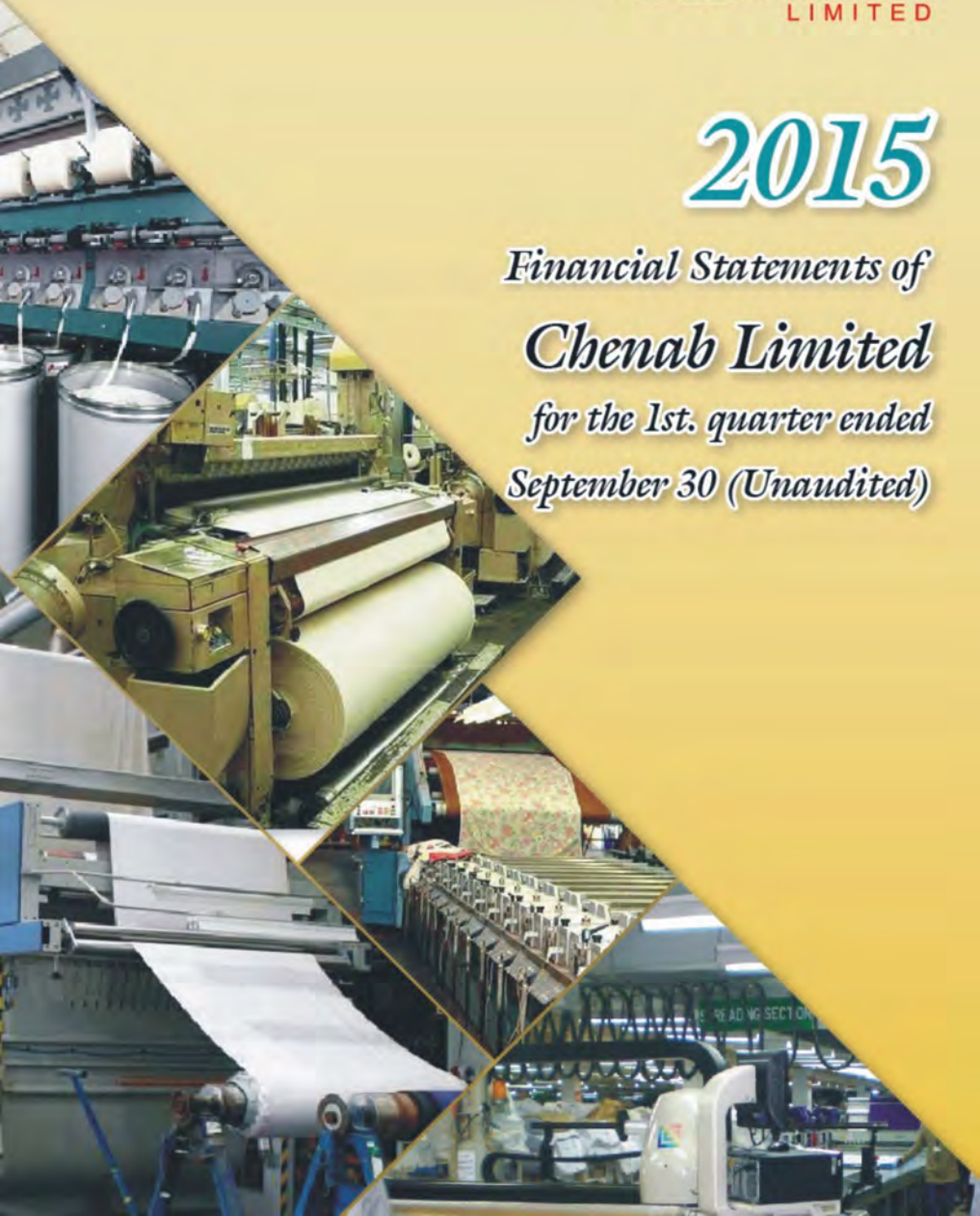




2015

*Financial Statements of
Chenab Limited
for the 1st. quarter ended
September 30 (Unaudited)*



