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## Company Information

<b>Board of Directors:</b>	Mr. Muhammad Saleem Mrs. Farhat Saleem Mr. Shahzad Saleem Mr. Manzoor Ahmed Mr. Aftab Ahmad Khan Mr. Manzar Mushtaq Mr. Mehmood Akhtar	Chairman Chief Executive Nominee NIT
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<b>Audit Committee:</b>	Mr. Aftab Ahmad Khan Mr. Shahzad Saleem Mr. Manzar Mushtaq	Chairman Member Member
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<b>Chief Financial Officer:</b>	Mr. Ahmad Subhani
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<b>Bankers to the Company:</b>	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 Ltd. Meezan Bank Limited National Bank of Pakistan NB Bank Limited Standard Chartered Bank Pakistan Limited The Bank of Punjab The Royal Bank of Scotland Limited United Bank Limited
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<b>Auditors:</b>	Riaz Ahmad & Company Chartered Accountants
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<b>Registered &amp; Head Office:</b>	31-Q, Gulberg-II, Lahore, Pakistan. Phone : 5761730-39 Fax : 5878696-97 Web : <a href="http://nishat.net">http://nishat.net</a> & <a href="http://www.nishatchunian.com">www.nishatchunian.com</a>
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<b>Mills:</b>	Spinning 1, 4 & 5 49th Kilometre, Multan Road, Bhai Pheru, Tehsil Chunian, District Kasur.  Spinning 2, 3 & Weaving 49th Kilometre, Multan Road, Kamogal, Tehsil Pattoki, District Kasur.  Dyeing & Printing 4th Kilometre, Manga Road, Raiwind.
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## Directors' Report

We are pleased to present the un-audited financial statements for the nine months ended March 31, 2009. The Company's sales are Rs. 6,896 million compared to Rs. 6,431 million during the corresponding period, which shows an increase of 7.2%. The gross profit margin for the period is 14% as compared to 8.9% during the corresponding period last year. During the nine months period, Company earned a pre-tax profit of Rs. 7.1 million as compared to a loss of Rs. 123.5 million last year for the same period.

For the half year till December 31, 2008 the Company had a net profit of Rs. 150.7 million. However pressure on the spinning business and gas load shedding during the third quarter put pressure on the Company's earnings; as a result of which the gross profit margin dropped to 6% for the 3rd quarter as compared to 18% for the first two quarters.

This downturn in profitability is expected to be reversed in the last quarter as the rising cotton prices are pushing up the yarn prices and the Company has hedged this exposure by partially covering their raw material requirements at lower prices. We also expect the sale of our value added products to improve during this quarter. These factors are expected to contribute towards a significant profit in the last quarter.

### Nishat Chunian Power Limited

Nishat Chunian Power Limited; the Independent Power Project of Nishat (Chunian) Limited is under construction. Based on 11x18V46 RFO fired Wartsila engines; the project is on schedule for the expected Commercial Operations Date of March 31, 2010. Till March 31, 2009 machinery worth approximately Euro 15 million has been shipped.

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 a pivotal role for the success and growth of the Company.

On behalf of the Board

Shahzad Saleem  
Chief Executive

Lahore: 29 April 2009



## Interim Condensed Balance Sheet

	Note	Unaudited 31 March 2009 Rupees	Audited 30 June 2008 Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 130,000,000 (30 June 2008: 80,000,000) ordinary shares of Rupees 10 each		<u>1,300,000,000</u>	<u>800,000,000</u>
Issued, subscribed and paid up share capital 82,720,922 (30 June 2008: 75,200,838) ordinary shares of Rupees 10 each		827,209,220	752,008,380
Reserves		<u>1,736,993,238</u>	1,848,185,650
<b>TOTAL EQUITY</b>		<b>2,564,202,458</b>	2,600,194,030
<b>NON-CURRENT LIABILITIES</b>			
Long term financing	6	3,137,488,331	2,586,389,516
Deferred tax liability		9,643,690	4,640,017
		<u>3,147,132,021</u>	2,591,029,533
<b>CURRENT LIABILITIES</b>			
Trade and other payables		447,491,665	378,616,664
Accrued mark-up		209,690,027	119,822,439
Short term borrowings	7	4,248,560,495	3,190,716,138
Current portion of non-current liabilities		1,313,672,849	1,957,737,473
		<u>6,219,415,036</u>	5,646,892,714
<b>TOTAL LIABILITIES</b>		<b>9,366,547,057</b>	8,237,922,247
<b>CONTINGENCIES AND COMMITMENTS</b>	8	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>11,930,749,515</u></b>	<b><u>10,838,116,277</u></b>

