



Interim Financial Information
Quarter Ended 30 September 2009
(Unaudited)



| Nishat Chunian Ltd

02	Company Information
03	Directors' Report
04	Balance Sheet
06	Profit and Loss Account
07	Cash Flow Statement
08	Statement of Changes in Equity
09	Notes to the Financial Information
15	Consolidated Balance Sheet
17	Consolidated Profit and Loss Account
18	Consolidated Cash Flow Statement
19	Consolidated Statement Of Changes In Equity
20	Notes to the Consolidated Financial Information

COMPANY INFORMATION

Board of Director:	Mr. Muhammad Saleem Mrs. Farhat Saleem Mr. Shahzad Saleem Mr. Manzoor Ahmed Mr. Aftab Ahmed Khan Mr. Manzar Mushtaq Mrs. Nabiha Samad	Chairman Chief Executive Nominee NIT
Audit Committee:	Mr. Aftab Ahmed Khan Mr. Shahzad Saleem Mr. Manzar Mushtaq	Chairman Member Member
Company Secretary:	Mr. Ahmad Subhani	
Bankers to the Company:	Allied Bank Limited Askari Bank Limited Atlas Bank Limited Bank Alfalah Limited Barclays Bank plc Citibank N.A. Dawood Islamic Bank Limited Deutsche Bank AG Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Bank Limited HSBC Bank Middle East Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Standard Chartered Bank Pakistan Limited The Bank of Punjab The Royal Bank of Scotland 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 : http://nishat.net & www.nishatchunian.com	
Mills:	Spinning 1, 4 & 5 49th Kilometer, Multan Road, Bhai Pheru, Tehsil Chunian, District Kasur. Spinning 2, 3 & Weaving 49th Kilometer, Multan Road, Kamogal, Tehsil Pattoki District Kasur. Home Textile Division 4th Kilometer, Manga Road, Raiwind.	

We are pleased to present the un-audited financial results of Nishat Chunian Limited (the company) for the quarter ended 30 September 2009. Sales are Rs. 2,855.19 million as compared to Rs. 2,591.97 million during the corresponding quarter last year, which shows an increase of 10.16%. Despite increase in Sales, the Company's gross margin is reduced to 16.62% as compared to 18.03% during corresponding quarter last year. Reason for decrease in gross margin is increase in cost of production. The profit after tax is Rs. 89.66 million as compared to Rs. 122.53 million during the corresponding quarter last year. We are hopeful to maintain this profitability level in the next quarter as well.

Nisat Chunian Power Limited

NCPL has successfully conducted an IPO for Rs. 950 million and has been listed on KSE and LSE with effect from October 22, 2009. The last major shipment will reach site in the second week of November 2009 and we are scheduled to start commercial operations by March 2010.

The company has annexed interim consolidated financial statements along with its separate financial statements, in accordance with the requirements of International Accounting Standard (IAS) 27 (Consolidated and Separate Financial Statements).

The directors wish to express their appreciation to the team of dedicated managers, officers and staff, who continue to play pivotal role for the success and growth of the group companies.

On behalf of the Board

Lahore : 30 October 2009

Shahzad Saleem
Chief Executive

INTERIM CONDENSED BALANCE SHEET AS AT 30 SEPTEMBER 2009

	Unaudited 30 September 2009 Rupees	Audited 30 June 2009 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised share capital	<u>1,750,000,000</u>	<u>1,750,000,000</u>
Issued, subscribed and paid up share capital	1,240,813,830	1,240,813,830
Reserves	<u>1,951,322,694</u>	<u>1,861,657,101</u>
TOTAL EQUITY	3,192,136,524	3,102,470,931
NON-CURRENT LIABILITIES		
Long term financing	5 <u>2,910,061,112</u>	3,181,905,316
Deferred tax liability	<u>1,552,252</u>	1,552,252
	2,911,613,364	3,183,457,568
CURRENT LIABILITIES		
Trade and other payables	<u>458,540,276</u>	454,523,239
Accrued mark-up	<u>184,863,949</u>	171,523,906
Short term borrowings	6 <u>3,881,067,545</u>	3,500,578,041
Current portion of long term financing	<u>1,367,796,423</u>	1,604,255,864
	<u>5,892,268,193</u>	5,730,881,050
TOTAL LIABILITIES	8,803,881,557	8,914,338,618
CONTINGENCIES AND COMMITMENTS	7 -	-
TOAL EQUITY AND LIABILITIES	<u>11,996,018,081</u>	<u>12,016,809,549</u>

