

Quarterly Report
for the Period Ended
31 March 2015



BIAFO INDUSTRIES LTD.
Manufacturers of Tovex® Explosives & Blasting Accessories

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COMPANY INFORMATION

Board of Directors

Executive Directors

Khawaja Amanullah Askari	Managing Director & Chief Executive Officer
M. Afzal Khan	Director
Maj. Gen. (Ret'd.) S. Z. M. Askree	Director
Ms. Shirin Safdar	Director

Non Executive Directors

Dr. M. Humayun Khan	Chairman
Abdul Maajid Qureshi	Director
M. Salim Khan	Director
M. Zafar Khan	Director
Adnan Aurangzeb	Director
Ms. Zishan Afzal Khan	Director

Independent Directors

Khawaja Ahmad Hosain	Director
Muhammad Yaqoob	Director

Company Secretary

Khawaja Shaiq Tanveer

Chief Financial Officer

Syed Sajid Hussain Shah

Audit Committee

Muhammad Yaqoob	Chairman
Adnan Aurangzeb	Member
Abdul Maajid Qureshi	Member
M. Salim Khan	Member
Khawaja Ahmad Hosain	Member

HR & Remuneration Committee

Dr. M. Humayun Khan	Chairman
M. Salim Khan	Member
Khawaja Ahmad Hosain	Member
Khawaja Amanullah Askari	Member
Muhammad Yaqoob	Member
Adnan Aurangzeb	Member

Auditors

KPMG Taseer Hadi & Co. Chartered Accountants

Legal Advisors

Chima & Ibrahim, Raja Rashid, Javaid Qureshi

Bankers

Allied Bank of Pakistan	Bank Alfalah Limited
National Bank of Pakistan	United Bank Limited
Habib Metropolitan Bank	Dubai Islamic Bank
Bank of Khyber	Faysal Bank Limited
Askari Bank Limited	MCB Bank Limited

Registered Office

Biafo Industries Limited

Office No. 203-204, 2nd Floor, Muhammad Gulistan Khan House,
82-East, Fazal-ul-Haq Road, Blue Area, Islamabad. Pakistan
Tel: +92 51 2150263-4, 2150266-7, 2802218-9 Fax: +92 51 2150265
Website: www.biafo.com, Email: management@biafo.com, biafo@hotmail.com

Factory

Biafo Industries Limited

Plot No: 70, Phase III, Industrial Estate, Hattar, Distt Haripur, Khyber Pakhtunkhwa. Pakistan
Tel: +92 995 617830 Fax: +92 995 617497
Website: www.biafo.com, Email: plant@biafo.com, biafoplant@hotmail.com

Shares Registrar

Riasat Ishtiaq Consulting (Pvt) Ltd

Office No. 19-20, 2nd Floor, Hill View Plaza, Jinnah Avenue, Blue Area, Islamabad.
Tel: +92 51 2344223-4 Fax: +92 51 2605658

BIAFO INDUSTRIES LIMITED
DIRECTORS' REPORT FOR THE QUARTER
ENDED 31 MARCH, 2015

Your Directors are pleased to submit the unaudited accounts for the quarter and period ended 31st March, 2015.

Net sales value of the company in the period under review increased by 7.86% to Rs. 1014.42m, but declined by 1.91 % in the quarter, against the comparative quarter of 2014. However net sales value increased by 28.24% to Rs. 383.73m in comparison to the immediately preceding quarter. The increase in the net sales in the quarter was a reflection of increases in all sectors, apart from large scale projects, where projects are nearing completion.

Gross profit margin in the quarter under review increased by 3.28% to 47.04% amounting to Rs. 180.50m and for the nine months period to March, 2015 increased by 4.80% to 44.59% amounting to Rs. 452.32m against the comparable periods of the previous year.

Gross profit margin improved due to the higher value product mix and reduced cost of raw materials due to new sources located and softening in energy and commodity prices in the International Market.

Operating profit increased by 9.62% to Rs. 164.00m in the quarter under review and for the nine months period to March, 2015, increased by 23.24% to Rs.400.98m against the comparable period of last year.

In the quarter under review profit after taxation increased by 6.84% to Rs. 109.96m and for the nine months period to March, 2015 increased by 23.89% to Rs. 278.74m resulting in EPS for the quarter under review of Rs. 5.50 (EPS quarter to March, 2014 : Rs. 5.15) and for the 9 months period to March, 2015 EPS : Rs. 13.94 (EPS 9 month to March, 2014 : Rs.11.24).

