CONTENTS

COMPANY PROFILE	02
DIRECTORS' REPORT	03
CONDENSED INTERIM BALANCE SHEET	04
CONDENSED INTERIM PROFIT & LOSS ACCOUNT	05
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	06
CONDENSED INTERIM CASH FLOW STATEMENT	07
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	08
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS	09

CONSOLIDATED

DIRECTORS' REPORT	13
CONDENSED INTERIM BALANCE SHEET	14
CONDENSED INTERIM PROFIT & LOSS ACCOUNT	15
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	16
CONDENSED INTERIM CASH FLOW STATEMENT	17
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	18
CONDENSED INTERIM NOTES TO THE FINANCIAL STATEMENTS	19

COMPANY PROFILE

BOARD OF DIRECTORS

CHAIRMAN	:	MR. MOHAMMAD ABDULLAH
CHIEF EXECUTIVE	:	MR. NADEEM ABDULLAH
DIRECTOR	:	MR. SHAHID ABDULLAH
		MR. AMER ABDULLAH
		MR. YOUSUF ABDULLAH
		MR. NABEEL ABDULLAH
		MR. SHAYAN ABDULLAH
		MR. MOHAMMAD YOUNUS

AUDIT COMMITTEE

CHAIRMAN	:	MR. YOUSUF ABDULLAH
MEMBER	:	MR. NABEEL ABDULLAH
MEMBER	:	MR. SHAYAN ABDULLAH

HUMAN RESOURCE & REMUNERATION COMMITTEE

CHAIRMAN	:	MR. AMER ABDULLAH
MEMBER	:	MR. NABEEL ABDULLAH
MEMBER	:	MR. MOHAMMAD YOUNUS

CHIEF FINANCIAL OFFICER	:	MR. ABDUL SATTAR
SECRETARY	:	MR. ZEESHAN
AUDITORS	:	MUSHTAQ & COMPANY CHARTERED ACCOUNTANTS
MANAGEMENT CONSULTANT	:	M. YOUSUF ADIL SALEEM & COMPANY CHARTERED ACCOUNTANTS
TAX CONSULTANTS	:	MUSHTAQ & COMPANY CHARTERED ACCOUNTANTS
LEGAL ADVISOR	:	A. K. BROHI & COMPANY
BANKERS	:	ALLIED BANK LIMITED HABIB BANK LIMITED STANDARD CHARTERED BANK (PAKISTAN) LIMITED UNITED BANK LIMITED MCB BANK LIMITED CITIBANK N.A.
SHARE REGISTRAR	:	HAMEED MAJEED ASSOCIATES (PVT) LTD
REGISTERED OFFICE	:	212, COTTON EXCHANGE BUILDING, I.I.CHUNDRIGAR ROAD, KARACHI.
MILLS	:	S.I.T.E KOTRI, S.I.T.E NOORIABAD CHUNIAN, DISTRICT KASUR FEROZE WATWAN BHOPATTIAN, LAHORE.

Directors' Report to the Shareholders

On behalf of the Board of Directors of **Sapphire Textile Mills Limited**, it is my pleasure to present un-audited financial statements of the company for the nine months period ended **March 31, 2013.**

FINANCIAL HIGHLIGHTS

	Rupees in Thousand	
	Nine Months Period Ended March 31	
	2013	2012
Sales & Services	**18,344,327**	15,881,941
Gross Profit	**2,787,450**	1,916,098
Other Operating Income	**238,185**	236,867
Profit before taxation	**1,500,307**	620,548
Taxation		
- Current	**(140,775)**	(134,429)
- Deferred	**(39,268)**	134,634
	(180,043)	205
Profit after taxation	**1,320,264**	620,753

REVIEW OF OPERATIONS

During the period under review, sales increased by 15.50%, compared to the same period of last year. Gross profit as percentage to sales increased to 15.19% compared to 12.06% in the previous corresponding period. Financial cost reduced to Rs.488.416 million which is 2.66% as a percentage of sales compared to Rs.534.265 million which was 3.36% of sales in the corresponding period of last year. The company's profit before tax is Rs.1,500.307 million as compared to Rs. 620.548 million of corresponding period of last year. The company has paid interim cash dividend to shareholders @ Rs.12/- per share for the year ending on June 30, 2013.