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

Chief Executive



## as at 31 March 2009

	Note	Unaudited 31 March 2009 Rupees	Audited 30 June 2008 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets	9	6,041,790,626	6,259,570,155
Investment in subsidiary - at cost	10	968,633,320	211,732,800
Long term loans		3,837,672	8,129,672
Long term security deposits		1,022,942	895,942
		<u>7,015,284,560</u>	<u>6,480,328,569</u>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		300,945,247	271,716,246
Stock-in-trade		2,831,875,775	2,482,843,357
Trade debts		1,338,909,697	1,311,338,154
Loans and advances		164,111,269	113,811,784
Short term deposits and prepayments		1,578,924	936,821
Other receivables		222,796,073	158,895,492
Cash and bank balances		55,247,970	18,245,854
		<u>4,915,464,955</u>	<u>4,357,787,708</u>
<b>TOTAL ASSETS</b>		<u><u>11,930,749,515</u></u>	<u><u>10,838,116,277</u></u>

Director



## Interim Condensed Profit and Loss Account (Unaudited)

For the Nine Months Ended 31 March 2009

	Note	Nine Months Ended		Quarter Ended	
		31 March	31 March	31 March	31 March
		2009	2008	2009	2008
		Rupees	Rupees	Rupees	Rupees
Sales		6,896,301,154	6,431,248,052	2,316,158,883	2,520,852,488
Cost of sales	11	5,929,547,651	5,859,741,057	2,173,828,899	2,320,300,625
Gross profit		966,753,503	571,506,995	142,329,984	200,551,863
Distribution and selling expenses		196,791,377	140,614,705	55,240,775	53,463,605
Administrative expenses		99,681,565	94,849,880	29,780,267	30,589,995
Other operating expenses		7,190,712	5,088,491	(7,326,801)	1,685,818
		303,663,654	240,553,076	77,694,241	85,739,418
		663,089,849	330,953,919	64,635,743	114,812,445
Other operating income		152,198,016	29,993,708	57,260,948	5,431,254
Profit from operations		815,287,865	360,947,627	121,896,691	120,243,699
Finance cost		808,183,387	484,475,813	297,508,570	193,020,135
Profit/(loss) before taxation		7,104,478	(123,528,186)	(175,611,879)	(72,776,436)
Provision for taxation		49,000,000	42,000,000	16,978,721	18,000,000
Loss after taxation		(41,895,522)	(165,528,186)	(192,590,600)	(90,776,436)
Earnings per share					
- basic and diluted (Restated)		(0.51)	(2.00)	(2.33)	(1.10)

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

Chief Executive

Director



## Interim Condensed Cash Flow Statement (Unaudited)

For the Nine Months Ended 31 March 2009

	31 March 2009	31 March 2008
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations (Note 12)	775,146,051	(1,031,682,665)
Long term deposits - net	(127,000)	-
Finance cost paid	(718,315,799)	(447,848,486)
Taxes paid	(48,462,008)	(49,907,334)
	(766,904,807)	(497,755,820)
<b>Net cash generated from / (used in) operating activities</b>	<b>8,241,244</b>	<b>(1,529,438,485)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(193,643,066)	(205,411,631)
Long term loans - net	4,292,000	3,367,856
Long term Investment	(756,900,520)	(192,400,000)
Proceeds from sale of property, plant and equipment	10,163,945	2,188,470
<b>Net cash used in investing activities</b>	<b>(936,087,641)</b>	<b>(392,255,305)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from long term financing	1,047,333,333	2,000,000,000
Repayment of long term financing	(1,140,299,142)	(1,400,418,014)
Dividend paid	(30,035)	(110,058,576)
<b>Net Cash (used in) / generated from financing activities</b>	<b>(92,995,844)</b>	<b>489,523,410</b>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(1,020,842,241)</b>	<b>(1,432,170,380)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>(3,172,470,284)</b>	<b>(2,562,922,045)</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>(4,193,312,525)</b>	<b>(3,995,092,425)</b>

