2004 Rupees	2003 Rupees
29.5 SECONDARY REPORTING FORMAT						
Segment revenue from external customers by geographical areas is as follows:						
Export sales						
- Far East countries					1,851,819,981	1,429,059,136
- USA					3,579,444,581	1,650,945,519
- Other countries					491,066,219	597,450,019
Local sales					638,350,120	601,662,445
Export rebate					19,936,529	11,910,798
Less: Commission to selling agents					64,391,118	64,312,637
					6,516,226,312	4,226,715,280

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

30. FINANCIAL INSTRUMENTS

DESCRIPTION	INTEREST/MARK-UP-BEARING			NON INTEREST/MARK-UP-BEARING			TOTAL	
	Maturity upto one year	Maturity after one year	Sub Total	Maturity upto one year	Maturity after one year	Sub Total	2004	2003
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Financial assets								
Long term deposits	-	-	-	-	385,750	385,750	385,750	425,450
Trade debts	-	-	-	443,334,644	-	443,334,644	443,334,644	291,023,004
Short term Investments	-	-	-	5,570,000	-	5,570,000	5,570,000	-
Advances, deposits and other receivables	-	-	-	84,159,454	-	84,159,454	84,159,454	78,326,661
Cash and bank	128,146	-	128,146	20,274,682	-	20,274,682	20,402,828	30,308,378
	128,146	-	128,146	553,338,780	385,750	553,724,530	553,852,676	400,083,493
Financial liabilities								
Long term loans	212,500,002	1,116,666,665	1,329,166,667	-	-	-	1,329,166,667	700,000,000
Finance under mark-up arrangements	765,602,724	-	765,602,724	-	-	-	765,602,724	679,647,803
Creditors, accrued and other liabilities	-	-	-	243,954,664	-	243,954,664	243,954,664	162,888,546
	978,102,727	1,116,666,665	2,094,769,392	243,954,664	-	243,954,664	2,338,724,055	1,542,536,349
Sensitivity gap	(977,974,581)	(1,116,666,665)	(2,094,641,246)	309,384,116	385,750	309,769,866	(1,784,871,379)	(1,142,452,856)
Unrecognized financial Instruments								
Commitments for capital expenditure	-	-	-	937,812,599	-	937,812,599	937,812,599	20,011,359
Letters of credit other than capital expenditure	-	-	-	187,757,853	-	187,757,853	187,757,853	87,438,405

30.1 FINANCIAL RISK MANAGEMENT OBJECTIVES

The company's activities expose it to variety of financial risks including the effects of changes in foreign exchange rates, market interest rates such as State Bank of Pakistan's discount rate and short term federal bond rates, credit risks associated with various financial assets as referred to in note 30 and cash flow risk associated with accrued interests in respect of secured long term borrowings as referred to in note 5.

The company finances its operations through equity, borrowings and management of working capital with a view to maintaining a reasonable mix between the various sources of finance to minimize risk.

Taken as a whole, risk arising from the company's financial instruments is limited as there is no significant exposure to market risk in respect of such instruments.

30.1.1 CONCENTRATION OF CREDIT RISK

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties failed completely to perform as contracted. The Company's credit risk is primarily attributable to its trade receivables and its balances at bank. The credit risk on liquid funds is limited because the counterparties are banks with reasonably high credit rating. The company has no significant concentration of credit risk as exposure is spread over a large number of counterparties in the case of trade debts. Out of the total financial assets of Rupees 553.853 million (2003: Rupees 400.083 million) financial assets which are subject to credit risk amounting to Rupees 527.880 million limits to its customers.

30.1.2 FOREIGN EXCHANGE RISK MANAGEMENT

Currency risk arises mainly where receivables and payables exist due to transactions with foreign buyers and suppliers. The company operates internationally and is exposed to foreign exchange risk arising from various currency exposures primarily with respect U.S. Dollars. The company uses forward contracts to hedge their exposure to foreign currency risk in the local reporting currency.

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

30.1.3 INTEREST RATE RISK

The company usually borrows funds at fixed and market based rates and as such the risk is minimized. Significant interest rate and cash flow risk exposures are primarily managed by contracting floor and cap of interest rates.

30.1.4 LIQUIDITY RISK

Liquidity risk reflects an enterprise's inability in raising funds to meet commitments. The company follows an effective cash management and planning policy to ensure availability of funds and to take appropriate measures for new requirements.

