

Financial Statements

*For the 1st quarter ended sep, 30
Unaudited*

2016

CONTENTS

Company Information.....	02
Director's Report to the Members.....	03
Director's Report in Urdu.....	04
Balance Sheet.....	05
Profit & Loss Account.....	06
Statement of Comprehensive Income.....	06
Cash Flow Statement	07
Statement of Changing in Equity.....	08
Notes to the Accounts.....	09

COMPANY INFORMATION

Chief Executive Officer	Mian Muhammad Latif
	Mian Muhammad Javaid Iqbal Mr. Muhammad Naeem Mr. Muhammad Faisal Latif Mr. Muhammad Farhan Latif Mr. Muhammad Zeeshan Latif Mr. Tariq Ayub Khan
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 & Agricultural Investment 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. Tariq Ayub Khan - Chairman Mr. Muhammad Farhan Latif Mr. Muhammad Zeeshan Latif
Auditors	Avais Hyder Liaquat Nauman Chartered Accountants.
Legal Advisor	Ch. Shahid Mehmood (Advocate)
Shares Registrar	F.D. Registrar Services (SMC-Pvt.) Limited Office # 1705, 17 th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi. Tel:021-32271905-6/021-35478192-3
Registered Office	Nishatabad, Faisalabad. Tel:+92 41 8754472-8 Fax:+92 41 8752400, 8752700 chenab@chenabgroup.com
Website Address	www.chenabgroup.com
Works	-Spinning Unit - Toba Tek Singh. -Weaving Unit Kharianwala, Distt: Sheikhpura. -Weaving Unit - Shahkot, Distt: Nankana Sahib. -Processing & Stitching Units – Nishatabad, Fsd.

DIRECTOR'S REPORT TO THE SHAREHOLDERS

The directors are presenting before you un-audited/reviewed financial statements of the company for the first quarter of financial year 2016-2017 ended on September 30, 2016. Figures of the corresponding quarter of the last year are also presented for comparison. The balance sheet figures as on June 30, 2016 and September 30, 2016 have been shown as required by the International Accounting Standards (IAS) 34 for interim financial reporting.

SALES REVENUE

Sales revenue of Rs.508.327 million has been earned during the quarter under report as compared to Rs.452.228 million achieved during the same quarter of the preceding year showing 10.38% increase.

FINANCIAL RESULTS

In view of favourable business circumstances, the company has earned profit of Rs.4.713 million .

FUTURE PROSPECTUS

Due to regular supply of energy, the management expects to augment further its sales revenue.

The management efforts for making rescheduling arrangements with the banks have been partly materialized as five major lenders have restructured the loans. The management is hopeful that rescheduling arrangements with remaining lenders will also materialize shortly.

The management is pursuing vigorously to dispose off certain non core fixed assets to meet the requirement of working capital.

ACKNOWLEDGEMENT

The directors are thankful to its 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 31, 2016

ڈائریکٹرز رپورٹ برائے شیئر ہولڈرز

ڈائریکٹرز کمپنی جائزہ شدہ (بغیر آڈٹ) 30 ستمبر 2016 کو ختم ہونی والی پہلی سہ ماہی کے مالی حسابات برائے سال 2016-2017 پیش کرتے ہیں۔ پچھلے سال کی اسی سہ ماہی کے اعداد و شمار موازنہ کیلئے بھی پیش کیے ہیں۔ بیلنس شیٹ کے اعداد 30 جون 2016 اور 30 ستمبر 2016 کے بھی ظاہر کیے گئے ہیں جو کہ بین الاقوامی اکاؤنٹنگ سٹینڈرڈز (آئی۔ اے۔ ایس۔ 34) برائے درمیانی مدت کی فنانشل رپورٹنگ کے زیرِ تفتیش ہے۔

سیلز ریویو

508.327 ملین روپے کے سیلز ریویو اس رپورٹنگ والی سہ ماہی کے دوران حاصل کیا گیا۔ بمقابلہ 452.228 ملین روپے جو کہ پچھلے سال اسی سہ ماہی کے دوران حاصل کیا گیا تھا جس کے مطابق سیلز میں 10.38 فیصد اضافہ ہوا۔

مالیاتی نتائج

موزوں کاروباری حالات کے پیش نظر کمپنی نے 4.713 ملین کامنافع حاصل کیا۔

مستقبل کا کیفیت نامہ

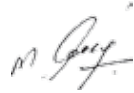
☆ باقاعدگی سے انرجی کی دستیابی ہونے پر انتظامیہ امید کرتی ہے کہ سیلز ریویو مزید بڑھے گا۔
☆ انتظامیہ کی کوششوں سے جزوی طور پر بنکس سے لیے گئے قرضوں کی نئے سرے سے ادائیگی کے شیڈولز پانچ بڑے بنکس سے حاصل کر لیے ہیں۔