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

Chief Executive

INTERIM CONDENSED BALANCE SHEET AS AT 30 SEPTEMBER 2009

		Unaudited 30 September 2009	Audited 30 June 2009
	Note	<u>Rupees</u>	<u>Rupees</u>
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	8	5,806,588,998	5,927,347,672
Long term investment	9	1,750,203,560	1,437,891,880
Long term loans		3,626,934	3,537,975
Long term security deposits		<u>1,062,942</u>	<u>1,082,942</u>
		7,561,482,434	7,369,860,469
CURRENT ASSETS			
Stores, spare parts and loose tools		294,871,550	333,919,097
Stock in trade		2,283,446,157	2,183,103,730
Trade debts		1,130,555,790	1,516,728,987
Short term investments	10	373,265,830	-
Loans and advances		125,319,868	372,218,019
Short term deposits and prepayments		676,206	487,724
Other receivables		203,769,753	211,045,658
Cash and bank balances		22,630,493	29,445,865
		4,434,535,647	4,646,949,080
TOTAL ASSETS		<u>11,996,018,081</u>	<u>12,016,809,549</u>

Director

INTERIM CONDENSED PROFIT AND LOSS ACCOUNT (UNAUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	30 September	30 September
Note	2009	2008
	Rupees	Rupees
Sales	11 2,855,193,364	2,591,973,855
Cost of sales	11 2,380,749,212	2,124,733,924
Gross profit	474,444,152	467,239,931
Distribution and selling expenses	78,017,558	84,074,819
Administrative expenses	31,973,300	33,632,060
Other operating expenses	7,282,926	8,021,777
	117,273,784	125,728,656
	357,170,368	341,511,275
Other operating income	26,650,746	38,888,334
Profit from operations	383,821,114	380,399,609
Finance cost	266,155,521	232,872,646
Profit before taxation	117,665,593	147,526,963
Provision for taxation	28,000,000	25,000,000
Profit after taxation	89,665,593	122,526,963
Earnings per share - basic	1.08	1.48
Earnings per share - diluted	0.72	0.99

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

Chief Executive

Director

INTERIM CONDENSED CASH FLOW STATEMENT (UNAUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	30 September 2009	30 September 2008
	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	1,103,437,198	338,067,053
Long term deposits - net	20,000	(150,000)
Finance cost paid	(252,815,478)	(186,397,785)
Taxes paid	(36,612,155)	(19,417,563)
	<u>(289,407,633)</u>	<u>(205,965,348)</u>
Net cash generated from operating activities	814,029,565	132,101,705
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(8,129,204)	(34,685,631)
Long term loans - net	(88,959)	261,472
Long term investment	(312,311,680)	(470,574,400)
Short term investment	(373,265,830)	-
Proceeds from sale of property, plant and equipment	785,000	2,430,860
Net cash used in investing activities	(693,010,673)	(502,567,699)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term financing and murabaha	-	500,000,000
Repayment of long term financing and murabaha	(508,303,645)	(504,464,442)
Dividend paid	(20,123)	(16,780)
Net cash used in financing activities	(508,323,768)	(4,481,222)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(387,304,876)	(374,947,216)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	(3,471,132,176)	(3,172,410,284)
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	<u>(3,858,437,052)</u>	<u>(3,547,357,500)</u>

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

Chief Executive

Director

INTERIM CONDENSED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	SHARE CAPITAL			RESERVES			TOTAL EQUITY	
	Ordinary Shares	Preference Shares	Total	Capital Reserve	Revenue Reserves			Total
				Hedging Reserve	General Reserve	Unappropriated Profit		
----- Rupees -----								
Balance as at 30 June 2008	752,008,380	-	752,008,380	8,617,175	1,629,221,278	210,347,197	1,848,185,650	2,600,194,030
Profit for the quarter ended 30 September 2008	-	-	-	-	-	122,526,963	122,526,963	122,526,963
Gain (Net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	-	-	3,367,019	-	-	3,367,019	3,367,019
Balance as at 30 September 2008	752,008,380	-	752,008,380	11,984,194	1,629,221,278	332,874,160	1,974,079,632	2,726,088,012
Bonus share issued @10%	75,200,840	-	75,200,840	-	-	(75,200,840)	(75,200,840)	-
15% non-voting cumulative convertible preference share issued	-	413,604,610	413,604,610	-	-	-	-	413,604,610
Share Issuance cost, net	-	-	-	-	-	(3,667,721)	(3,667,721)	(3,667,721)
Loss (net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	-	-	(9,101,441)	-	-	(9,101,441)	(9,101,441)
Preference dividend of the year ended 30 June 2009	-	-	-	-	-	(5,269,209)	(5,269,209)	(5,269,209)
Net Loss for the nine months ended 30 June 2009	-	-	-	-	-	(19,183,320)	(19,183,320)	(19,183,320)
Balance as at 30 June 2009	827,209,220	413,604,610	1,240,813,830	2,882,753	1,629,221,278	229,553,070	1,861,657,101	3,102,470,931
Profit for the quarter ended 30 September 2009	-	-	-	-	-	89,665,593	89,665,593	89,665,593
Balance as at 30 September 2009	827,209,220	413,604,610	1,240,813,830	2,882,753	1,629,221,278	319,218,663	1,951,322,694	3,192,136,524