30.1.5 FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying value of all financial instruments reflected in the financial statements approximate their fair values. The fair value of forward foreign exchange contracts is the difference between the committed rate and the exchange rate prevailing at the balance sheet date.

	2004	2003
31. PLANT CAPACITY AND ACTUAL PRODUCTION		
Spinning		
Number of spindles installed	50,952	50,952
Number of spindles worked	50,388	50,312
Number of shift per day	3	3
Capacity after conversation into 20 count (Kgs.)	16,770,807	16,770,807
Actual production of yarn after conversion into 20 count (Kgs.)	16,428,764	15,583,927
Under utilisation of available capacity was due to processing of coarser counts.		
Weaving		
Number of looms installed	212	212
Number of looms worked	212	212
Number of shift per day	3	3
Capacity after conversion into 50 picks - square yards	151,356,941	151,356,941
Actual production after conversion into 50 picks - square yards	145,160,563	121,243,825
Reasons for low production		
Under utilisation of available capacity was due to following reasons		
Change of article required		
Width loss due to specification of the cloth; and		
Due to normal maintenance		
	2004	2003
	Rupees	Rupees
32. CASH GENERATED FROM OPERATIONS		
Profit before taxation	685,690,666	375,417,592
Add/(less) adjustment for non cash charges and other items.		
Depreciation	209,063,433	196,448,960
Profit on sale of fixed assets	(476,262)	(12,914,197)
Provision for employees' benefits	6,198,851	5,089,359
Unrealized gain on short term investment	(839,225)	-
Financial charges	71,540,677	119,083,826
Working capital charges (Note 32.1)	(286,417,984)	(113,014,028)
	684,760,156	570,111,512

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2004

	2005	2004
	Rupees	Rupees
32.1 WORKING CAPITAL CHANGES		
(Increase) / decrease in current assets		
Stores and spares	(1,134,004)	(2,932,404)
Stock-in-trade	(156,246,105)	(42,886,988)
Trade debts	(152,311,641)	(30,262,437)
Advances, deposits, prepayments and other receivables	(93,219,748)	(52,757,341)
	(402,911,498)	(128,839,170)
Increase in current liabilities		
Creditors, accrued and other liabilities	116,493,514	15,825,142
	(286,417,984)	(113,014,028)
33. CASH AND CASH EQUIVALENTS		
Cash and bank balances (Note 18)	20,402,828	30,308,378
Finance under mark-up arrangements and other credit facilities (Note 7)	(765,602,724)	(679,647,803)
	(745,199,896)	(649,339,425)
	2004	2003

34. EARNING PER SHARE

There is no dilutive effect on the basic earning per share which is based on

Profit attributable to ordinary shareholders	(Rupees)	635,076,653	327,417,592
Weighted average number of ordinary shares	(Number)	44,352,000	44,352,000
Earning per share-basic	(Rupees)	14.32	7.38

35. NUMBER OF EMPLOYEES

Number of employees at the year end 2,452 2,322

36. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 25 November 2004 by the Board of Directors of the Company.

37. CORRESPONDING FIGURES

Corresponding figures for the year, where necessary, have been re-arranged for the purpose of comparison. However, there is no significant re-classification of the previous figures.

CHIEF EXECUTIVE

DIRECTOR

PATTERN OF SHARE HOLDING

AS AT 30 SEPTEMBER 2004

Share Holders	Share Holding		Total Shares Held
	From	To	
512	1	100	25971
1021	101	500	298051
270	501	1000	191288
694	1001	5000	1495238
76	5001	10000	541247
24	10001	15000	295630
16	15001	20000	280907
18	20001	25000	404693
5	25001	30000	142963
10	30001	35000	321487
6	35001	40000	220928
5	40001	45000	213534
4	45001	50000	186210
1	55001	60000	55440
1	65001	70000	66220
2	80001	85000	169700
1	120001	125000	124000
1	215001	220000	215500
1	225001	230000	225330
1	240001	245000	242000
1	265001	270000	266100
1	290001	295000	292000
1	305001	310000	306900
1	320001	325000	322800
2	400001	405000	800560
1	410001	415000	413424
1	460001	465000	462400
1	470001	475000	474500
2	535001	540000	1074400
1	645001	650000	647900
1	670001	675000	673656
1	685001	690000	685238
1	775001	780000	777200
1	1000001	1005000	1000100
1	1245001	1250000	1245900
1	1340001	1345000	1340532
1	1660001	1665000	1663200
1	1875001	1880000	1877700
1	1935001	1940000	1936000
1	2105001	2110000	2108409
1	2195001	2200000	2200000
1	2460001	2465000	2464000
1	2520001	2525000	2522300
1	3280001	3285000	3280041
1	4100001	4105000	4104053
1	5695001	5700000	5696350
2697			44352000