☆ انتظامیہ امید کرتی ہے کہ باقی ماندہ بنکس سے بھی نئے ادائیگی شیڈولز جلد حاصل کر لیں گے۔
☆ انتظامیہ غیر پیداواری اثاثہ جات کو فروخت کرنے کیلئے بھرپور کوشش کر رہی ہے تاکہ سرمایہ کاری کی ضرورت کو پورا کیا جائے۔

تسلیم و تحسین

ڈائریکٹرز اپنے مالیاتی اداروں کے شکر گزار ہیں جنہوں نے قرضوں کی ادائیگی کیلئے نئے شیڈولز دیئے ہیں بشمول اپنے ملازمین کے جنہوں نے تندی سے کمپنی کو خدمات فراہم کی ہیں۔

برائے بورڈ آف ڈائریکٹرز



میاں محمد لطیف

چیف ایگزیکٹو

فیصل آباد

31-10-2016

Condensed Interim Balance Sheet (Un-audited)

As at September 30, 2016.

	Notes	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 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		(8,057,467,665)	(8,065,304,934)
		(5,581,057,913)	(5,588,895,182)
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT			
		5,736,490,451	5,198,671,152
NON-CURRENT LIABILITIES			
Long term financing		2,296,586,556	2,344,586,556
Liabilities against assets subject to finance lease		9,376,233	9,396,234
Deferred liability Staff retirement gratuity		933,295,064	908,779,724
Deferred Revenue		7,263,530	7,263,530
		3,246,521,383	3,270,026,044
CURRENT LIABILITIES			
Trade and other payables		1,732,265,645	1,673,383,761
Interest / markup payable		1,165,266,920	1,158,212,870
Short term borrowings		4,992,099,053	4,988,748,313
Current portion of :			
Long term financing		2,701,286,182	2,734,086,182
Liabilities against assets subject to finance lease		22,997,906	22,977,906
Provision for taxation - income tax		15,438,780	10,473,466
		10,629,354,486	10,587,882,498
CONTINGENCIES AND COMMITMENTS			
	4	-	-
		14,031,308,407	13,467,684,512
NON-CURRENT ASSETS			
Property, plant and equipment		11,341,717,770	10,848,915,539
Long term deposits		12,636,768	12,636,768
		11,354,354,538	10,861,552,307
CURRENT ASSETS			
Stores, spares and loose tools		417,343,682	422,273,351
Stock in trade		348,699,362	334,657,862
Trade debts		1,734,175,719	1,706,118,676
Loans and advances		69,121,862	41,974,099
Deposits and prepayments		14,259,718	12,495,014
Other receivables		29,243,176	28,781,403
Tax refunds due from Government		34,061,711	35,600,176
Cash and bank balances		30,048,639	24,231,624
		2,676,953,869	2,606,132,205
		14,031,308,407	13,467,684,512

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


MUHAMMAD NAEEM
(DIRECTOR)


MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE)

Condensed Interim Profit and Loss Account(Un-audited)

For The 1st Quarter ended September 30, 2016

	Note	Quarter Ended September 30,	
		2016 Rupees	2015 Rupees
Sales		508,326,593	452,227,663
Cost of sales	7	430,457,274	508,425,334
Gross profit / (loss)		77,869,319	(56,197,671)
Other operating income		2,604,274	4,181,046
		80,473,593	(52,016,625)
Selling and distribution expenses		2,848,302	4,302,730
Administrative expenses		32,068,369	32,170,953
Other operating expenses		-	-
Finance cost		35,878,543	32,130,705
		70,795,214	68,604,388
Profit / (loss) for the period before taxation		9,678,379	(120,621,012)
Provision for taxation		4,965,314	1,484,076
Profit / (loss) for the period		4,713,065	(122,105,088)
Profit / (loss) per share - Basic a:		0.041	(1.062)

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



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE)

Condensed Interim Statement of Comprehensive Income(Un-audited)

For The 1st Quarter ended September 30, 2016

	Quarter Ended September 30,	
	2016 Rupees	2015 Rupees
Profit / (loss) for the period	4,713,065	(122,105,089)
Other comprehensive income for the period		
Incremental depreciation on revalued assets for the period	2,155,701	5,449,489
Related deferred tax	968,503	1,296,840
	3,124,204	6,746,329
Total comprehensive income/ (loss) / profit for the period	7,837,269	(115,358,760)