Investment in cash fund based instruments and Term Deposits in the 9 months period to March, 2015 increased by 19.86% to Rs. 380.92m against the comparable period of last year.

Expenses were within the budget approved by the Board of Directors.

Your Board of Directors have declared the 3rd interim cash dividend of Rs. 4.50/- per share (45%) for the period under review in addition to the 1st interim cash dividend Rs. 3/- per share (30%) and 2nd interim cash dividend Rs. 3.25/- per share (32.5%) for the period of the financial year ending 30th June, 2015.

Your Board takes the opportunity to express its appreciation to all its employees for their hard work and continuing efforts and also cooperation of all its stakeholders in meeting its business challenges.

We are pleased to advise the members that the Chief Executive collected on behalf of the company "**KSE Top 25 Companies Award for the year 2012 & 2013**" from the Honorable Prime Minister of the Islamic Republic of Pakistan in a ceremony held at Karachi on the 25th of March, 2015.



Khawaja Amanullah Askari
Managing Director & Chief Executive Officer

Islamabad
28th April, 2015

BIAFO INDUSTRIES LIMITED
CONDENSED INTERIM BALANCE SHEET (UNAUDITED)
AS AT 31 MARCH 2015

	Note	31 March 2015 Rupees	30 June 2014 Rupees
Property, plant and equipment	4	309,768,078	283,729,557
Long term deposits		1,610,600	1,610,600
		<u>311,378,678</u>	<u>285,340,157</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		7,892,095	6,182,582
Stock in trade		108,433,822	161,265,019
Trade debts - Unsecured	5	287,045,733	210,614,059
Advances - Unsecured		10,577,879	6,821,480
Trade deposits and short term prepayments		5,473,474	2,042,733
Other receivables		802,109	1,304,589
Other financial assets	6	380,926,653	351,548,450
Cash and bank balances		30,424,270	13,463,914
		<u>831,576,035</u>	<u>753,242,826</u>
CURRENT LIABILITIES			
Trade and other payables	7	161,434,919	150,772,860
Markup accrued		5,808,717	3,875,656
Short term borrowings - Secured	8	187,566,052	212,512,765
Provision for taxation		13,387,066	4,371,240
		<u>368,196,754</u>	<u>371,532,521</u>
NET CURRENT ASSETS		<u>463,379,281</u>	<u>381,710,305</u>
NON CURRENT LIABILITIES			
Deferred employee benefits		2,471,740	1,823,278
Deferred tax liability - net		29,193,685	30,880,433
		<u>31,665,425</u>	<u>32,703,711</u>
NET ASSETS		<u>743,092,534</u>	<u>634,346,751</u>
REPRESENTED BY:			
SHARE CAPITAL AND RESERVES			
Share capital		200,000,000	200,000,000
Unappropriated profit		481,565,556	371,182,991
		<u>681,565,556</u>	<u>571,182,991</u>
SURPLUS ON REVALUATION OF FIXED ASSETS - Net of tax		<u>61,526,978</u>	<u>63,163,760</u>
		<u>743,092,534</u>	<u>634,346,751</u>

CONTINGENCIES AND COMMITMENTS 9

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Islamabad
28 April, 2015


Chairman


Managing Director &
Chief Executive Officer

BIAFO INDUSTRIES LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

	Note	Three Months Ended		Nine Months Ended	
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
		Rupees	Rupees	Rupees	Rupees
NET SALES / TURNOVER	10	383,734,767	391,207,660	1,014,422,365	940,466,069
Cost of sales		(203,233,700)	(220,011,209)	(562,097,293)	(559,481,759)
GROSS PROFIT		180,501,067	171,196,451	452,325,072	380,984,310
Other income		11,852,738	5,345,302	31,398,576	18,898,624
Distribution cost		(5,196,101)	(5,086,522)	(14,357,091)	(14,712,261)
Administrative expenses		(16,033,131)	(17,433,369)	(50,631,626)	(47,378,232)
Finance costs		(7,122,498)	(4,412,588)	(17,751,326)	(12,422,298)
OPERATING PROFIT		164,002,075	149,609,274	400,983,605	325,370,143
Workers' profit participation fund		(8,200,103)	(7,480,464)	(20,049,180)	(16,268,507)
Workers' welfare fund		(3,280,041)	(2,992,186)	(7,382,040)	(7,602,402)
PROFIT BEFORE TAXATION		152,521,931	139,136,624	373,552,385	301,499,234
TAXATION					
Current		(43,693,064)	(38,841,987)	(96,493,350)	(80,978,892)
Deferred		1,136,735	2,631,426	1,686,748	4,477,446
		(42,556,329)	(36,210,561)	(94,806,602)	(76,501,446)
PROFIT FOR THE PERIOD		109,965,602	102,926,063	278,745,783	224,997,788
EARNINGS PER SHARE - Basic and diluted		5.50	5.15	13.94	11.25