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Company Information

Chief Executive	Mian Muhammad Latif
	Mian Muhammad Javaid Iqbal Mr. Muhammad Naeem Mr. Muhammad Faisal Latif Mr. Muhammad Farhan Latif Mr. Muhammad Zeeshan Latif Mst. Shahnaz Latif
Major Bankers	Allied Bank Limited. Askari bank Limited AlBaraka Bank (Pakistan) Limited. Citibank, N.A Faysal Bank Limited First Credit & Investment Bank Limited. Habib Bank Limited. Habib Metropolitan Bank Limited. KASB Bank Limited. National Bank of Pakistan. NIB Bank Limited. Orix Leasing (Pakistan)Limited Pak Oman Investment Company Limited Pak Kuwait Investment Company (pvt)Limited Pak Libya Holding Company (pvt)Limited Saudi Pak Industrial & Agriculturan Invetment Company (pvt)Limited Silk Bank Limited Standard Chartered Bank (Pakistan) Limited. The Bank of Punjab. United Bank Limited.
Company Secretary/ Chief Financial Officer	Mr. Muhammad Arshad
Audit Committee	Mr. Muhammad Farhan Latif – Chairman Mr. Muhammad Zeeshan Latif Mst. Shahnaz Latif
Auditors	Avais Hyder Liaquat Nauman Chartered Accountant
Legal Advisor	Ch. Shahid Mehmood (Advocate)
Shares Registrar	Consulting One (Pvt.) Limited. 478-D, Peoples Colony No.1, Faisalabad. Tel: 041-8541965
Registered Office	Nishatabad, Faisalabad. Tel: +92 41 8754472-8 Fax: +92 41 8752700, 8752400 chenab@chenabgroup.com
Website Address	www.chenabgroup.com
Works	-Spinning Unit – Toba Tek Singh -Weaving Unit – Kharianwala, Distt. Sheikhpura. -Weaving Unit – Shakhot, Distt. Nankana Sahib -Processing & Stitching Units – Nishatabad, Faisalabad.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The directors are presenting before you un-audited financial statements of the company for the first quarter of financial year 2015-2016 ended on September 30, 2015. Figures of the corresponding quarter of the last year are also presented for comparison. The balance sheet figures as on June 30, 2015 and September 30, 2015 have been shown as required by the International Accounting Standards (IAS) 34 for interim financial reporting.

SALES REVENUE

Sales revenue of Rs.452.228 million has been earned during the quarter under report as compared to Rs.527.800 million achieved during the same quarter of the preceding year.

FINANCIAL RESULTS

Due to perennial losses, the working capital resources of the company have attenuated and the company could not execute entire available export orders due to continuing paucity of funds.

In view of adverse situation, the company has sustained financial loss of Rs.122.105 million as compared with the same quarter of the preceding year loss of Rs.117.596 million.

FUTURE PROSPECTUS

There is potential demand in the international markets for Pakistani textile products. The company can take benefit of this situation, if the Government of Pakistan provides comprehensive package for the revival of value added textile industry alongwith interruption free supply of gas which is main source of energy for processing unit coupled with help from financial institutions in providing additional working capital and restructuring financial facilities on no mark up or economical rate of mark up and affording a proper breathing space for repayment of long term liabilities.

It is learnt that Ministry of Textile Industries, Government of Pakistan has already constituted a committee to review non performing loans in the value added textile industry.

ACKNOWLEDGEMENT

The directors are thankful to its customers, financial institutions affording restructuring of financial facilities and its employees who have rendered their dedicated services for the company.

For and on behalf of
BOARD OF DIRECTORS



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE OFFICER)

FAISALABAD
October 30, 2015

Condensed Interim Balance Sheet (Un-audited)

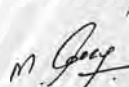
As at September 30, 2015.