Earnings per share are Rs.65.74 as compared to Rs.30.91 per share of last year's corresponding period.

FUTURE PROSPECTS

The financial results for the first nine months of the current year have been good. This is mainly due to the robust demand of the products produced by the company as well as availability of cotton at reasonable prices. Availability and price of energy seem to be a continuous challenge for the industry.

ACKNOWLEDGEMENTS

The Management would like to place on record its appreciation for the support of Board of Directors, regulatory authorities, shareholders, customers, financial institutions, suppliers and dedication & hard work of the Staff and Workers.

On behalf of the Board

Karachi
Dated: April 29, 2013

NADEEM ABDULLAH
CHIEF EXECUTIVE

CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2013

	Note	(Un-audited) March 31, 2013	(Audited) June 30, 2012
		Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	**5,653,186,098**	5,161,762,107
Investment property		**164,744,709**	186,904,254
Intangible assets		**6,263,380**	8,335,030
Long term investments		**2,908,723,430**	2,231,675,922
Long term loans and advances		**48,933,288**	36,223,204
Long term deposits		**44,719,594**	29,500,666
		8,826,570,499	7,654,401,183
CURRENT ASSETS			
Stores, spares and loose tools		**253,394,004**	250,799,409
Stock-in-trade		**7,149,445,887**	3,317,722,811
Trade debts		**1,610,335,884**	1,337,067,271
Loans and advances		**254,237,498**	117,723,889
Trade deposits and short term prepayments		**26,649,730**	14,815,702
Other receivables		**137,847,329**	43,639,601
Other financial assets		**1,145,562,638**	810,341,353
Tax refunds due from Government		**428,201,963**	434,008,678
Cash and bank balances		**135,100,061**	75,986,808
		11,140,774,994	6,402,105,522
TOTAL ASSETS		**19,967,345,493**	14,056,506,705
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
35,000,000 (June 30, 2012: 35,000,000) ordinary shares of Rs. 10 each		**350,000,000**	350,000,000
Issued, subscribed and paid-up capital			
20,083,140 (June 30, 2012: 20,083,140) ordinary shares of Rs.10 each		**200,831,400**	200,831,400
Reserves		**9,629,604,552**	8,126,289,918
		9,830,435,952	8,327,121,318
NON-CURRENT LIABILITIES			
Long term financing		**917,515,900**	1,094,621,651
Deferred liabilities		**243,144,619**	180,139,384
		1,160,660,519	1,274,761,035
CURRENT LIABILITIES			
Trade and other payables		**1,723,861,895**	1,099,692,715
Accrued Interest / mark-up		**78,657,062**	70,308,182
Short term borrowings		**6,704,949,498**	2,850,756,103
Current portion of long term financing		**328,005,449**	213,468,649
Provision for taxation		**140,775,118**	220,398,703
		8,976,249,022	4,454,624,352
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		**19,967,345,493**	14,056,506,705

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Note	Nine Months Period Ended March 31, 2013	Nine Months Period Ended March 31, 2012	Quarter Ended March 31, 2013	Quarter Ended March 31, 2012
		Rupees	Rupees	Rupees	Rupees
Sales and services		**18,344,327,104**	15,881,941,263	**6,792,391,828**	5,413,663,829
Cost of sales and services	**7**	**(15,556,877,365)**	(13,965,843,045)	**(5,674,498,455)**	(4,747,358,566)
Gross profit		**2,787,449,739**	1,916,098,218	**1,117,893,373**	666,305,263
Distribution cost		**(746,310,298)**	(772,554,105)	**(282,639,059)**	(255,957,525)
Administrative expenses		**(147,658,843)**	(131,393,021)	**(54,519,986)**	(43,058,371)
Other operating expenses		**(142,943,579)**	(94,204,567)	**(61,458,608)**	(18,225,825)
Other operating income		**238,185,292**	236,867,489	**94,133,069**	66,812,112
		(798,727,428)	(761,284,204)	**(304,484,584)**	(250,429,609)
Profit from operations		**1,988,722,311**	1,154,814,014	**813,408,789**	415,875,654
Finance cost		**(488,415,625)**	(534,265,943)	**(206,229,515)**	(236,715,220)
Profit before taxation		**1,500,306,686**	620,548,071	**607,179,274**	179,160,434
Taxation					
Current					
- for the period		**(140,775,118)**	(163,172,027)	**(55,428,555)**	(54,229,783)
- prior year		**-**	28,743,065	**-**	-
Deferred		**(39,267,403)**	134,634,174	**(31,940,640)**	19,337,504
		(180,042,521)	205,212	**(87,369,195)**	(34,892,279)
Profit after taxation		**1,320,264,165**	620,753,283	**519,810,079**	144,268,155
Earnings per share - basic and diluted		**65.74**	30.91	**25.88**	7.18