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Islamabad
28 April, 2015


Chairman


Managing Director &
Chief Executive Officer

BIAFO INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

	Three Months Ended		Nine Months Ended	
	31 March 2015	31 March 2014	31 March 2015	31 March 2014
	Rupees	Rupees	Rupees	Rupees
Profit for the period	109,965,602	102,926,063	278,745,783	224,997,788
Other comprehensive income	-	-	-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	<u>109,965,602</u>	<u>102,926,063</u>	<u>278,745,783</u>	<u>224,997,788</u>

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Islamabad
28 April, 2015


Chairman


Managing Director &
Chief Executive Officer

BIAFO INDUSTRIES LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

	Note	31 March 2015 Rupees	31 March 2014 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		373,552,385	301,499,234
Adjustments for:			
Depreciation		12,013,288	12,076,945
Finance costs		17,751,326	12,422,298
Provision for Workers' profit participation fund		20,049,180	16,268,507
Provision for Workers' welfare fund		7,382,040	7,602,402
Provision for employee benefit		4,703,255	14,783,837
Unrealized gain on remeasurement of investment		(27,903,203)	(14,896,400)
Gain on disposal of property, plant and equipment		(132,385)	(1,113,608)
Interest on deposit accounts and TDRs		(1,482,727)	(920,690)
Unrealized exchange (gain) / loss		870,337	(1,061,502)
		32,938,611	45,161,789
		406,490,996	346,661,023
Changes in:			
Store, spare parts and loose tools		(1,709,513)	(587,954)
Stock in trade		52,831,197	(5,436,464)
Trade debts		(78,464,511)	(40,168,622)
Advances, deposits, prepayments and other receivables		(7,095,138)	(11,863,476)
Trade and other payables		13,393,271	150,917
		(21,044,694)	(57,905,599)
Cash generated from operations			
		385,446,302	288,755,424
Finance costs paid		(15,818,265)	(10,778,243)
Employees benefits paid		(4,624,512)	(9,000,000)
Payments to Workers' profit participation fund		(23,228,002)	(19,862,553)
Payments to Workers' welfare fund		(8,653,569)	(7,399,775)
Income taxes paid		(87,477,524)	(83,996,743)
		(139,801,872)	(131,037,314)
Net cash from operating activities		245,644,430	157,718,110
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(38,512,644)	(28,046,231)
Proceeds from disposal of property, plant and equipment		593,220	3,596,834
Investments made during the period		-	(6,209,806)
Interest received on deposit accounts and TDRs		1,893,205	998,423
Net cash used in investing activities		(36,026,219)	(29,660,780)
CASH FLOWS FROM FINANCING ACTIVITIES			
Payment of dividend		(167,711,142)	(118,620,746)
Net cash used in financing activities		(167,711,142)	(118,620,746)
NET INCREASE IN CASH AND CASH EQUIVALENTS		41,907,069	9,436,584
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD		(199,048,851)	(130,035,850)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	11	(157,141,782)	(120,599,266)