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

Chief Executive

Director

1. THE COMPANY AND ITS OPERATIONS

Nishat (Chunian) Limited (the "Company") is public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and is listed on the Lahore and Karachi Stock Exchanges. Its registered office is situated at 31-Q Gulberg II, Lahore. The Company is engaged in the business of spinning, weaving, dyeing, stitching processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabric and made-ups from raw cotton, synthetic fibre and cloth and to generate, accumulate, distribute, supply and sell electricity.

2. STATEMENT OF COMPLIANCE

This interim financial information is unaudited and is being submitted to the shareholders, as required under section 245 of the Companies Ordinance 1984 and has been prepared in accordance with the International Accounting Standard (IAS) - 34 "Interim Financial Reporting" as applicable in Pakistan and notified by the Securities and Exchange Commission of Pakistan (SECP). This interim condensed financial information should be read in conjunction with the annual financial statements for the year ended 30 June 2009

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

Accounting policies and method of computations adopted for the preparation of this interim condensed financial information are the same as applied in the preparation of the preceding annual financial statements of the company for the year ended 30 June 2009.

Adoption of IFRS 8 "Operating Segments"

Nishat (Chunian) Limited has adopted IFRS 8 "Operating Segments" with effect from 1 January 2009. IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Company that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Judgments and estimates made by the management in the preparation of this condensed financial information are the same as those applied to the annual financial statements for the year ended 30 June 2009.

5. LONG TERM FINANCING

	Unaudited 30 September 2009	Audited 30 June 2009
	Rupees	Rupees
From Banking Companies-Secured Long Term Loans	4,043,482,535	4,536,161,180
Long Term Musharika	234,375,000	250,000,000
	<u>4,277,857,535</u>	<u>4,786,161,180</u>
Less: Current portion shown under current liabilities	<u>(1,367,796,423)</u>	<u>(1,604,255,864)</u>
Non-current portion	<u>2,910,061,112</u>	<u>3,181,905,316</u>

	Unaudited 30 September 2009 Rupees	Audited 30 June 2009 Rupees
6. SHORT TERM BORROWINGS		
Short term running finances	153,809,941	1,212,392,470
Export finances-preshipment/SBP refinance	2,408,257,604	1,008,185,571
Other short term finances	1,319,000,000	1,280,000,000
	3,881,067,545	3,500,578,041

7. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in contingencies since the last audited annual financial statements.

Commitments

- i) Commitments in respect of capital expenditure are Rupees 61.831 million (30 June 2009: Rupees 19.499 million).
- ii) Letters of credit other than for capital expenditure are Rupees 33.198 million (30 June 2009: Rupees 291.489 million).
- iii) Quanto (interest rate) swap of Rupees 500 million (30 June 2009: Rupees 500 million) as on 30 September, 2009.
- iv) Outstanding forwards contracts of Rupees 1,568.72 million (30 June 2009: rupees 1,131.288 million).

8. OPERATING FIXED ASSETS

Property, plant and equipment

Operating assets (Note 8.1)	5,779,148,713	5,905,713,184
Capital work in progress (Note 8.2)	26,586,233	20,711,188

	5,805,734,946	5,926,424,372
Intangible asset - computer software (Note 8.3)	854,052	923,300

	5,806,588,998	5,927,347,672
--	----------------------	----------------------

8.1 Operating Assets

Opening book value	5,905,713,184	6,067,386,394
Additions during the period/year (Note 8.1.1)	2,323,407	386,194,676
	5,908,036,591	6,453,581,070

Book value of deletions during the period/year (Note 8.1.2)	263,140	10,707,695
--	---------	------------