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Nine Months Period Ended		Quarter Ended	
	March 31,		March 31,	
	2013	2012	**2013**	2012
	---------- Rupees ----------		---------- Rupees ----------	
Profit after taxation	**1,320,264,165**	620,753,283	**519,810,079**	144,268,155
Other comprehensive income:				
Available for sale investments				
Unrealized gain / (loss) on remeasurement of available for sale investments	**487,328,322**	58,821,959	**(68,296,489)**	708,821,942
Reclassification adjustments relating to gain / (loss) realized on disposal of available for sale investments	**1,181,647**	(41,351,297)	**1,181,647**	(1,372,200)
	488,509,969	17,470,662	**(67,114,842)**	707,449,742
Forward foreign currency contracts				
Unrealized gain / (loss) on remeasurement of forward foreign currency contracts	**9,054,826**	(1,346,621)	**27,057,653**	6,372,696
Reclassification adjustments relating to gain / (loss) realized on settlement of foreign currency contracts	**26,899,054**	(1,899,447)	**-**	-
	35,953,880	(3,246,068)	**27,057,653**	6,372,696
Other comprehensive income / (loss) for the period	**524,463,849**	14,224,594	**(40,057,189)**	713,822,438
Total comprehensive income for the period	**1,844,728,014**	634,977,877	**479,752,890**	858,090,593

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Note	March 31, 2013	2012
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	8	**(1,434,612,345)**	266,815,279
Long term loans and deposits		**(27,929,012)**	(7,792,116)
Finance cost paid		**(478,106,541)**	(511,715,347)
Staff retirement benefits - gratuity paid		**(24,092,668)**	(23,469,354)
Taxes paid		**(214,591,988)**	(209,948,494)
		(744,720,209)	(752,925,311)
Net cash used in operating activities		**(2,179,332,554)**	(486,110,032)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(894,592,063)**	(631,702,771)
Purchase of intangibles		**-**	(5,983,770)
Investment in associated undertakings / subsidiaries		**(183,200,000)**	(78,660,679)
Investment others		**(341,743,177)**	(203,329,990)
Proceeds from disposal of property, plant and equipment		**35,160,273**	19,550,230
Proceeds from disposal of investment property		**21,000,000**	13,300,000
Proceeds from sale of investments		**3,954,311**	246,633,974
Proceeds from derivative financial instruments		**(1,960,204)**	2,082,147
Dividend received		**135,550,936**	124,459,530
Profit received		**171,828**	118,248
Rental income received		**10,485,000**	9,540,000
Net cash used in investing activities		**(1,215,173,096)**	(503,993,081)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		**3,849,127,204**	1,062,983,296
Proceeds from long term financing		**454,158,674**	152,821,000
Repayment of long term financing		**(516,727,625)**	(145,996,592)
Dividend paid		**(338,005,541)**	(99,669,990)
Net cash generated from financing activities		**3,448,552,712**	970,137,714
Net increase / (decrease) in cash and cash equivalents		**54,047,062**	(19,965,399)
Cash and cash equivalents at the beginning of the period		**75,487,220**	104,833,860
Cash and cash equivalents at the end of the period		**129,534,282**	84,868,461
Cash and cash equivalents			
Cash and bank balances		**135,100,061**	89,746,438
Book overdraft - unsecured		**(5,565,779)**	(4,877,977)
Cash and cash equivalents at the end of the period		**129,534,282**	84,868,461