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 Nine Months Ended 31 March 2009

	SHARE CAPITAL	HEDGING RESERVE	REVENUE RESERVES		TOTAL RESERVES	TOTAL EQUITY
			General Reserve	Accumulated Profit/(Loss)		
..... R u p e e s .....						
Balance as at 30 June 2007	752,008,380	-	1,629,221,278	304,968,709	1,934,189,987	2,686,198,367
Final dividend for the year ended 30 June 2007 @ 1.5 per share	-	-	-	(112,801,257)	(112,801,257)	(112,801,257)
Net Loss for the nine months ended 31 March 2008	-	-	-	(165,528,186)	(165,528,186)	(165,528,186)
Balance as at 31 March 2008	752,008,380	-	1,629,221,278	26,639,266	1,655,860,544	2,407,868,924
Fair value (net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	8,617,175	-	-	8,617,175	8,617,175
Net Profit for the quarter ended 30 June 2008	-	-	-	183,707,931	183,707,931	183,707,931
Balance as at 30 June 2008	752,008,380	8,617,175	1,629,221,278	210,347,197	1,848,185,650	2,600,194,030
Fair value (net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	5,903,950	-	-	5,903,950	5,903,950
Bonus shares issued	75,200,840	-	-	(75,200,840)	(75,200,840)	-
Net loss for the nine months ended 31 March 2009	-	-	-	(41,895,522)	(41,895,522)	(41,895,522)
<b>Balance as at 31 March 2009</b>	<b>827,209,218</b>	<b>14,521,125</b>	<b>1,629,221,278</b>	<b>93,250,835</b>	<b>1,736,993,238</b>	<b>2,564,202,458</b>

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

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director





## Selected Notes to the Interim Condensed Financial Information (Unaudited)

For the Nine Months Ended 31 March 2009

### 1. THE COMPANY AND ITS OPERATIONS

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 the 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 fibre and cloth and to generate electricity for internal use.

### 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 2008.

### 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 2008.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Judgements and estimates made by the management in the preparation of this condensed interim financial information are the same as those applied to the annual financial statements for the year ended 30 June 2008.

### 5. SHARE CAPITAL

The issuance of preference shares of Rs. 413,604,610 is in process and the last date of renunciation / trading of right letters is April 29, 2009.

	Unaudited 31 March 2009	Audited 30 June 2008
	Rupees	Rupees
<b>6. LONG TERM FINANCING</b>		
Opening balance	4,544,126,989	3,537,700,799
Add: Obtained during the period / year	1,047,333,333	2,250,000,000
Less: Repaid during the period / year	(1,140,299,142)	(1,243,573,810)
Closing balance	4,451,161,180	4,544,126,989
Less: Current portion shown under current liabilities	(1,313,672,849)	(1,957,737,473)
Non-current portion	3,137,488,331	2,586,389,516
<b>7. SHORT TERM BORROWINGS</b>		
Short term running finances	1,181,993,163	627,434,495
Export finances-preshipment / SBP refinance	2,316,567,332	1,583,281,643
Other short term finances	750,000,000	980,000,000
	4,248,560,495	3,190,716,138



## 8. CONTINGENCIES AND COMMITMENTS

### Contingencies

There is no change in contingencies since the last annual audited financial statements of the company except for:

Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 28.122 Million (30 June 2008: Rs. 23.793 Million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheque issued as security shall be encashable.

### Commitments

- i) Commitments in respect of capital expenditure are Rupees 137.993 million (30 June 2008: Rupees 133.068 million).
- ii) Letters of credit other than for capital expenditure are Rupees 27.57 million (30 June 2008: Rupees 55.913 million).
- iii) Quanto (interest rate) swap of Rupees 500 million (30 June 2008: Rupees 500 million) as on 31 March 2009.
- iv) Outstanding forward contracts of Rupees 1,811.475 million (30 June 2008: Rupees 439.705 million).