	Notes	Un-audited SEPTEMBER 30, 2015 Rupees	Audited June 30, 2015 Rupees
SHARE CAPITAL AND RESERVES			
Authorised capital			
120,000,000 ordinary shares of Rs.10/- each		1,200,000,000	1,200,000,000
80,000,000 cumulative preference shares of Rs.10/- each	3	800,000,000	800,000,000
Issued, subscribed and paid up capital		1,150,000,000	1,150,000,000
Cumulative preference shares		800,000,000	800,000,000
Capital reserves		526,409,752	526,409,752
Revenue reserves		(7,836,699,730)	(7,721,340,970)
		(5,360,289,978)	(5,244,931,218)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
		5,165,277,153	5,170,726,642
NON-CURRENT LIABILITIES			
Long term financing		2,014,345,029	2,067,490,862
Liabilities against assets subject to finance lease		16,596,234	18,996,233
Deferred liability			
Staff retirement gratuity		965,519,455	939,967,341
		2,996,460,718	3,026,454,436
CURRENT LIABILITIES			
Trade and other payables		1,101,489,761	1,095,868,888
Interest / markup payable		1,267,101,050	1,277,318,287
Short term borrowings		5,826,649,343	5,785,580,429
Current portion of :			
Long term financing		2,663,087,743	2,662,160,128
Liabilities against assets subject to finance lease		15,777,906	13,377,907
Provision for taxation - income tax		13,766,461	12,282,385
		10,887,872,264	10,846,588,024
CONTINGENCIES AND COMMITMENTS			
	4	-	-
		13,689,320,158	13,798,837,884
NON-CURRENT ASSETS			
Property, plant and equipment		11,006,197,009	11,052,466,480
Long term deposits		12,636,768	12,636,768
		11,018,833,777	11,065,103,248
CURRENT ASSETS			
Stores, spares and loose tools		421,641,461	424,702,996
Stock in trade		449,380,684	445,370,174
Trade debts		1,631,181,876	1,713,536,773
Loans and advances		75,261,516	51,860,178
Deposits and prepayments		14,284,945	12,665,135
Other receivables		23,112,693	24,730,221
Tax refunds due from Government		32,455,514	33,568,219
Cash and bank balances		23,167,692	27,300,940
		2,670,486,381	2,733,734,636
		13,689,320,158	13,798,837,884

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



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE OFFICER)

Condensed Interim Profit and Loss Account(Un-audited)

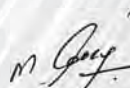
For The 1st Quarter ended September 30, 2015

		Quarter Ended September 30,	
		2015	2014
		Rupees	Rupees
Sales		452,227,663	527,799,838
Cost of sales	8	508,425,334	583,805,949
Gross (loss) / profit		(56,197,671)	(56,006,111)
Other operating income		4,181,046	2,820,056
		(52,016,625)	(53,186,055)
Selling and distribution expenses		4,302,730	5,496,118
Administrative expenses		32,170,953	29,294,835
Finance cost		32,130,705	27,309,031
(Loss) for the period before taxation		68,604,388	62,099,984
		(120,621,012)	(115,286,039)
Provision for taxation		1,484,076	2,310,088
(Loss) for the period		(122,105,088)	(117,596,127)
(Loss) per share - Basic and diluted		(1.062)	(1.023)

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



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE OFFICER)

Condensed Interim Statement of Comprehensive Income(Un-audited)

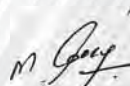
For The Ist Quarter ended September 30, 2015

	Quarter Ended 2015 Rupees	September 30, 2014 Rupees
(Loss) / profit for the period	(122,105,088)	(117,596,127)
Other comprehensive income for the period		
Incremental depreciation on revalued assets for the period	5,449,489	2,912,311
Related deferred tax	1,296,840	-
Total comprehensive income/ (loss) / profit for the period	<u>(115,358,760)</u>	<u>(114,683,816)</u>

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



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE OFFICER)

Condensed Interim Cash Flow Statement (Un-audited)

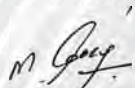
For The 1st Quarter ended September 30, 2015