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Share Capital	Reserves					Other Components of equity			Total Equity
		Capital	Revenue			SUB TOTAL	Unrealized gain / (loss)		SUB TOTAL	
		Share Premium	Fixed Assets Replacement	General reserves	Unappropriated Profit		On available for sale investments	On forward foreign exchange contracts		
	Rupees									
Balance as at July 01, 2011 (Audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	4,292,967,576	5,844,169,776	1,474,036,612	1,899,447	1,475,936,059	7,520,937,235
Total comprehensive income for the nine months period ended March 31, 2012										
Profit after taxation	-				620,753,283	620,753,283	-		-	620,753,283
Other comprehensive income	-				-	-	17,470,662	(3,246,068)	14,224,594	14,224,594
	-	-	-	-	620,753,283	620,753,283	17,470,662	(3,246,068)	14,224,594	634,977,877
Transaction with owners										
Final dividend for the year ended June 30, 2011 @ Rs. 5 per share					(100,415,700)	(100,415,700)	-	-	-	(100,415,700)
Balance as at March 31, 2012 (Un-audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	4,813,305,159	6,364,507,359	1,491,507,274	(1,346,621)	1,490,160,653	8,055,499,412
Balance as at July 01, 2012 (Audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	5,266,230,588	6,817,432,788	1,335,756,184	(26,899,054)	1,308,857,130	8,327,121,318
Total comprehensive income for the nine months period ended March 31, 2013										
Profit after taxation	-	-	-	-	1,320,264,165	1,320,264,165	-	-	-	1,320,264,165
Other comprehensive income	-	-	-	-	-	-	488,509,969	35,953,880	524,463,849	524,463,849
	-	-	-	-	1,320,264,165	1,320,264,165	488,509,969	35,953,880	524,463,849	1,844,728,014
Transaction with owners										
Final dividend for the year ended June 30, 2012 @ Rs. 5 per share	-	-	-	-	(100,415,700)	(100,415,700)	-	-	-	(100,415,700)
Interim dividend for the year ended June 30, 2013 @ Rs. 12 per share	-	-	-	-	(240,997,680)	(240,997,680)	-	-	-	(240,997,680)
	-	-	-	-	(341,413,380)	(341,413,380)	-	-	-	(341,413,380)
Balance as at March 31, 2013 (Un-audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	6,245,081,373	7,796,283,573	1,824,266,153	9,054,826	1,833,320,979	9,830,435,952

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

1 LEGAL STATUS AND NATURE OF BUSINESS

Sapphire Textile Mills Limited (the Company) was incorporated in Pakistan on March 11, 1969 as a public limited company under the Companies Act, 1913 (now the Companies Ordinance, 1984). The shares of the Company are listed on Karachi Stock Exchange. The registered office of the Company is located at 212, Cotton Exchange Building, I.I. Chundrigar Road, Karachi and its mills are located at Kotri, Nooriabad, Chunian, Feroze Watwan and Bhopattian Lahore. The Company is principally engaged in manufacturing and sale of yarn, fabrics and home textile products.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Company for the nine months period ended March 31, 2013 is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" and provisions of and directives issued by the Securities and Exchange Commission of Pakistan under the Companies Ordinance, 1984 (the Ordinance). This condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended June 30, 2012.

This condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi Stock Exchange and section 245 of the Companies Ordinances, 1984 .

2.2 Functional and presentation currency

These financial statements are presented in Pakistani Rupees which is also the Company's functional currency. All financial information presented in Pakistani Rupees has been rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2012.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the company's operations or did not have any impact on the accounting policies of the company.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2012.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2012.

	Note	**(Un-audited) March 31, 2013**	(Audited) June 30, 2012
		---------- Rupees ----------	
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets		**5,188,580,310**	4,736,656,581
Capital work-in-progress	**5.2**	**464,605,788**	425,105,526
		5,653,186,098	5,161,762,107

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

5.1 The cost of additions and disposals to operating fixed assets during the nine months period ended March 31, 2013 were as follows.