	Unaudited 31 March 2009	Audited 30 June 2008
	Rupees	Rupees
<b>9. FIXED ASSETS</b>		
Property, plant and equipment		
Operating assets (Note 9.1)	5,758,305,174	6,067,386,394
Capital work in progress (Note 9.2)	282,006,452	190,864,761
	<u>6,040,311,626</u>	<u>6,258,251,155</u>
Intangible assets in progress	1,479,000	1,319,000
	<u>6,041,790,626</u>	<u>6,259,570,155</u>
<b>9.1 Operating Assets</b>		
Opening book value	6,067,386,394	6,389,949,755
Add: Cost of additions during the period / year (Note 9.1.1)	102,792,856	309,087,531
	<u>6,170,179,250</u>	<u>6,699,037,286</u>
Less: Book value of deletions during the period / year (Note 9.1.2)	10,194,841	5,320,536
Less: Depreciation charged during the period / year	401,679,235	626,330,356
	<u>5,758,305,174</u>	<u>6,067,386,394</u>



	Unaudited 31 March 2009	Audited 30 June 2008
	Rupees	Rupees
<b>9.1.1 Cost of additions during the period / year</b>		
Building on freehold land	30,848,197	95,068,296
Plant and machinery	64,518,714	192,238,853
Electric installations	120,764	1,350,102
Factory equipment	58,100	5,000,667
Furniture and fixtures	1,060,095	2,802,852
Office equipment	2,821,634	3,182,627
Vehicles	3,365,352	9,444,134
	<u>102,792,856</u>	<u>309,087,531</u>
<b>9.1.2 Book value of deletions during the period / year</b>		
Machinery and Electric Installation	13,491,708	-
Furniture and fixtures	-	834,619
Office Equipment	-	31,979
Vehicles	14,395,854	11,987,470
	<u>27,887,562</u>	<u>12,854,068</u>
Total Cost of Deletions	27,887,562	12,854,068
Less: Accumulated Depreciation	17,692,721	7,533,532
	<u>10,194,841</u>	<u>5,320,536</u>
<b>9.2 Capital work in progress</b>		
Plant, machinery and equipment	245,082,744	147,861,191
Civil works on freehold land	36,620,694	42,187,474
Mobilization advance	303,014	816,096
	<u>282,006,452</u>	<u>190,864,761</u>
<b>10. INVESTMENT IN SUBSIDIARY - AT COST</b>		
Nishat Chunian Power Limited-Unquoted Subsidiary Company		
91,472,324 (30 June 08: 21,173,280) ordinary shares of Rs. 10 each	914,723,240	211,732,800
Advance for purchase of shares	53,910,080	-
	<u>968,633,320</u>	<u>211,732,800</u>



	Nine Months Ended		Quarter Ended	
	31 March 2009	31 March 2008	31 March 2009	31 March 2008
	Rupees	Rupees	Rupees	Rupees
<b>11. COST OF SALES</b>				
Raw material consumed	4,081,951,970	3,932,171,408	1,346,746,268	1,458,712,847
Packing material consumed	167,559,300	227,922,947	56,228,989	108,953,888
Stores, spare parts and loose tools	191,811,213	151,067,909	70,392,219	52,984,485
Salaries, wages and other benefits	461,340,853	452,956,198	170,170,842	154,097,520
Fuel and power	600,365,205	441,042,570	227,547,662	177,445,377
Insurance	20,436,224	15,331,779	7,086,826	5,575,992
Postage and telephone	340,635	472,008	49,541	242,137
Travelling and conveyance	5,683,703	8,703,735	1,380,497	2,785,340
Vehicle running	8,269,672	6,484,820	2,594,793	2,262,659
Entertainment	1,244,301	829,408	370,901	291,728
Depreciation	394,675,967	456,206,901	108,878,748	153,556,835
Repair and maintenance	14,611,296	12,171,866	5,698,441	4,276,547
Other factory overheads	33,010,965	38,558,431	11,470,879	14,618,990
	<u>5,981,301,292</u>	<u>5,743,919,980</u>	<u>2,008,616,606</u>	<u>2,135,804,345</u>
Work-in-process				
Opening stock	195,443,205	268,870,213	188,987,211	263,772,143
Closing stock	(278,252,434)	(265,377,108)	(278,252,434)	(265,377,108)
	<u>(82,809,229)</u>	<u>3,493,105</u>	<u>(89,265,223)</u>	<u>(1,604,965)</u>
Cost of goods manufactured	<u>5,898,492,069</u>	<u>5,747,413,085</u>	<u>1,919,351,383</u>	<u>2,134,199,380</u>
Finished goods and waste-opening stocks				
Finished goods	421,026,976	513,446,035	647,649,894	586,806,055
Waste	25,100,317	12,493,371	40,569,890	21,560,466
	<u>446,127,293</u>	<u>525,939,406</u>	<u>688,219,784</u>	<u>608,366,521</u>
	<u>6,344,619,362</u>	<u>6,273,352,491</u>	<u>2,607,571,167</u>	<u>2,742,565,901</u>
Finished goods and waste-closing stocks				
Finished goods	(427,321,787)	(405,965,400)	(427,321,787)	(405,965,400)
Waste	(20,872,877)	(21,022,214)	(20,872,877)	(21,022,214)
	<u>(448,194,664)</u>	<u>(426,987,614)</u>	<u>(448,194,664)</u>	<u>(426,987,614)</u>
Cost of goods sold-own manufactured	<u>5,896,424,698</u>	<u>5,846,364,877</u>	<u>2,159,376,503</u>	<u>2,315,578,287</u>
Opening stock of purchased finished goods	6,412,705	1,670,072	-	4,671,207
Add: Finished goods purchased	26,710,248	13,408,655	14,452,396	1,753,678
Less: Closing stock of purchased finished goods	-	(1,702,547)	-	(1,702,547)
Cost of sales-purchased finished goods	<u>33,122,953</u>	<u>13,376,180</u>	<u>14,452,396</u>	<u>4,722,338</u>
	<u><u>5,929,547,651</u></u>	<u><u>5,859,741,057</u></u>	<u><u>2,173,828,899</u></u>	<u><u>2,320,300,625</u></u>