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Islamabad
28 April, 2015


Chairman


Managing Director &
Chief Executive Officer

BIAFO INDUSTRIES LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

	Share Capital	Unappropriated Profit	Total Equity
	Rupees	Rupees	Rupees
Balance at 01 July 2013	200,000,000	299,958,841	499,958,841
Total comprehensive income for the year			
Profit for the period	-	224,997,788	224,997,788
Total comprehensive income for the period	-	224,997,788	224,997,788
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period - net of deferred tax	-	1,997,340	1,997,340
	200,000,000	526,953,969	726,953,969
Transactions with members recorded directly in equity			
Distribution to members			
Final dividend of 2013 @ Rs. 4.00 per share	-	(80,000,000)	(80,000,000)
First interim dividend of 2014 @ Rs. 2.00 per share	-	(40,000,000)	(40,000,000)
Total distribution to members	-	(120,000,000)	(120,000,000)
Balance at 31 March 2014	200,000,000	406,953,969	606,953,969
Balance at 01 July 2014	200,000,000	371,182,991	571,182,991
Total comprehensive income for the period			
Profit for the period	-	278,745,783	278,745,783
Total comprehensive income for the period	-	278,745,783	278,745,783
Transfer from surplus on revaluation of property, plant and equipment on account of incremental depreciation for the period - net of deferred tax	-	1,636,782	1,636,782
	200,000,000	651,565,556	851,565,556
Transactions with members recorded directly in equity			
Distribution to members			
Final dividend of 2014 @ Rs. 5.50 per share	-	(110,000,000)	(110,000,000)
First interim dividend of 2015 @ Rs. 3.00 per share	-	(60,000,000)	(60,000,000)
Total distribution to members	-	(170,000,000)	(170,000,000)
Balance at 31 March 2015	200,000,000	481,565,556	681,565,556

The annexed notes 1 to 14 form an integral part of this condensed interim financial information.

Islamabad
28 April, 2015


Chairman


Managing Director &
Chief Executive Officer

BIAFO INDUSTRIES LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

1. THE COMPANY AND ITS OPERATIONS

Biafo Industries Limited ("the Company") was incorporated in Pakistan on 07 September 1988 as a public limited company under the Companies Ordinance, 1984 and its shares are quoted on the Karachi and Islamabad Stock Exchanges. The Company started its commercial production on 01 July 1994 and is principally engaged in the manufacturing of commercial explosives and blasting accessories including detonators and other materials. The Company's license for manufacturing and sale of explosives is required to be renewed annually. The Company has set up its industrial undertaking in Hattar Industrial Estate, Khyber Pakhtunkhwa with its registered office at 203-204, 2nd Floor, M. Gulistan Khan House, 82-E, Fazal-ul-Haq Road, Blue Area, Islamabad, Pakistan.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for nine months period ended 31 March 2015 has been prepared in accordance with the requirements of International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. The disclosures in this condensed interim financial information do not include the information that reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements of the Company for the year ended 30 June 2014. Comparative balance sheet is extracted from the annual audited financial statements as of 30 June 2014, whereas comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim financial information for nine months period ended 31 March 2014.

This condensed interim financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Karachi Stock Exchange Limited.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations and the methods of computation adopted in preparation of this condensed interim financial information and financial risk management policy are the same as those applied in preparation of annual audited financial statements for the year ended 30 June 2014. The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 January 2015 and are not expected to have any significant effect on condensed interim financial information of the Company:

- IAS 38 'Intangible Assets'	(effective 01 January 2016)
- IAS 16 'Property, Plant and Equipment'	(effective 01 January 2016)
- IFRS 10 'Consolidated Financial Statements'	(effective 01 January 2015)
- IFRS 11 'Joint Arrangements'	(effective 01 January 2015)
- IFRS 12 'Disclosure of Interest in Other Entities'	(effective 01 January 2015)
- IFRS 13 'Fair Value Measurement'	(effective 01 January 2015)
- IAS 27 'Separate Financial Statement'	(effective 01 January 2016)
- IAS 28 'Investments in Associates and Joint Ventures'	(effective 01 January 2016)

Amendments to following standards as annual improvements cycle of 2010-2012 and 2011-2013. Most amendments will apply prospectively for annual period beginning on or after 01 July 2014:

- IFRS 2 'Share-based Payment'	- IAS 16 Property, plant and equipment
- IFRS 3 Business Combinations	- IAS 24 Related Party Disclosure
- IFRS 8 Operating Segments	- IAS 40 Investment Property

BIAFO INDUSTRIES LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

Amendments to following standards as annual improvements cycle of 2012-2014. Most amendments will apply prospectively for annual period beginning on or after 01 January 2016:

- IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'
- IFRS 7 'Financial Instruments-Disclosures'
- IAS 19 'Employee Benefits'
- IAS 34 'Interim Financial Reporting'

4. PROPERTY, PLANT AND EQUIPMENT

During the nine months period ended 31 March 2015, the Company acquired property, plant and equipment aggregating Rs. 38,512,644 (31 March 2014: Rs. 28,046,231). Depreciation charge for the period amounts to Rs. 12,013,288 (31 March 2014: Rs.7,973,541). Assets with carrying amount of Rs. 460,836 disposed off during the period resulting in a gain on disposal of Rs. 132,384 (31 March 2014: carrying value of Rs. 1,440,619).