Less: Depreciation charges during the period/year	128,624,738	537,160,191
--	-------------	-------------

Closing book value	5,773,148,713	5,905,713,184
---------------------------	----------------------	----------------------

	Unaudited 30 September 2009	Audited 30 June 2009
	Rupees	Rupees
8.1.1 Cost of additions during the period / year		
Building on freehold land	-	50,229,330
Plant and Machinery	-	306,220,996
Electric Installations	111,900	9,694,793
Factory Equipment	-	78,100
Furniture and fixtures	7,000	1,110,918
Office Equipment	512,000	3,279,498
Motor Vehicles	1,692,507	15,581,041
	<u>2,323,407</u>	<u>386,194,676</u>
8.1.2 Book value of deletions during the period / year		
Machinery & Electrical Installation	-	13,491,708
Vehicles	1,266,447	16,111,871
Total Cost of Deletions	1,266,447	29,603,579
Less: Accumulated Depreciation	(1,003,307)	(18,895,884)
	<u>263,140</u>	<u>10,707,695</u>
8.2 Capital work in progress		
Plant, machinery and equipment	813,398	2,245,715
Civil work on freehold land	22,688,347	18,162,458
Mobilization advance	3,084,488	303,015
	<u>26,586,233</u>	<u>20,711,188</u>
8.3 Intangible asset - computer software		
Opening Book value	923,300	-
Additions during the period	-	1,319,000
Amortization for the period	(69,248)	(395,700)
Closing Book value	854,052	923,300
9. LONG TERM INVESTMENTS		
Subsidiary Company		
Nishat Chunian Power Limited-Unquoted 175,020,356(June 30 2009: 143,789,188) fully paid ordinary shares of Rupees 10 each. Equity held 51% (30 June 2009: 80%)	<u>1,750,203,560</u>	<u>1,437,891,880</u>
10. SHORT TERM INVESTMENT		
This represent investment in Nishat Chunian Power Limited (the subsidiary) which is non-strategic and is over and above 51% stake which the company undertakes to maintain for the next 10 years as per project agreements. The Company may dispose off this additional investment in next twelve months.	<u>373,265,830</u>	<u>-</u>

11. SEGMENT INFORMATION

					COMPANY	
	Spining	weaving	Home Textile Division	Captive Power	Quarter Ended Sep 30 2009	Quarter Ended Sep 30 2008
----- Rupees -----						
Sales						
Export	1,112,469,335	232,547,513	798,433,205	-	2,143,450,053	1,627,622,787
Local	401,432,886	187,026,495	74,014,518	-	662,473,899	964,351,068
Electricity, Steam etc	-	-	-	49,269,412	49,269,412	-
Inter segment	364,309,378	525,303,047	-	181,754,561	-	-
Total	1,878,211,599	944,877,055	872,447,723	231,023,973	2,855,193,364	2,591,973,855
Cost of Sale						
Raw material consumed	1,253,823,326	601,134,323	542,329,424	-	1,551,274,648	1,500,961,670
packing material consumed	36,561,139	4,879,774	55,372,901	-	96,813,814	57,767,273
Stores, spare parts and loose tools	65,703,257	26,067,325	79,512,878	8,925,153	180,208,613	147,895,279
Salaries, wages and other benefits	104,370,756	25,623,729	39,534,355	4,271,093	173,799,933	133,237,645
Fuel and Power	156,781,225	71,322,088	38,187,466	196,846,400	237,782,618	171,449,588
Insurance	2,023,876	738,783	648,169	2,259,876	5,670,704	6,576,047
Postage and telephone	52,843	2,581	18,893	5,285	79,602	169,718
Travelling and conveyance	60,237	13,915	1,443,965	535	1,518,652	2,268,823
Vehicle running	1,400,722	400,081	487,294	292,167	2,580,264	2,839,377
Entertainment	132,329	71,632	228,653	26,705	459,319	331,659
Depreciation	55,895,837	22,120,910	31,102,581	16,993,768	126,113,096	141,739,478
Repair and maintenance	1,796,102	315,363	1,016,143	876,584	4,004,192	4,558,265
Other factory overheads	5,397,450	2,947,181	8,880,772	472,779	17,698,182	11,675,290
	1,683,999,099	755,637,685	798,763,494	230,970,345	2,398,003,637	2,181,470,112
Work in process						
Opening stock	65,032,873	83,867,248	155,849,386	-	304,749,507	195,443,205
Closing stock	(71,859,801)	(80,154,142)	(199,525,856)	-	(351,539,799)	(200,399,594)
	(6,826,928)	3,713,106	(43,676,470)	-	(46,790,292)	(4,956,389)
Cost of goods manufactured	1,677,172,171	759,350,791	755,087,024	230,970,345	2,351,213,345	2,176,513,723
Finished Goods - Opening Stock						
Finished goods	55,361,269	181,609,132	124,793,727	-	361,764,128	421,026,976
Waste	18,851,964	1,543,018	1,688,991	-	22,083,973	25,100,317
	74,213,233	183,152,150	126,482,718	-	383,848,101	446,127,293
Finished Goods - Closing Stock						
Finished goods	(89,298,649)	(117,377,038)	(122,573,694)	-	(329,249,381)	(490,158,095)
Waste	(21,792,692)	(1,083,330)	(2,201,531)	-	(25,077,553)	(26,307,112)
	(111,091,341)	(118,460,368)	(124,775,225)	-	(354,326,934)	(516,465,207)
Purchased finished goods						
Opening Stock of purchased finished goods	-	-	-	-	-	6,412,705
Add: Finished goods purchased	-	94,200	-	-	94,200	12,205,232
Less: Closing Stock of purchased finished goods	-	(79,500)	-	-	(79,500)	(59,822)
Cost of sales- purchased finished goods	-	14,700	-	-	14,700	18,558,115
Cost of goods sold	1,640,294,063	824,057,273	756,794,517	230,970,345	2,380,749,212	2,124,733,924
Gross Profit	237,917,536	120,819,782	115,653,206	53,628	474,444,152	467,239,931