	(Un-audited) March 31, 2013		(Audited) June 30, 2012	
	Addition	Disposal	Addition	Disposal
	Cost		Cost	
	---------- Rupees ----------		---------- Rupees ----------	
Land:				
Freehold	**-**	**20,907,438**	15,029,632	33,142,131
Leasehold	**52,046,959**	**-**	-	-
On Freehold land:				
Factory buildings	**25,203,266**	**-**	243,443,969	-
Labour, Staff colony and others	**184,200,855**	**-**	18,726,475	-
On Leasehold land:				
Factory buildings	**-**	**-**	11,255,986	-
Labour, Staff colony and others	**7,956,241**		-	
Leased building improvements	**1,889,722**	**-**	15,307,852	-
Plant & machinery	**414,448,129**	**25,045,246**	941,365,082	77,560,067
Electric installations	**136,528,952**	**-**	93,571,835	-
Fire Fighting equipment	**137,750**	**-**	214,400	-
Electric equipments	**379,000**	**-**	15,979,100	-
Computers	**2,948,129**	**113,793**	2,751,369	-
Office equipments	**724,250**	**-**	393,707	76,000
Mills equipments	**1,035,775**	**-**	9,838,895	-
Furniture & fixtures	**1,898,788**	**-**	5,461,846	-
Vehicles	**25,693,985**	**15,720,740**	45,361,036	21,101,003
	855,091,801	**61,787,217**	1,418,701,184	131,879,201

		(Un-audited) March 31, 2013	(Audited) June 30, 2012
5.2	**Capital work-in-progress**	---------- Rupees ----------	
	Civil works and Buildings	**210,690,820**	247,521,068
	Plant and machinery	**243,780,949**	78,228,765
	Electric installations	**5,474,112**	99,008,103
	Office equipments	**100,000**	100,000
	Mills equipments	**2,887,500**	247,590
	Furniture & Fixtures	**162,000**	-
	Electric equipments	**1,284,500**	-
	Computers	**225,907**	-
		464,605,788	425,105,526
6	**CONTINGENCIES AND COMMITMENTS**		
	Contingencies		
6.1	Guarantees issued by banks on behalf of the Company	**251,257,767**	231,707,767

6.2 Post dated Cheques have been issued to the Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at March 31, 2013, the value of these cheques amounted to Rs.47.839 million (June 30, 2012: Rs.92.227 million).

		(Un-audited) March 31, 2013	(Audited) June 30, 2012
	Commitments	---------- Rupees ----------	
6.3	Confirmed letter of credit in respect of:		
	- plant and machinery	**212,569,302**	197,159,004
	- raw material	**207,219,959**	17,577,061
	- stores and spares	**4,244,616**	9,268,077
		424,033,877	224,004,142

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

		Nine Months Period		Quarter Ended	
		March 31,		March 31,	
		2013	2012	**2013**	2012
7	**COST OF SALES AND SERVICES**	---------- Rupees ----------		---------- Rupees ----------	
	Finished goods - Opening stock	**595,840,946**	881,224,450	**724,160,918**	615,192,036
	Cost of goods manufactured	**15,597,109,081**	13,677,109,245	**5,653,667,569**	4,758,204,950
		16,192,950,027	14,558,333,695	**6,377,828,487**	5,373,396,986
	Finished goods - Cotton purchases	**69,335,074**	41,353,449	**2,077,704**	7,805,679
		16,262,285,101	14,599,687,144	**6,379,906,191**	5,381,202,665
	Less: Finished goods - Closing stock	**(705,407,736)**	(633,844,099)	**(705,407,736)**	(633,844,099)
		15,556,877,365	13,965,843,045	**5,674,498,455**	4,747,358,566
	Cost of Goods Manufactured				
	Work in process - opening stock	**325,046,975**	311,539,529	**346,106,298**	313,020,329
	Raw materials consumed	**11,635,696,579**	10,396,843,734	**4,215,020,246**	3,530,885,395
	Overheads	**4,016,491,041**	3,271,023,140	**1,472,666,539**	1,216,596,384
		15,977,234,595	13,979,406,403	**6,033,793,083**	5,060,502,108
	Less: Work in process - closing stock	**(380,125,514)**	(302,297,158)	**(380,125,514)**	(302,297,158)
		15,597,109,081	13,677,109,245	**5,653,667,569**	4,758,204,950