	Unaudited 31 March 2015 Rupees	Audited 30 June 2014 Rupees
5. TRADE DEBTS - Unsecured		
Considered good	287,045,733	210,614,059
Considered doubtful	1,162,270	1,474,770
	288,208,003	212,088,829
Less: Provision for doubtful debts	(1,162,270)	(1,474,770)
	<u>287,045,733</u>	<u>210,614,059</u>
6. OTHER FINANCIAL ASSETS		
Investments:		
Held for trading		
ABL Income Fund	135,482,088	121,235,750
MCB Dynamic Cash Fund	49,685,284	44,890,893
Faysal Money Market Fund	118,167,904	110,918,542
UBL Liquidity Plus Fund	26,841,377	25,228,265
Loans and receivables - Term deposit receipts	50,750,000	49,275,000
	<u>380,926,653</u>	<u>351,548,450</u>
7. TRADE AND OTHER PAYABLE		
Trade creditors	81,806,197	62,878,742
Advances from customers	2,379,263	7,918,242
Accrued liabilities	14,006,438	16,204,379
Sales tax payable - net	11,669,735	8,531,606
Insurance	715,257	1,002,856
Workers' profit participation fund payable	20,049,180	23,228,002
Workers' welfare fund payable	8,019,672	9,291,201
Unclaimed dividend	14,333,055	12,044,197
Payable to staff retirement gratuity - funded	4,057,708	4,591,325
Compensated absences - current portion	-	36,102
Payable to employees provident fund - unsecured	536,042	441,354
Withholding tax payable	1,337,012	1,216,085
Others	2,525,360	3,388,769
	<u>161,434,919</u>	<u>150,772,860</u>

BIAFO INDUSTRIES LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

		Unaudited 31 March 2015 Rupees	Audited 30 June 2014 Rupees
	Note		
8. SHORT TERM BORROWINGS - SECURED			
Allied Bank Limited (ABL) - FE 25/Export Refinance	8.1 (a)	57,575,022	73,127,208
- RF Facilities	8.1 (b)	52,337,045	78,194,545
MCB Bank Limited (MCB) - RF	8.2	31,445,073	-
Faysal Bank Limited (FBL) - RF	8.3	30,825,716	61,191,012
United Bank Limited (UBL) - RF	8.4	15,383,195	-
		<u>187,566,052</u>	<u>212,512,765</u>

8.1 (a) This represents FE-25 facility with a sanctioned limit of Rs. 85 million including Rs. 35 million sublimit of running finance facility - RF I (2013: Rs. 50 million). The facility carries mark-up at the rate of LIBOR + 2% (2014: LIBOR + 2%) per annum of the utilized amount.

8.1 (b) "This represents utilized amount of running finance facilities with cumulative sanctioned limit of Rs. 190.90 million. These facilities include running finance facility - RF I with sanctioned limit of Rs. 35 million carrying mark-up at the rate of 3 months KIBOR + 1.25% of the utilized amount and secured against first equitable mortgage over industrial property on fixed assets of Rs. 180 million and charge over current assets (excluding receivables), running finance facility - RF II with a sanctioned limit of Rs. 108.40 million carrying markup at the rate of 3 months KIBOR + 1% per annum of the utilized amount and secured against investment in units of ABL Income Fund with 5% margin upto market value of Rs. 114.146 million, and running finance facility - RF III with sanctioned limit of Rs. 47.50 million carrying markup at the rate of 3 months KIBOR + 1% per annum of the utilized amount and secured against the investment made in the ABL Term Deposit Receipts of USD 500,000 with 5% margin.

RF I has sub limit of Letter of credit - sight (foreign), Letter of credit - usance (foreign), Export Refinance and FCEF."