	Unaudited 31 March 2009	Unaudited 31 March 2008
	Rupees	Rupees
<b>12. CASH USED IN OPERATIONS</b>		
Profit/(Loss) before taxation	7,104,478	(123,528,186)
Add/(less) adjustment for non cash charges and other items:		
Depreciation	401,679,235	465,484,515
Gain on sale of operating fixed assets	(420,584)	(1,132,490)
Finance costs	808,183,387	484,475,813
Working capital changes (Note: 12.1)	(441,400,465)	(1,856,982,317)
Cash flows from operating activities before working capital changes	<u>775,146,051</u>	<u>(1,031,682,665)</u>
<b>12.1 Working capital changes</b>		
(Increase)/decrease in current assets		
- Stores, spare parts and loose tools	(29,229,001)	(77,889,342)
- Stock in trade	(349,032,418)	(1,441,596,568)
- Trade debts	(27,571,543)	(452,900,517)
- Loans and advances	(50,299,485)	25,001,159
- Short term deposits and prepayments	(642,103)	(1,010,840)
- Other receivables	(53,530,950)	(16,762,265)
	<u>(510,305,500)</u>	<u>(1,965,158,373)</u>
Decrease in current liabilities		
- Trade and other payables	68,905,035	108,176,056
Cash used in working capital	<u>(441,400,465)</u>	<u>(1,856,982,317)</u>

### 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	64,922,282	48,157,840
Sale of goods and services	90,019,745	104,341,633
Insurance premium paid	24,370,074	23,604,693
Insurance claim received	2,557,666	26,727,326
Contribution to employees' provident fund	13,535,762	14,121,663
Long term investment in subsidiary	756,900,520	192,400,000

### 14. AUTHORISED FOR ISSUE

This financial information was approved by the Board of Directors and authorised for issue on 29 April 2009.

Chief Executive

Director



**NISHAT (CHUNIAN) LIMITED**

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**Interim Condensed Consolidated  
Financial Information  
Nine Months Ended 31 March 2009  
(Unaudited)**