	Quarter Ended September 30,	
	2015 Rupees	2014 Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) / profit before taxation	(120,621,012)	(115,286,039)
Adjustments for:		
Depreciation on property, plant and equipment	46,149,647	51,423,103
Provision for staff retirement gratuity	6,264,474	6,019,489
Finance cost	32,130,705	27,309,031
Operating cash flows before working capital changes	(37,278,891)	(30,534,416)
Changes in working capital		
Decrease/ (Increase) in current assets		
Stores, spares and loose tools	3,061,535	21,701,347
Stock in trade	(4,010,510)	37,210,403
Trade debts	82,354,897	(22,166,282)
Loans and advances	(23,401,338)	57,644
Deposits and prepayments	(1,619,810)	(1,665,443)
Other receivables	4,033,094	2,875,060
Tax refunds due from Government	1,112,705	3,601,737
	61,530,573	41,614,466
(decrease) / Increase in current liabilities		
Trade and other payables	6,763,402	(37,249,433)
	68,293,975	4,365,033
Cash generated from operations	31,015,084	(26,169,383)
Income tax paid	(2,415,566)	(4,729,532)
Finance cost paid	(20,525,049)	(10,137,963)
Staff retirement gratuity paid	(1,238,413)	(1,079,073)
Net cash used in operating activities	6,836,056	(42,115,951)
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Additions in property, plant and equipment	-	(31,820)
Proceeds from disposal of property, plant and equipment	180,000	-
	180,000	(31,820)
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of:		
Long term financing	(52,218,218)	(29,916,099)
Liabilities against assets subject to finance lease	-	(448,355)
Increase in short term borrowings - net	41,068,914	65,924,712
Net cash from financing activities	(11,149,304)	35,560,258
Net increase in cash and cash equivalents (a+b+c)	(4,133,248)	(6,587,513)
Cash and cash equivalents at the beginning of the year	27,300,940	38,100,566
Cash and cash equivalents at the end of the year	23,167,692	31,513,053

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



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE OFFICER)

STATEMENT OF CHANGES IN EQUITY

For the 1st quarter ended September 30, 2015.

Share Capital	Capital Reserves			Revenue Reserves		Total		
	Issued, subscribed and paid up capital	Cumulative preference shares	Premium on issue of ordinary shares	Book difference of capital under scheme of arrangement	Preference shares redemption		General reserve	Unappropriated profit
1,150,000,000	800,000,000	120,000,000	342,857,142	63,552,610	76,432,834	(7,334,694,970)	(7,258,262,136)	(4,781,852,384)
(Loss) for the period	-	-	-	-	-	(117,596,127)	(117,596,127)	(117,596,127)
Incremental depreciation on revalued assets for the period	-	-	-	-	-	2,912,311	2,912,311	2,912,311
Balance as at July 01, 2014	1,150,000,000	800,000,000	120,000,000	63,552,610	342,857,142	76,432,834	(7,334,694,970)	(4,781,852,384)
1,150,000,000	800,000,000	120,000,000	342,857,142	63,552,610	76,432,834	(7,449,378,786)	(7,372,945,952)	(4,896,536,200)
(Loss) for the period	-	-	-	-	-	(361,789,124)	(361,789,124)	(361,789,124)
Other comprehensive income item that will not be subsequently reclassified to profit or loss:	-	-	-	-	-	19,632,110	19,632,110	19,632,110
Incremental depreciation on revalued assets for the period	-	-	-	-	-	5,395,003	5,395,003	5,395,003
Related deferred tax	-	-	-	-	-	(14,416,849)	(14,416,849)	(14,416,849)
Remeasurement of define benefit liability	-	-	-	-	-	2,783,842	2,783,842	2,783,842
Related deferred tax	-	-	-	-	-	(348,395,018)	(348,395,018)	(348,395,018)
Balance as at June 30, 2015	1,150,000,000	800,000,000	120,000,000	63,552,610	342,857,142	76,432,834	(7,721,340,970)	(5,244,331,218)
(Loss) for the period	-	-	-	-	-	(122,105,088)	(122,105,088)	(122,105,088)
Other comprehensive (loss)	-	-	-	-	-	5,449,489	5,449,489	5,449,489
Incremental depreciation on revalued assets for the period	-	-	-	-	-	1,296,840	1,296,840	1,296,840
Related deferred tax	-	-	-	-	-	(115,358,760)	(115,358,760)	(115,358,760)
Balance as at Sep 30, 2015	1,150,000,000	800,000,000	120,000,000	63,552,610	342,857,142	76,432,834	(7,836,699,730)	(5,360,289,978)

Balance as at July 01, 2014

(Loss) for the period

Incremental depreciation on revalued assets for the period

Balance as at Sep 30, 2014

(Loss) for the period

Other comprehensive income item that will not be subsequently reclassified to profit or loss:

Incremental depreciation on revalued assets for the period

Related deferred tax

Remeasurement of define benefit liability

Related deferred tax

Balance as at June 30, 2015

(Loss) for the period

Other comprehensive (loss)

Incremental depreciation on revalued assets for the period

Related deferred tax

Balance as at Sep 30, 2015

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

MUHAMMAD NAEEM
(DIRECTOR)

MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE OFFICER)

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The 1st Quarter ended September 30, 2015

1. STATUS AND ACTIVITIES

- 1.1 Chenab Limited (the Company) is incorporated as a public limited company under the Companies Ordinance, 1984 and is listed on Karachi Stock Exchange. The registered office of the Company is situated at Nishatabad, Faisalabad, in the province of Punjab. The principal business of the Company is export of all kinds of value added fabrics, textile made-ups, casual and fashion garments duly processed. The cloth processing unit is located at Nishatabad, District Faisalabad, and stitching units are located at Nishatabad, District Faisalabad and Shorkot Road, District Toba Tek Singh. Weaving units are located at Sheikhpura Road, Khurrianwala, District Faisalabad, Jhumra Road, Gatti, District Faisalabad, Sheikhpura Road, Kharrianwala, District Sheikhpura and Shahkot, District Nankana Sahib. Spinning unit is located at Shorkot Road, District Toba Tek Singh, in the province of Punjab.
- 1.2 Pursuant to schemes of arrangement approved by the Honourable Lahore High Court, Lahore, assets, liabilities and reserves of Faisal Weaving (Private) Limited, Latif Weaving (Private) Limited and Chenab Finishing (Private) Limited were merged with the Company with effect from December 31, 1998 and assets, liabilities and reserves of Chenab Fibres Limited were merged with the Company with effect from April 01, 2003.
- 1.3 The Company has incurred operating losses of Rs. 122.105 million. As at September 30, 2015 the accumulated loss of the Company is Rs. 7,836.70 million and the current liabilities exceed its current assets by Rs. 8,217.385 million. The Company has not redeemed preference shares on exercise of put options for two consecutive years by holders of preference shares due to tight cash flow situation. The Company has not been able to comply with terms of certain loan agreements. Certain banks and financial institutions have filed cases for recovery and winding up of the Company which the management is defending. The litigation has also adversely affected the process of negotiations with banks for extension and re-scheduling of credit facilities. Management's efforts for making re-scheduling arrangements with lenders are not so far fully materialised, however the management has been able to reach at agreement with three major lenders to restructure the loans. Certain short term facilities were converted to long term loans and fresh export base financial facilities were obtained. The management is hopeful that arrangements with other lenders will also materialise in due course. Furthermore, amicable out of court settlement of the cases with one creditor is also under way. The management is vigorously pursuing the recovery of old outstanding debts and has also adopted the available legal recourse. The management is exploring the possibility of disposal of certain non core fixed assets to meet the working capital requirements. On the operational side, the management continued toll manufacturing and making efforts to increase the volume of business. Additionally, in order to improve liquidity position of the company, the management is also focusing on arranging advance payments from local as well as export customers. In view of prolonged energy crisis management is using alternate source of energy. The use of alternate energy source could not produce desired results due to operational difficulties and non-availability of working capital facilities. Due to continued load management by the utility suppliers, the desired results could not be achieved and the core issue of higher operating cost due to lower production could not be resolved. The management is in regular contact with foreign customers and making small export shipments. The quantum of export could not be increased despite export orders due to shortage of working capital and delay in settlements with bankers. The management is negotiating with banks for working capital facilities and successful settlements of overdue loans and hopeful of favorable results. The management is confident that the Company will be able to continue as a going concern.
- 1.4 The condensed interim financial statements are presented in Pak Rupee, which is the Company's functional and presentation currency.

2. SIGNIFICANT ACCOUNTING POLICIES

- 2.1 These condensed interim financial statements have been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" and provisions of and directions issued under the Companies Ordinance, 1984, in case the requirements differ, the provisions of or directions issued under the Companies Ordinance, 1984 have been followed.
- 2.2 This condensed interim financial report does not include all the information required for full annual financial statements, and should be read in conjunction with the Company's published audited financial statements for the year ended June 30, 2015.
- 2.3 This condensed interim financial report is unaudited and being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.
- 2.4 The accounting policies and methods of computation adopted in the preparation of this condensed interim financial report are the same as those applied in the preparation of the financial statements for the year ended June 30, 2015.
- 2.5 Standards, amendments to published approved accounting standards and interpretations effective from July 01, 2011: There are certain new standards, amendments and International Financial Reporting Interpretations Committee (IFRIC) interpretations that became effective during the period and are mandatory for accounting periods beginning on or after July 01, 2011 but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed in this condensed interim financial report.
- 2.6 Standards, amendments to published approved accounting standards and interpretations effective as adopted in Pakistan, those are not yet effective: There are other amendments to the standards and new interpretations that are mandatory for accounting periods beginning on or after July 01, 2012 but are considered not to be relevant or do not have any significant effect on Company's operations and are, therefore, not detailed in this condensed interim financial report.