11.1 Inter - Segment Sales and Purchases

Inter - segment sales and purchases have been eliminated from the total.

11.2 Inter - Segment Pricing

Transaction among the business segments are recorded at arm's length prices using admissible valuation methods.

	Unaudited 30 September 2009	Unaudited 30 September 2008
	Rupees	Rupees
12. CASH GENERATED FROM OPERATIONS		
Profit before taxation	117,665,593	147,526,963
Add/ (less) adjustment for non cash charges and other items:		
Depreciation	128,624,738	144,427,395
Gain on sale of operating fixed assets	(521,860)	(173,384)
Finance costs	266,155,521	232,872,646
Cash flow from operating activities before working capital changes	511,923,992	524,653,620
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	39,047,547	(27,229,393)
Stock in trade	(100,342,427)	89,686,895
Trade debts	386,173,197	(256,301,602)
Loans and advances	246,898,151	(45,025,115)
Short term deposits and prepayments	(188,482)	(8,650,867)
Other receivables	15,888,059	17,466,464
Increase in current Liabilities		
Trade and other payables	4,037,161	43,467,051
Cash generated from operations	1,103,437,198	338,067,053

13. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated undertakings, other related parties, key management personnel and provident fund trust. The company in the normal course of business carries out transactions with related parties.

Purchase of goods and services	41,917,774	23,708,519
Sale of goods and services	64,564,967	10,218,564
Contribution to employees' provident fund	4,502,702	4,217,897
Investment in subsidiary	685,577,510	470,574,400

14. AUTHORISED FOR ISSUE

This financial information was approved by the Board of Directors and authorised for issue on 30 October 2009.

Chief Executive

Director

NISHAT (CHUNIAN) LIMITED AND ITS
SUBSIDIARY COMPANY

INTERIM CONDENSED CONSOLIDATED
FINANCIAL INFORMATION

QUARTER ENDED 30 SEPTEMBER 2009
(UNAUDITED)

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30
SEPTEMBER 2009**

	Unaudited 30 September 2009 Rupees	Audited 30 June 2009 Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorised share capital	<u>1,750,000,000</u>	<u>1,750,000,000</u>
Issued, subscribed and paid up share capital	1,240,813,828	1,240,813,828
Reserves	<u>1,949,153,015</u> <u>3,189,966,843</u>	<u>1,859,810,971</u> <u>3,100,624,799</u>
Minority interest	<u>1,306,329,221</u>	<u>359,011,447</u>
TOTAL EQUITY	4,496,296,064	3,459,636,246
NON-CURRENT LIABILITIES		
Long term financing	<u>2,910,061,112</u>	<u>3,106,953,655</u>
Long term murabaha	<u>10,566,002,954</u>	<u>7,189,436,030</u>
Deferred tax liability	<u>1,552,252</u>	<u>1,552,252</u>
	<u>13,477,616,318</u>	<u>10,297,941,937</u>
CURRENT LIABILITIES		
Trade and other payables	<u>461,609,638</u>	<u>459,619,896</u>
Accrued mark-up	<u>554,975,992</u>	<u>412,461,194</u>
Short term borrowings	<u>3,881,067,545</u>	<u>3,500,578,041</u>
Current portion of non-current liabilities	<u>1,522,384,224</u>	<u>1,679,207,525</u>
	<u>6,420,037,399</u>	<u>6,051,866,656</u>
TOTAL LIABILITIES	19,897,653,717	16,349,808,593
CONTINGENCIES AND COMMITMENTS	5 -	-
TOAL EQUITY AND LIABILITIES	<u>24,393,949,781</u>	<u>19,809,444,841</u>