## Interim Condensed Consolidated Balance Sheet

		Unaudited 31 March 2009	(Restated) Audited 30 June 2008
	Note	Rupees	Rupees
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital 130,000,000 (30 June 2008: 80,000,000) ordinary shares of Rupees 10 each		<u>1,300,000,000</u>	<u>800,000,000</u>
Issued, subscribed and paid up share capital 82,720,922 (30 June 2008: 75,200,838) ordinary shares of Rupees 10 each		827,209,220	752,008,380
Reserves		<u>1,735,598,017</u>	<u>1,847,575,347</u>
Minority interest		2,562,807,237 <u>241,809,533</u>	2,599,583,727 <u>52,780,624</u>
<b>TOTAL EQUITY</b>		<b>2,804,616,770</b>	<b>2,652,364,351</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term financing		3,137,488,331	2,586,389,516
Long term murabaha		4,568,697,299	1,048,318,127
Deferred tax liability		9,643,690	4,640,017
		<u>7,715,829,320</u>	<u>3,639,347,660</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		449,347,135	382,825,333
Accrued mark-up		396,478,223	151,730,763
Short term borrowings		4,248,560,495	3,190,716,138
Current portion of non-current liabilities		1,313,672,849	1,957,737,473
		<u>6,408,058,702</u>	<u>5,683,009,707</u>
<b>TOTAL LIABILITIES</b>		<b>14,123,888,022</b>	<b>9,322,357,367</b>
CONTINGENCIES AND COMMITMENTS	5	-	-
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>16,928,504,792</b></u>	<u><b>11,974,721,718</b></u>

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

Chief Executive





## as at 31 March 2009

		Unaudited 31 March 2009 Rupees	(Restated) Audited 30 June 2008 Rupees
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets	6	11,950,833,274	7,594,267,891
Long term loans		5,562,827	9,706,688
Long term security deposits		1,022,942	895,942
		<u>11,957,419,043</u>	<u>7,604,870,521</u>
<b>CURRENT ASSETS</b>			
Stores, spare parts and loose tools		300,945,247	271,716,246
Stock in trade		2,831,875,779	2,482,843,357
Trade debts		1,338,909,697	1,311,338,154
Loans and advances		164,322,750	114,414,578
Short term deposits and prepayments		8,132,585	936,821
Other receivables		225,526,497	159,147,351
Cash and bank balances		101,373,198	29,454,690
		<u>4,971,085,749</u>	<u>4,369,851,197</u>
<b>TOTAL ASSETS</b>		<u><u>16,928,504,792</u></u>	<u><u>11,974,721,718</u></u>

Director



## Interim Condensed Consolidated Profit and Loss Account (Unaudited)

For the Nine Months Ended 31 March 2009

	Nine Months Ended		Quarter Ended	
	31 March 2009	31 March 2008	31 March 2009	31 March 2008
	Rupees	Rupees	Rupees	Rupees
Sales	6,896,301,154	6,431,248,052	2,316,158,883	2,520,852,488
Cost of sales	5,929,547,651	5,859,741,057	2,173,828,899	2,320,300,624
Gross profit	966,753,503	571,506,995	142,329,984	200,551,864
Distribution cost	196,791,377	140,614,705	55,240,775	53,463,606
Administrative expenses	100,662,713	94,849,880	30,761,415	30,589,996
Other operating expenses	7,190,712	5,088,491	(7,326,801)	1,685,818
	304,644,802	240,553,076	78,675,389	85,739,420
	662,108,701	330,953,919	63,654,595	114,812,444
Other operating income	152,198,016	29,993,708	57,260,948	5,431,255
Profit from operations	814,306,717	360,947,627	120,915,543	120,243,699
Finance cost	808,183,387	484,475,813	297,508,570	193,020,135
Profit/(loss) before taxation	6,123,330	(123,528,186)	(176,593,027)	(72,776,436)
Provision for taxation	49,000,000	42,000,000	16,978,721	18,000,000
Loss after taxation	(42,876,670)	(165,528,186)	(193,571,748)	(90,776,436)
Attributable to:				
The holding company				
- Nishat (Chunian) Limited	(42,680,440)	(165,528,186)	(193,479,921)	(90,776,436)
Minority interests	(196,230)	-	(91,827)	-
	(42,876,670)	(165,528,186)	(193,571,748)	(90,776,436)
Earnings per share				
- Basic and diluted (Restated)	(0.52)	(2.00)	(2.34)	(1.10)

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 Nine Months Ended 31 March 2009