Un-audited September 2015 Rupees	Audited June 2015 Rupees
800,000,000	800,000,000

3. Cumulative preference shares

80,000,000 cumulative preference shares of Rs. 10/- each fully paid in cash.

3.1

The holders of 55,080,498 cumulative preference shares called upon to convert preference shares into ordinary shares due to non-redemption of their holding on exercise of put options for two consecutive years. The Company proposed to issue new ordinary shares to preference shareholders holding 49,984,998 cumulative preference shares who have called upon to convert their shares, as per conversion formula laid down in the Prospectus (Refer above 4.2) and Articles of Association of the Company. In view of the reservations one of the investors filed application under Section 474 of the Companies Ordinance 1984 before the Securities and Exchange Commission of Pakistan which was not entertained by the SECP being out of domain of Companies Ordinance 1984. On appeal, the Appellant Bench of SECP remanded the matter for reconsideration in the light of certain observations of Appellant Bench. The SECP has initiated fresh proceedings and the matter is still pending for decision. The matter of conversion of balance of 5,095,500 cumulative preference shares is also pending till the resolution of matter with the investors who have first exercised the put options.

3.2

The cumulative preference shares have been classified as part of equity capital in accordance with the terms and conditions of issue, taking into consideration the classification of share capital as indicated in the various provisions of the Companies Ordinance, 1984. Further the contradictions between classification of share capital in the various provisions of the Companies Ordinance, 1984 and International Accounting Standards is pending for clarification before the Securities and Exchange Commission of Pakistan.

4. CONTINGENCIES AND COMMITMENTS

Contingencies

There is no significant change in contingencies since the date of publish audited financial statements for the year ended June 30, 2015 except the following:

	Un-audited September 2015 Rupees	Audited June 2015 Rupees
Liability of mark-up not acknowledged in view of management's intention to file applications for availing non serviceable grace period on the outstanding liabilities	1,715,781,558	1,677,835,786

5. ACQUISITIONS AND DISPOSALS OF PROPERTY, PLANT AND EQUIPMENT - AT COST

	Quarter Ended Sep 30, 2015 Acquisitions Rupees	Quarter Ended Sep 30, 2015 Disposals Rupees	Quarter Ended Sep 30, 2014 Acquisitions Rupees	Quarter Ended Sep 30, 2014 Disposal Rupees
Owned				
Electric installations	-	-	5,900	-
Vehicles	-	(350,000)	-	-
	-	(350,000)	5,900	-

6. Trade debts

Considered good

Secured

Foreign

Unsecured

Foreign

Local

6.1 The aging of trade debts is as under:

Not past due

Past due within one year

Past due Over one year

	Un-audited Sep 30, 2015 Rupees	Audited June 30, 2015 Rupees
Considered good		
Secured		
Foreign	12,316,440	8,708,209
Unsecured		
Foreign	1,558,342,375	1,558,518,981
Local	60,523,061	146,309,583
	1,631,181,876	1,713,536,773
6.1 The aging of trade debts is as under:		
Not past due	93,465,305	181,142,437
Past due within one year	6,601,608	2,281,194
Past due Over one year	1,531,114,963	1,530,113,142
	1,631,181,876	1,713,536,773

The management is taking measures for the recovery of past due trade debts and is in the process of negotiations and settlement with the customers. Considering these factors and the fact that legal recourse for recovery of past due debts is available to the Company, the Company believes that past due trade debts do not require any impairment. The credit risk exposure is limited in respect of bank balances as bank balances are placed with foreign and local banks having good credit rating from international and local credit rating agencies