The annexed notes form an integral part of this interim condensed consolidated financial information.

Chief Executive

**INTERIM CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30
SEPTEMBER 2009**

		Unaudited	Audited
		30 September	30 June
	Note	2009	2009
		Rupees	Rupees
ASSETS			
NON-CURRENT ASSETS			
Fixed assets	6	19,560,440,862	15,145,261,812
Long term loans		3,626,933	3,537,975
Long term security deposits		1,167,942	1,187,942
		19,565,235,737	15,149,987,729
CURRENT ASSETS			
Stores, spare parts and loose tools		294,871,550	333,919,097
Stock in trade		2,283,446,157	2,183,103,730
Trade debts		1,130,555,790	1,516,728,987
Loans and advances		136,013,841	374,538,500
Short term deposits and prepayments		676,206	487,724
Other receivables		209,484,675	216,500,366
Cash and bank balances		773,665,825	34,178,708
		4,828,714,044	4,659,457,112
TOTAL ASSETS		24,393,949,781	19,809,444,841

Director

**INTERIM CONDENSED CONSOLIDATED
PROFIT AND LOSS ACCOUNT (UNAUDITED)**

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	Note	30 September 2009	30 September 2008
		Rupees	Rupees
Sales		2,855,193,364	2,591,973,855
Cost of sales		2,380,749,212	2,124,733,924
Gross profit		474,444,152	467,239,931
Distribution and selling expenses		78,017,558	84,074,819
Administrative expenses		32,563,659	34,028,269
Other operating expenses		7,282,926	8,021,777
		117,864,143	126,124,865
		356,580,009	341,115,066
Other operation income		26,718,306	38,888,334
Profit from operations		383,298,315	380,003,400
Finance cost		266,155,521	232,872,646
Profit before taxation		117,142,794	147,130,754
Provision for taxation		28,000,000	25,000,000
Profit after taxation		89,142,794	122,130,754
Earnings per share - basic		1.08	1.48
Earnings per share - diluted		0.72	0.99
 Attributable to:			
The holding company - Nishat (Chunian) Limited		89,342,042	122,310,582
Minority interest		(199,248)	(179,828)
		89,142,794	122,130,754

The annexed notes form an integral part of this interim condensed consolidated financial information.

Chief Executive

Director

**INTERIM CONDENSED CONSOLIDATED
CASH FLOW STATEMENT (UNAUDITED)**

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	30 September 2009	30 September 2008
Note	Rupees	Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations	7 1,092,536,685	358,011,836
Long term security deposits - net	20,000	(150,000)
Finance cost paid	(527,513,245)	(186,397,785)
Taxes paid	(36,868,652)	(19,417,563)
	(564,361,897)	(205,965,348)
Net cash generated from operating activities	528,174,788	152,046,488
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(4,140,221,195)	(2,784,472,566)
Long term loans - net	(88,959)	(261,744)
Proceeds from sale of property, plant and equipment	785,000	2,430,861
Net cash used in investing activities	(4,139,525,154)	(2,782,303,449)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term financing and murabaha	3,531,154,725	2,809,526,415
Repayment of long term financing and murabaha	(508,303,645)	(504,464,442)
Share issued to minority shareholders	947,517,022	114,968,600
Dividend paid	(20,123)	(16,781)
Net Cash generated from financing activities	3,970,347,979	2,420,013,792
Net increase/(decrease) in cash and cash equivalents	358,997,613	(210,243,169)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	(3,466,399,333)	(3,161,261,448)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	8 (3,107,401,720)	(3,371,504,617)

The annexed notes form an integral part of this interim condensed consolidated financial information.