	Note	31 March 2009	31 March 2008
		Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from / (used in) operations	7	918,246,891	(1,029,418,400)
Long term security deposits - net		(127,000)	-
Finance cost paid		(718,314,799)	(447,848,486)
Taxes paid		(48,462,008)	(49,907,334)
		766,903,807	(497,755,820)
Net cash generated from / (used in) operating activities		151,343,084	(1,527,174,220)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of property, plant and equipment		(4,767,987,976)	(1,155,409,841)
Long term loans - net		4,143,861	1,252,737
Proceeds from sale of property, plant and equipment		10,163,945	2,188,470
Net cash used in investing activities		(4,753,680,170)	(1,151,968,634)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Proceeds from long term financing and murabaha		4,567,712,505	2,761,281,012
Repayment of long term financing and murabaha		(1,140,299,142)	(1,400,418,014)
Shares issued to minority shareholders		189,028,909	48,100,000
Dividend paid		(30,035)	(110,058,576)
Net cash generated from financing activities		3,616,412,237	1,298,904,422
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		<b>(985,925,849)</b>	<b>(1,380,238,432)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>		<b>(3,161,261,448)</b>	<b>(2,562,922,045)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	8	<b>(4,147,187,297)</b>	<b>(3,943,160,477)</b>

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 Nine Months Ended 31 March 2009

	HOLDING COMPANY'S EQUITY						MINORITY INTEREST	TOTAL EQUITY
	SHARE CAPITAL	HEDGING RESERVE	REVENUE RESERVES		TOTAL RESERVES	TOTAL EQUITY OF HOLDING COMPANY		
			General Reserve	Accumulated Profit/(Loss)				
..... Rupees .....								
Balance as at 30 June 2007	752,008,380	-	1,629,221,278	304,968,709	1,934,189,987	2,686,198,367	-	2,686,198,367
Loss for the nine months ended 31 March 2008	-	-	-	(165,528,186)	(165,528,186)	(165,528,186)	-	(165,528,186)
Final dividend for the year ended 30 June 2007 @ 1.5 per share	-	-	-	(112,801,257)	(112,801,257)	(112,801,257)	-	(112,801,257)
Equity portion attributable to minority shareholders	-	-	-	-	-	-	48,100,000	48,100,000
Balance as at 31 March 2008	752,008,380	-	1,629,221,278	26,639,266	1,655,860,544	2,407,868,924	48,100,000	2,455,968,924
Fair value (net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	8,617,175	-	-	8,617,175	8,617,175	-	8,617,175
Net Profit for the quarter ended 30 June 2008	-	-	-	183,097,628	183,097,628	183,097,628	(152,576)	182,945,052
Equity portion attributable to minority shareholders	-	-	-	-	-	-	4,833,200	4,833,200
Balance as at 30 June 2008 (Restated)	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
Fair value (net of deferred tax) of quanto interest rate swap entered into as part of cash flow hedge	-	5,903,950	-	-	5,903,950	5,903,950	-	5,903,950
Bonus shares issued	75,200,840	-	-	(75,200,840)	(75,200,840)	-	-	-
Loss for the nine months ended 31 March 2009	-	-	-	(42,680,440)	(42,680,440)	(42,680,440)	(196,230)	(42,876,670)
Minority Interest	-	-	-	-	-	-	189,225,139	189,225,139
Balance as at 31 March 2009	827,209,220	14,521,125	1,629,221,278	91,855,614	1,735,598,017	2,562,807,237	241,809,533	2,804,616,770

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

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director



## Selected Notes to the Interim Condensed Consolidated Financial Information (Unaudited)

For the Nine Months Ended 31 March 2009

### 1. THE GROUP AND ITS OPERATIONS

The Group consists 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 fibre and cloth and to generate electricity for internal use.

#### Nishat Chunian Power Limited

Nishat Chunian Power Limited is an unlisted public limited company incorporated in Pakistan under the Companies Ordinance, 1984. The principal activity of the Company is to build, own, operate and maintain a fuel fired power station based on Reciprocating Engine Technology having gross capacity of 200 MW ISO in Jamber 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. Nishat (Chunian) Limited holds 80% of the share capital of Nishat Chunian Power Limited.

### 2. STATEMENT OF COMPLIANCE

This interim condensed consolidated 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 consolidated financial information should be read in conjunction with the annual published financial statements for the year ended 30 June 2008.