	Quarter Ended September 30,	
	2015 Rupees	2014 Rupees
7. Sales		
Export		
Fabrics / made ups / garments	143,913,750	182,475,594
Add: Export rebate / duty drawback	1,220,269	1,274,498
	145,134,019	183,750,092
Less:		
Commission	960,766	784,193
Discount	-	208,723
	960,766	992,916
	144,173,253	182,757,176
Local		
Yarn	683,717,864	221,016,930
Fabrics / made ups	(405,427,252)	33,964,742
Processing, conversion and stitching charges	29,763,798	90,060,990
	452,227,663	527,799,838
8. Cost of sales		
manufactured (Note 8.1)	509,961,826	583,246,530
Finished goods		
Opening stock	170,845,938	421,287,623
Closing stock	(172,382,430)	(420,728,204)
	(1,536,492)	559,419
	508,425,334	583,805,949
8.1 Cost of goods manufactured		
Raw material consumed (Note 8.1.1)	270,256,002	268,536,859
Salaries, wages and benefits	63,659,261	59,997,203
Staff retirement benefits	4,399,885	4,243,842
Stores and spares	22,461,194	38,265,106
Dyes and chemicals	9,699,999	19,048,624
Packing material	14,096,471	22,741,669
Repairs and maintenance	1,281,818	3,025,135
Fuel and power	52,336,600	61,777,209
Insurance	589,127	528,031
Depreciation	44,788,740	50,136,062
Other	27,831,043	20,978,472
	511,400,140	549,278,212
Work in process		
Opening stock	159,979,228	137,558,894
Closing stock	(161,417,542)	(103,590,576)
	(1,438,314)	33,968,318
	509,961,826	583,246,530
8.1.1 Raw material consumed		
Opening stock	114,545,008	54,399,520
Purchases including purchase expenses	271,291,706	268,536,859
	385,836,714	322,936,379
Closing stock	(115,580,712)	(54,399,520)
	270,256,002	268,536,859
9. Finance cost		

The Company is facing financial and operational problems. As part of its long term plan to overcome these problems, the management has filed applications to its bankers / financial institutions to reschedule the existing long term and short term borrowings along with outstanding mark up thereon (except demand finance VII, own source finance and murabaha finance) and to convert the entire outstanding liabilities into non serviceable loans / loans subject to reduced rate of mark up for a reasonable period of time. The Company is hopeful that its bankers / financial institutions will consider the proposals favorably, therefore no further provision of markup in respect of these long term and short term finances has been made as the mark up expense amount depends on the outcome of the application.

	Quarter Ended September 30,	
	2015 Rupees	2014 Rupees
10. Earning per share - Basic		
(Loss) / profit for the period ordinary share holders	(122,105,088)	(117,596,127)
Weighted average number of ordinary shares outstanding during the period	115,000,000	115,000,000
	(1.062)	(1.023)

10. There is no dilutive effect on the basic earnings per share of the Company.

11. TRANSACTIONS WITH RELATED PARTIES

The Company in the normal course of business carries out transactions with various related parties which comprise of associated undertakings and key management personnel. Significant transactions with related parties are as follows:-

12. Overdue loans

On the reporting date, the installments of long term financing amounting to Rs. 2,416,699 million (2015: Rs. 2,388,804 million) along with mark up of Rs. 545,211 million (2015: Rs. 543,211 million), lease finances amounting to Rs. 10,977 million (2015: Rs. 8,577 million) along with mark up of Rs. 2,329 million (2015: Rs. 2,329 million) and short term borrowings amounting to Rs. 5,570,058 million (2015: Rs. 5,572,058 million) along with mark up of Rs. 738,197 million (2015: Rs. 732,294 million) were over due

The Company's requests for restructuring of the overdue loans and markup and conversion into non serviceable loans for reasonable period of time are pending with the lenders

13. DATE OF AUTHORISATION FOR ISSUE

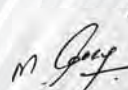
These condensed interim financial statements were authorised for issue on 30-10-2015 by the Board of Directors of the Company.

14. GENERAL

- (i) There is no unusual item included in the condensed interim financial statements which is affecting liabilities, assets, loss, cash flows or equity of the Company.
- (ii) The provision for taxation, worker's welfare fund are based on these condensed interim financial statements and are subject to adjustments in annual financial statements.
- (iii) Figures have been rounded off to the nearest Rupee.



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
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