		March 31,	
		2013	2012
8	**CASH GENERATED FROM OPERATIONS**	---------- Rupees ----------	
	Profit before taxation	**1,500,306,686**	620,548,071
	Adjustments for non-cash charges and other items:		
	Depreciation	**375,927,123**	324,123,231
	Depreciation on investment property	**959,545**	1,216,592
	Gain on sale of investments	**(1,065,408)**	(32,668,249)
	Amortization of intangible assets	**2,071,650**	1,373,541
	Gain on sale of property, plant and equipment	**(7,919,324)**	(7,644,636)
	Loss / (Gain) on sale of investment property	**200,000**	(1,293,181)
	Dividend income	**(202,445,481)**	(172,516,052)
	Provision for gratuity	**47,830,500**	43,459,500
	Provision for doubtful debts and advances	**9,000,000**	10,573,393
	Exchange differences	**(1,704,550)**	23,311,091
	Realized loss / (gain) on measurement of derivative financial instruments	**1,960,204**	(218,204)
	Finance cost	**486,455,421**	534,484,147
	Profit on deposits	**(171,828)**	(118,248)
	Rental income	**(10,390,500)**	(9,540,000)
		700,707,352	714,542,925
	Operating cash flow before changes in working capital	**2,201,014,038**	1,335,090,996
	Changes in working capital		
	(Increase) / Decrease in current assets		
	Stores, spare and loose tools	**(2,594,595)**	(72,664,388)
	Stock-in-trade	**(3,831,723,076)**	(1,787,829,132)
	Trade debts	**(282,268,613)**	492,394,600
	Loans and advances	**(136,513,609)**	1,912,312
	Trade deposits and short term prepayments	**(11,834,028)**	(8,962,490)
	Other receivables	**(18,258,357)**	(12,077,751)
		(4,283,192,278)	(1,387,226,849)
	Increase in current liabilities		
	Trade and other payables	**647,565,895**	318,951,132
		(1,434,612,345)	266,815,279

NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

		March 31, 2013	March 31, 2012
9	**TRANSACTIONS WITH RELATED PARTIES**	---------- Rupees ----------	

The related parties comprise of associated companies (due to common directorship), wholly owned subsidiaries, directors and key management personnel. Transactions with related parties are as follows:

Subsidiaries:		
Sales	**34,317,994**	89,457,189
Share deposit money	**38,200,000**	28,220,000
Expenses charged to	**9,746,060**	5,091,581
Associates:		
Sales	**1,090,630,224**	421,158,715
Purchases	**257,221,399**	204,477,821
Electricity purchased	**365,194,842**	394,645,831
Expenses charged by	**134,260**	595,573
Expenses charged to	**11,483,126**	10,920,780
Dividend paid	**85,610,826**	24,389,240
Dividend received	**397,215**	795,443
Shares deposit money	**145,000,000**	50,000,000
Other related parties:		
Donations	**8,400,000**	8,250,000
Contribution to provident fund	**7,279,422**	6,815,042
Remuneration to key management personnel	**141,090,056**	128,843,298

10 CORRESPONDING FIGURES

Corresponding figures in the condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Company for the year ended June 30, 2012 and the Corresponding figures in the condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of changes in equity comprise of balances comparable period of the immediately preceding financial year i.e. nine months period ended March 31, 2012. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. Significant reclassification includes the following:

Re-classification from component	Re-classification to component	Note	Rupees
Cash flow statement			
Inventories	Stores, spares and loose tools	8	72,664,388
	Stock-in-trade	8	1,787,829,132
Cost of sales			
Goods purchased : Yarn for processing	Raw material consumed	7	37,778,429
Goods purchased : Fabric for processing	Raw material consumed	7	30,369,824

11 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were approved by the Board of Directors and authorized for issue on April 29, 2013.