### 3. ACCOUNTING POLICIES AND COMPUTATION METHODS

The accounting policies and methods of computation adopted for the preparation of this interim condensed consolidated financial information are the same as applied in the preparation of preceding annual published financial statements of the holding company for the year ended 30 June 2008.

### 4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Judgements 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 published financial statements for the year ended 30 June 2008.

### 5. CONTINGENCIES AND COMMITMENTS

#### Contingencies

There is no change in contingencies since the last annual published financial statements of the group except for:

Post dated cheques have been issued to custom authorities in respect of duties amounting to Rupees 28.122 Million (30 June 2008: Rs. 23.793 Million) on imported material availed on the basis of consumption and export plans. In the event the documents of exports are not provided on due dates, cheques issued as security shall be encashable.



### Commitments

- i) Commitments in respect of capital expenditure are Rupees 9,339.139 million (30 June 2008: Rupees 13,191.704 million).
- ii) Letters of credit other than for capital expenditure are Rupees 34.051 million (30 June 2008: Rupees 55.913 million).
- iii) Quanto (interest rate) swap of Rupees 500 million (30 June 2008: Rupees 500 million) as on 31 March 2009.
- iv) Outstanding forward contracts of Rupees 1,811.475 million (30 June 2008: Rupees 439.705 million).

	Unaudited 31 March 2009	(Restated) Audited 30 June 2008
	Rupees	Rupees
<b>6. FIXED ASSETS</b>		
Property, plant and equipment		
Operating assets	5,831,525,949	6,139,633,290
Capital work in progress	6,117,828,325	1,453,315,601
	11,949,354,274	7,592,948,891
Intangible assets in progress	1,479,000	1,319,000
	<u>11,950,833,274</u>	<u>7,594,267,891</u>
	Unaudited 31 March 2009	Unaudited 31 March 2008
	Rupees	Rupees
<b>7. CASH GENERATED FROM OPERATIONS</b>		
Profit / (loss) before taxation	6,319,559	(123,528,186)
Add/(less) adjustment for non cash charges and other items:		
Depreciation	401,679,235	465,484,515
Gain on sale of operating fixed assets	(420,584)	(1,132,490)
Finance cost	808,183,387	484,475,813
Cash flows from operating activities before working capital changes	1,215,761,597	825,299,652
(Increase)/decrease in current assets		
- Stores, spare parts and loose tools	(29,229,001)	(77,889,342)
- Stock in trade	(349,032,422)	(1,441,596,568)
- Trade debts	(27,571,543)	(452,900,517)
- Loans and advances	(50,299,481)	23,315,880
- Short term deposits and prepayments	(642,103)	(1,010,840)
- Other receivables	(62,171,864)	(16,762,265)
Increase in current liabilities		
- Trade and other payables	221,431,708	112,125,600
	(297,514,706)	(1,854,718,052)
Cash generated from / (used in) operations	<u>918,246,891</u>	<u>(1,029,418,400)</u>



	Unaudited 31 March 2009	Unaudited 31 March 2008
	Rupees	Rupees
<b>8. CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	101,373,198	110,584,554
Short term borrowings	(4,248,560,495)	(4,053,745,031)
	<u>(4,147,187,297)</u>	<u>(3,943,160,477)</u>

#### 9. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of 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	64,922,282	48,157,840
Sale of goods and services	90,019,745	104,341,633
Insurance premium paid	24,370,074	23,604,693
Insurance claim received	2,557,666	26,727,326
Contribution to employees' provident fund	13,964,601	14,121,663

#### 10. EVENTS AFTER THE BALANCE SHEET DATE

The shareholders of Nishat Chunian Power Limited in extra ordinary general meeting held on April 10, 2009 have resolved the issuance of 120 million ordinary shares of Rs. 10 each through initial public offer (IPO) to general public and listing of shares at stock exchanges subject to the approval of Securities and Exchange Commission of Pakistan and Stock Exchanges. Moreover, the issuance of preference shares of Nishat (Chunian) Limited is in process and right letters are trading on stock exchanges.

#### 11. AUTHORISED FOR ISSUE

This financial information was approved by the Board of Directors and authorised for issue on 29 April 2009.

#### 12. CORRESPONDING FIGURES

Corresponding figures have been rearranged / regrouped, wherever necessary, for the purpose of comparison. However, no material rearrangement / regrouping has been made.

Chief Executive

Director