CATEGORIES OF SHAREHOLDERS

AS AT 30 SEPTEMBER 2004

Categories of Shareholders	Number of Shareholders	Shares Held	Percentage
Individuals	2593	21978941	49.56
Investment Cos.	2	5500	0.01
Insurance Cos.	4	1791182	4.04
Joint Stock Cos.	66	12926290	29.14
Financial Institutions	10	5178173	11.68
Modaraba Cos.	2	26950	0.06
Foreign Cos.	1	308	0.00
Mutual Funds	6	1501650	3.39
Others	13	943006	2.13
	2,697	44,352,000	100.00

	Shareholding as at 30 September 2004	Percentage
1. Associated Companies:	-	-
2. NIT & ICP		
National Bank Of Pakistan Trustee Deptt.	4,109,253	9.27%
Investment Corporation of Pakistan	12,187	0.03%
3. Directors, CEO and their spouse and minor children:		
Mr. Muhammad Saleem (Chairman)	2,200,000	4.96%
Mr. Shahzad Saleem (Chief Executive)	4,400,000	9.92%
Mr. Yahya Saleem (Director)	4,400,000	9.92%
Spouse:		
Mrs. Farhat Saleem w/o Mr. Muhammad Saleem	2,200,000	4.96%
Mrs. Ayesha Shahzad w/o Mr. Shahzad Saleem	45,100	0.10%
4. Executives:	15,280	0.03%
5. Public Sector, Companies & Corporations		
Joint Stock Companies	12,926,290	29.14%
6. Banks, Development Financial Institutions, Non Banking Financial Institutions, Insurance Companies, Modarabas and Mutual Funds:		
a) Investment Companies	5,500	0.01%
b) Insurance Companies	1,791,182	4.04%
c) Financing Companies	5,178,173	11.68%
d) Modaraba Companies	26,950	0.06%
e) Mutual Funds	1,501,650	3.39%
7. Shareholders holding ten percent or more voting interest in the company:		
M/s Umer Fabrics Limited	6,096,750	13.75%

INFORMATION UNDER CLAUSE XIX(J) OF THE CODE OF CORPORATE GOVERNANCE

The CEO, Directors, CFO, Company Secretary and their Spouses and Minor Children have no sale / purchase of Company's shares during the year ended on September 30, 2004.

PROXY FORM

The Company Secretary,
Nishat (Chunian) Limited
31 -Q, Gulberg-II,
Lahore.

I/We _____

of _____ being a member(s) of

Nishat (Chunian) Limited, and a holder of _____ Ordinary shares

as per Share Register Folio No _____

(in case of Central Depository System Account Holder A/c No. _____

Participant I.D. No _____) hereby appoint _____

of _____ another member of the Company as per

Share Register Folio No. _____ or (failing him/her) _____

of _____ another member of the Company) as my / our Proxy of

attend and vote for me / us and on my / our behalf at Annual General Meeting of the Company, to be held on 23 December 2004 (Thursday) at 11:00 a.m. at the Registered Office of the Company (31-Q, Gulberg-II, Lahore) and at any adjournment thereof.

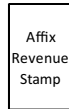
As witness my hand this _____ day of _____ 2004

signed by the said _____ in presence

of _____

Witness

Signature



Signature

Notes:

- 1 Proxies, in order to be effective, must be received at the Company's Registered Office / Head Office not less than 48 hours before the meeting duly stamped, sighted and witnessed.
- 2 Signature must agree with the specimen signature registered with the Company.
- 3 In case of Central Depository System Account Holder, an attested copy of identity card should be attached to this Proxy Form.
- 4 No person shall act as proxy unless he is member of the Company.



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www.facebook.com/NishatChunianGroup