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



MUHAMMAD NAEEM
(DIRECTOR)



MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE)

Condensed Interim Cash Flow Statement (Un-audited)

For The 1st Quarter ended September 30, 2016

	Quarter Ended September 30,	
	2016	2015
	Rupees	Rupees
a) CASH FLOWS FROM OPERATING ACTIVITIES		
Profit / (loss) before taxation	9,678,379	(120,621,012)
Adjustments for:		
Depreciation on property, plant and equipment	47,172,772	46,149,647
Provision for staff retirement gratuity	5,828,992	6,264,474
Profit on disposal of property, plant and equipment	-	60,175
Finance cost	35,878,543	32,130,705
Balances written off / (written back) - net	-	(1,262,879)
Operating cash flows before working capital changes	98,558,686	(37,278,891)
Changes in working capital		
Decrease/ (Increase) in current assets		
Stores, spares and loose tools	4,929,669	3,061,535
Stock in trade	(14,041,500)	(4,010,510)
Trade debts	(28,057,043)	82,354,897
Loans and advances	(27,147,763)	(23,401,338)
Deposits and prepayments	(1,764,704)	(1,619,810)
Other receivables	3,810,982	4,033,094
Tax refunds due from Government	188,672	1,112,705
	(62,081,687)	61,530,573
Increase/ (decrease) in current liabilities		
Trade and other payables	60,944,851	6,763,402
	(1,136,836)	68,293,975
Cash generated from operations	97,421,850	31,015,084
Income tax paid	(2,922,962)	(2,415,566)
Finance cost paid	(7,286,631)	(20,525,049)
Staff retirement gratuity paid	(3,945,982)	(1,238,413)
Net cash used in operating activities	83,266,275	6,836,056
b) CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	-	180,000
	-	180,000
c) CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of:		
Long term financing	(80,800,000)	(52,218,218)
Liabilities against assets subject to finance lease	-	-
Increase in short term borrowings - net	3,350,740	41,068,914
Net cash from financing activities	(77,449,260)	(11,149,304)
Net increase in cash and cash equivalents (a+b+c)	5,817,015	(4,133,248)
Cash and cash equivalents at the beginning of the year	24,231,624	27,300,940
Cash and cash equivalents at the end of the year	30,048,639	23,167,692

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

(DIRECTOR)
MUHAMMAD NAEEM

MIAN MUHAMMAD LATIF
(CHIEF EXECUTIVE)

SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS

For The 1st Quarter ended September 30, 2016

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. 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. Weaving units are located at Sheikhpura Road, Kharriwala, 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 profit of Rs.4.71 million. As at June 30, 2016 the accumulated loss of the Company is Rs. million and the current liabilities exceed its current assets by Rs. 7,952.40 million. The Company has not redeemed preference shares on exercise of put options for three 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. SECP has initiated proceedings for investigations under the Companies Ordinance 1984. The company has challenged the order and the Honourable Islamabad High Court has stayed the proceedings. 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 all lenders are not so far fully materialised, however the management has been able to reach at agreement with five major lenders to restructure the loans. The facilities diminishing musharika, term finance, murabah finance and demand finance were settled. Certain short term facilities were converted to long term loans. The management is hopeful that arrangements with other lenders will also materialise in due course. The management is vigorously pursuing the recovery of old outstanding debts and has also adopted the available legal recourse. The management's efforts to dispose of certain non core fixed assets to meet the working capital requirements has not been materialised so far due to adverse economic conditions. 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. The company could not produce desired results due to operational difficulties mainly due to non-availability of working capital facilities. Due to low production, 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 slow settlements with bankers. The management able to fetch better sales prices and control costs during the current quarter which has resulted in earning of net profit during the quarter. The management is negotiating with banks for working capital facilities. 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 has been prepared under the "historical cost convention" except staff retirement gratuity carried at present value and certain property, plant and equipment carried at valuation.
- 2.3 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, 2016.
- 2.4 This condensed interim financial report is unaudited and being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.
- 2.5 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, 2016.
- 2.6 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.
- 2.7 Standards, amendments to published approved accounting standards and interpretations effective as adopted in Pakistan, those are not yet effective:

	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 Rupees
3. Cumulative preference shares		
80,000,000 cumulative preference shares of Rs. 10/- each fully paid in cash.	800,000,000	800,000,000
3.1	The holders of 80,000,000 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 and Appellate bench being out of domain of Companies Ordinance 1984. SECP has initiated proceeding in the court of district and session judge at Karachi alleging trading activities of shares of the company in the manner prohibited under section 17 of Securities and Exchange Ordinance 1969. Since the subject matter of value for conversion of preference shares into ordinary shares is subjudice, the management will issue new ordinary shares on the disposal of the case filed by SCEP. The matter of conversion of balance 5,095,500 cumulative preference shares is also pending till the resolution of matter in the court	
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..	
3.3	The company has executed agreement with a banking company to buy back cumulative preference shares amounting to Rs. 100 million. The company will pay purchase consideration in installments commencing from year 2023.	

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, 2012 except the following:

	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 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:	1,032,929,434	1,021,686,391

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

	Quarter Ended Sep 30, 2016		Quarter Ended Sep 30, 2015	
	Acquisitions Rupees	Disposals Rupees	Acquisitions Rupees	Disposal Rupees
Owned Vehicles	-	-	-	(350,000)

	Un-audited September 30, 2016 Rupees	Audited June 30, 2016 Rupees
6. Trade debts		
Considered good		
Secured		
Foreign	151,511,741	7,236,655
Unsecured		
Foreign	1,656,551,224	1,656,551,224
Local	40,191,519	42,330,797
	<u>1,848,254,484</u>	<u>1,706,118,676</u>
6.1 The aging of trade debts is as under:		
Not past due	159,368,474	175,312,556
Paid within one year	40,191,520	6,292,115
Past due	1,648,694,490	1,524,514,005
	<u>1,848,254,484</u>	<u>1,706,118,676</u>

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,	
		2016	2015
		Rupees	Rupees
7. Cost of sales			
	manufactured (Note 7.1)	436,024,562	509,961,826
	Finished goods		
	Opening stock	132,687,868	170,845,938
	Closing stock	(138,255,156)	(172,382,430)
		(5,567,288)	(1,536,492)
		430,457,274	508,425,334
7.1 Cost of goods manufactured			
	Raw material consumed (Note 7.1.1)	240,497,957	270,256,002
	Salaries, wages and benefits	50,707,578	63,659,261
	Staff retirement benefits	4,103,200	4,399,885
	Stores and spares	15,676,226	22,461,194
	Dyes and chemicals	8,036,591	9,699,999
	Packing material	9,049,338	14,096,471
	Repairs and maintenance	451,769	1,281,818
	Fuel and power	39,082,512	52,336,600
	Insurance	613,833	589,127
	Depreciation	45,842,442	44,788,740
	Other	26,614,181	27,831,043
		440,675,627	511,400,140
	Work in process		
	Opening stock	110,851,081	159,979,228
	Closing stock	(115,502,146)	(161,417,542)
		(4,651,065)	(1,438,314)
		436,024,562	509,961,826
	7.1.1 Raw material consumed		
	Opening stock	91,118,913	114,545,008
	Purchases including purchase expenses	244,321,104	271,291,706
		335,440,017	385,836,714
	Closing stock	(94,942,060)	(115,580,712)
		240,497,957	270,256,002

8. 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, term finance XI, 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,	
		2016	2015
		Rupees	Rupees
9. Earnings per share - Basic			
	Profit / (loss) for the period ordinary share holders	4,713,065	(122,105,088)
	Weighted average number of ordinary shares outstanding during the period	115,000,000	115,000,000
		0.041	(1.062)

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

10. 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:-

14. Overdue loans

On the reporting date, the installments of long term financing amounting to Rs. 2,530.108 million (June 30, 2016: Rs. 2,526.130 million) alongwith mark up of Rs. 500.155 million (June 30, 2016: Rs. 492.642 million), lease finances amounting to Rs. 13.718 million (June 30, 2016: Rs. 13.378 million) alongwith mark up of Rs. 3.810 million (June 30, 2016: Rs. 3.637 million) and short term borrowings amounting to Rs. 4,667.212 million (June 30, 2016: Rs. 4,666.650 million) alongwith mark up of Rs. 635.110 million (June 30, 2016: Rs. 661.934 million) were over due. The Company has filed applications for rescheduling of outstanding liabilities, which are under consideration.

11. DATE OF AUTHORISATION FOR ISSUE

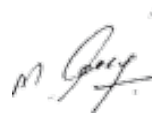
These condensed interim financial statements were authorised for issue on **30-10-2016** by the Board of Directors of the Company.

12. 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)



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