8.2 This running finance facility has a sanctioned limit of Rs. 37.74 million and carries mark up at the rate of 3 months KIBOR + 1% per annum of the amount utilized, payable on quarterly basis. The facility is secured against investment in MCB Dynamic Cash Fund upto face value of Rs. 40.809 million.

8.3 This running finance facility has a sanctioned limit of Rs. 100 million and carries mark-up at the rate of 3 month Kibor + 1% per annum of the amount utilized, payable on quarterly basis. The facility is secured against investment in units of Faysal Money Market Fund upto market value of Rs. 105.26 million.

8.4 This running finance facility has a sanctioned limit of Rs.100.00 million for financing working capital requirements of the Company. The facility carries markup at the rate of 1 month KIBOR + 0.75% per annum. The facility is secured against investment in UBL Liquidity Plus Funds worth Rs. 25 million with 5% margin.

BIAFO INDUSTRIES LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

9. CONTINGENCIES AND COMMITMENTS

There is no change in the contingent liabilities as reported in the annual financial statements for the year ended 30 June 2014.

Commitment in respect of construction of office building is Rs. 3.90 million (30 June 2014: Rs. 23.887 million). Letters of credit issued by banks on behalf of the Company for the import of raw materials amount to Rs. 10.46 million at 31 March 2015 (30 June 2014: Rs. 11.928 million).

		Three Months Ended		Nine Months Ended	
		Unaudited	Unaudited	Unaudited	Unaudited
		31 March 2015	31 March 2014	31 March 2015	31 March 2014
		Rupees	Rupees	Rupees	Rupees
10.	SALES - Net				
	Net Local Sales	358,725,167	339,091,543	898,479,657	825,101,542
	Net Export Sales	25,009,600	52,116,117	115,942,708	115,364,527
		<u>383,734,767</u>	<u>391,207,660</u>	<u>1,014,422,365</u>	<u>940,466,069</u>

		Nine Months Ended	
		Unaudited	Unaudited
		31 March 2015	31 March 2014
		Rupees	Rupees
11.	CASH AND CASH EQUIVALENTS		
	For the purpose of cash flow statement cash and cash equivalents comprise of:		
	Cash and bank balances	30,424,270	15,558,097
	Short term borrowings - secured	(187,566,052)	(136,157,363)
		<u>(157,141,782)</u>	<u>(120,599,266)</u>

BIAFO INDUSTRIES LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UNAUDITED)
FOR THE PERIOD ENDED 31 MARCH 2015

12. RELATED PARTY TRANSACTIONS

Related parties comprise of directors, key management personnel, major shareholders, entities over which the directors are able to exercise influence and employees' fund. Transactions with related parties during the period and balances at the reporting date are as follows:

	Nine Months Ended	
	Unaudited 31 March 2015 Rupees	Unaudited 31 March 2014 Rupees
Orient Trading Limited		
Payment of dividend	55,624,850	39,264,600
Share Capital	6,544,100	6,544,100
Dividend to non executive directors	54,383,000	38,388,000
Other related parties		
Remuneration including perquisites of Chief Executive Officer	15,600,000	16,940,846
Remuneration including perquisites of Directors	13,500,000	10,883,871
Remuneration including perquisites of Key Management Personnel	7,938,000	6,963,729
Dividend to key management personnel (Executive Directors)	4,301,000	3,036,000
Payment to employees' provident fund	2,342,630	2,148,109
Payment to staff retirement gratuity fund	4,591,325	-
Retirement benefit paid to Chairman	-	9,000,000
	Unaudited 31 March 2015 Rupees	Audited 30 June 2014 Rupees
Related party balances		
Payable to employees' provident fund - unsecured	536,042	533,400
Payable to staff retirement gratuity fund - unsecured	4,057,708	4,591,325

13. NON ADJUSTING EVENT AFTER BALANCE SHEET DATE AND DATE OF AUTHORIZATION FOR ISSUE

- 13.1 The Board of Directors of the Company in their meeting held on 28 April 2015 proposed third interim cash dividend of Rs. 4.50 per share.
- 13.2 This condensed interim financial information was authorized for issue by the Board of Directors of the Company in their meeting held on 28 April 2015.

14. GENERAL

Figures in the condensed interim financial information have been rounded off to the nearest rupee.

Islamabad
28 April, 2015


Chairman


Managing Director &
Chief Executive Officer

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(UNDER POSTAL CERTIFICATE)

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