Chief Executive

Director

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	HOLDING COMPANY'S EQUITY							MINORITY INTEREST	TOTAL EQUITY	
	SHARE CAPITAL			RESERVES						
	Share Capital	Preference Shares	Total	Capital Reserves	Revenue Reserves		Total Reserves			Total Equity of Holding Company
			Hedging Reserve	General Reserve	Unappropriated Profit/(Loss)					
----- Rupees -----										
Balance as at 30 June 2008	752,008,380	-	752,008,380	8,617,175	1,629,221,278	209,736,894	1,847,575,347	2,599,583,727	52,780,624	2,652,364,351
Profit for the quarter ended 30 September 2008	-	-	-	-	-	122,526,963	122,526,963	122,526,963	-	122,526,963
Gain (Net of deferred tax) arising on marking to market quanto interest rate swap entered into as part of cash flow hedge	-	-	-	3,367,019	-	-	3,367,019	3,367,019	-	3,367,019
Minority interest arising investment in subsidiary company	-	-	-	-	-	-	-	-	114,968,600	114,968,600
Balance as at 30 September 2008	752,008,380	-	752,008,380	11,984,194	1,629,221,278	332,263,857	1,973,469,329	2,725,477,709	167,749,224	2,893,226,933
Bonus share issued @10%	75,200,840	-	75,200,840	-	-	(75,200,840)	(75,200,840)	-	-	-
15% non-voting cumulative convertible preference share issued	-	413,604,610	413,604,610	-	-	-	-	413,604,610	-	413,604,610
Share issuance cost, net	-	-	-	-	-	(3,667,721)	(3,667,721)	(3,667,721)	-	(3,667,721)
Loss (net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	-	-	(9,101,441)	-	-	(9,101,441)	(9,101,441)	-	(9,101,441)
Preference dividend of the year ended 30 June 2009	-	-	-	-	-	(5,269,209)	(5,269,209)	(5,269,209)	-	(5,269,209)
Minority interest arising on investment in Subsidiary Company	-	-	-	-	-	-	-	-	191,571,180	191,571,180
Net Loss for the nine months ended 30 June 2009	-	-	-	-	-	(20,419,147)	(20,419,147)	(20,419,147)	(308,957)	(20,728,104)
Balance as at 30 June 2009	827,209,220	413,604,610	1,240,813,830	2,882,753	1,629,221,278	227,706,940	1,859,810,971	3,100,624,801	359,011,447	3,459,636,248
Profit for the quarter ended 30 September 2009	-	-	-	-	-	89,342,042	89,342,042	89,342,042	(199,248)	89,142,794
Minority interest arising investment in subsidiary company	-	-	-	-	-	-	-	-	947,517,022	947,517,022
Balance as at 30 September 2009	827,209,220	413,604,610	1,240,813,830	2,882,753	1,629,221,278	317,048,982	1,949,153,013	3,189,966,843	1,306,329,221	4,496,296,064

The annexed notes form an integral part of this interim condensed consolidated financial information.

Chief Executive

Director

FOR THE QUARTER ENDED 30 SEPTEMBER 2009

1. GROUP INFORMATION

The Group consist of :

Holding Company	-	Nishat (Chunian) Limited
Subsidiary Company	-	Nishat Chunian Power Limited

Nishat (Chunian) Limited

Nishat (Chunian) Limited is a public limited company incorporated in Pakistan under the Companies Ordinance, 1984 and is listed on the Lahore and Karachi Stock Exchanges. Its registered office is situated at 31-Q, Gulberg II, Lahore. The Company is engaged in business of spinning, weaving, dyeing, stitching, processing, doubling, sizing, buying, selling and otherwise dealing in yarn, fabric and made-ups made from raw cotton, synthetic fiber and cloth and to generate, accumulate, distribute, supply and sell electricity.

Nishat Chunian Power Limited

Nishat Chunain Power Limited is an unlisted public limited Company incorporated in Pakistan under the Companies Ordinance, 1984. The principal activity of the company will to be build, own, operate and maintain a fuel fired power station based on Reciprocating Engine Technology having gross capacity of 200 MW ISO in Jumber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The expected project commissioning date is 31 March 2010. Its registered office is situated at 31-Q, Gulberg II, Lahore.

2. STATEMENT OF COMPLIANCE

This financial information is unaudited and being submitted to the shareholders, as required under Section 245 of Companies Ordinance, 1984 and have been prepared in accordance with the International Accounting Standards (IAS) - 34 "Interim Financial Reporting"

3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and method of computations adopted for the preparation of these interim condensed consolidated financial statements are the same as applied in the preparation of preceding annual published consolidated financial statements of the group for the year ended 30 June 2009.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Judgments and estimates made by the management in the preparation of this interim condensed consolidated financial information are the same as those applied to the annual financial statements for the year ended 30 June 2009.

5. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no change in contingencies since the last audited financial statements.

Holding Company

Commitments

- i) Commitments in respect of capital expenditure are Rupees 61.925 million (30 June 2009: Rupees 19.499 million)
- ii) Letter of credit other than for capital expenditure are Rupees 33.198 million (30 June 2009: Rupees 151.583 million)

- iii) Quanto (interest rate) swap entered by the holding company of Rupees 500 million (30 June 2009: Rupees 500 million) as on 30 September 2009.
- iv) Outstanding forward contracts of Rupees 1,568.72 million (30 June 2009: Rupees 1,131.288 million).

Subsidiary Company

Contingencies

Irrevocable letter of credit of USD 5,369,650 (30 June 2009: USD 5,369,650) equivalent to Rupees 446,593,790 (30 June 2009: Rupees 436,552,545) in favour of National Transmission and Despatch Company as required under the Power Purchase Agreement.

Payment guarantee of USD 3,844,080 (30 June 2009: USD 3,844,080) equivalent to Rupees 320,211,864 (30 June 2008: Rupees 312,139,296) in favour of Wartsila Pakistan (Private) Limited to secure payments obligation by the Company under construction services contract.

	Unaudited 30 September 2009	Audited 30 June 2009
	Rupees	Rupees
Commitments		
Equipment supply contract with Wartsila Finland OY	2,753,301,112	6,307,797,907
Construction supply contract with Wartsila Pakistan Pvt. Limited	608,402,542	749,134,310
Other contractors	34,809,722	18,754,894
6. OPERATING FIXED ASSETS		
Property, plant, equipment		
Operating assets	5,854,922,677	5,981,577,203
Capital work in progress	13,704,664,133	9,162,761,309
	19,559,586,810	15,144,338,512
Computer software	854,052	923,300
	19,560,440,862	15,145,261,812
	Unaudited 30 September 2009	Unaudited 30 September 2008
	Rupees	Rupees
7. CASH GENERATED FROM OPERATIONS		
Profit before taxation	117,142,794	147,526,963
Add/ (less) adjustment for non cash charges and other items:		
Depreciation	128,651,527	144,427,395
Gain on sale of operating fixed assets	(521,860)	(173,384)
Finance costs	266,155,521	232,872,646
Cash flows from operating activities before working capital changes	511,427,982	524,653,620

	Unaudited 30 September 2009	Unaudited 30 September 2008
	Rupees	Rupees
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	39,047,547	(27,229,392)
Stock in trade	(100,342,427)	89,686,895
Trade debts	386,173,197	(256,301,602)
Loans and advances	238,524,659	(45,025,116)
Short term deposits and prepayments	(188,482)	(8,650,867)
Other receivables	15,884,343	15,700,729
Increase in current liabilities		
Trade and other payables	2,009,866	65,177,569
Cash generated from/(used in) working capital	581,108,703	(166,641,784)
Cash generated from operations	1,092,536,685	358,011,836
8. CASH AND CASH EQUIVALENTS		
Cash and bank balances	773,665,825	34,178,708
Short term borrowings	(3,881,067,545)	(3,500,578,041)
	(3,107,401,720)	(3,466,399,333)

9. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of subsidiary, associated undertakings, other related parties, key management personnel and provident fund trust. The company in the normal course of business carries out transactions with related parties.

Purchase of goods and services	41,917,774	5,257,290
Sale of goods and services	64,564,967	23,426,208
Contribution to employees' provident fund	4,502,702	24,623,782

10. SEGMENT INFORMATION

As the subsidiary company has not started its operations, there are no operating results to be reported under IFRS-8 "Operating Segments". The operating results remain the same as disclosed in note 11 of separate interim financial statements of the holding company.

11. AUTHORISED FOR ISSUE

This financial information was approved by the Board of Directors and authorised for issue on 30 October 2009.

Chief Executive

Director

THIS PAGE
HAS BEEN
INTENTIONALLY
LEFT BLANK



31-Q, Gulberg II, Lahore 54660, Pakistan
Tel: +92 42 3576 1730, Fax: +92 42 3587 8696
Email: info@nishat.net
www.nishat.net
www.facebook.com/NishatChunianGroup