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

Directors' Report to the Shareholders

On behalf of Board of Directors of Holding Company of **Sapphire Wind Power Company Limited** and **Sapphire Home Incorporation**, it is my pleasure to present Directors' report with the un-audited Consolidated Financial Statements of the Group for the nine months period ended **March 31, 2013.**

SAPPHIRE WIND POWER COMPANY LIMITED

The Company obtained a LOI for developing a 50 MW wind farm at Jhumpir and was allocated 1372 acres of land for the purpose by AEDB. Wind resource assessment and detailed project feasibility were completed and approved by AEDB. The Company followed a transparent tendering process and selected GE wind turbines and signed an EPC contract and a 10 years O&M contract. The Company is currently in advanced stages of negotiation with foreign lenders for finalizing its debt requirements.

SAPPHIRE HOME INCORPORATION

Sapphire Home Incorporation is incorporated under the laws of the State of New York in United States of America (USA). There are certain customers in the USA which need goods on landed duty paid basis. Sapphire Home Inc. provides this service for the home textile products for these customers.

On behalf of the Board

Karachi
Dated: April 29, 2013

CHIEF EXECUTIVE

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2013

	Note	(Un-audited) March 31, 2013	(Audited) June 30, 2012
		Rupees	
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	**5,752,897,289**	5,237,750,406
Investment property		**164,744,709**	186,904,254
Intangible assets		**6,263,380**	8,335,030
Long term investments		**3,018,989,363**	2,337,996,885
Long term loans and advances		**48,933,288**	36,223,204
Long term deposits		**44,719,594**	29,500,666
		9,036,547,623	7,836,710,445
CURRENT ASSETS			
Stores, spares and loose tools		**253,394,004**	250,799,409
Stock-in-trade		**7,149,574,862**	3,328,915,934
Trade debts		**1,613,935,567**	1,309,908,251
Loans and advances		**269,528,598**	125,446,989
Trade deposits and short term prepayments		**26,649,730**	14,845,992
Other receivables		**121,697,506**	37,235,618
Other financial assets		**1,145,562,638**	810,341,353
Tax refunds due from Government		**428,263,306**	434,008,678
Cash and bank balances		**139,651,453**	101,542,626
		11,148,257,664	6,413,044,850
TOTAL ASSETS		**20,184,805,287**	14,249,755,295
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
35,000,000 (June 30, 2012: 35,000,000) ordinary shares of Rs. 10 each		**350,000,000**	350,000,000
Issued, subscribed and paid-up capital			
20,083,140 (June 30, 2012: 20,083,140) ordinary shares of Rs.10 each		**200,831,400**	200,831,400
Reserves		**9,841,355,790**	8,313,635,196
		10,042,187,190	8,514,466,596
NON-CURRENT LIABILITIES			
Long term financing		**917,515,900**	1,094,621,651
Deferred liabilities		**246,941,535**	183,243,590
		1,164,457,435	1,277,865,241
CURRENT LIABILITIES			
Trade and other payables		**1,725,773,535**	1,102,268,513
Accrued Interest / mark-up		**78,657,062**	70,308,182
Short term borrowings		**6,704,949,498**	2,850,979,411
Current portion of long term financing		**328,005,449**	213,468,649
Provision for taxation		**140,775,118**	220,398,703
		8,978,160,662	4,457,423,458
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		**20,184,805,287**	14,249,755,295

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Note	Nine Months Period Ended March 31, 2013	Nine Months Period Ended March 31, 2012	Quarter Ended March 31, 2013	Quarter Ended March 31, 2012
		Rupees	Rupees	Rupees	Rupees
Sales and services		**18,352,409,967**	15,957,469,153	**6,799,190,783**	5,419,636,450
Cost of sales and services	7	**(15,563,161,696)**	(14,019,597,997)	**(5,676,087,268)**	(4,747,175,209)
Gross profit		**2,789,248,271**	1,937,871,156	**1,123,103,515**	672,461,241
Distribution cost		**(747,870,731)**	(775,650,564)	**(283,047,716)**	(256,604,706)
Administrative expenses		**(165,102,579)**	(144,031,646)	**(62,972,263)**	(48,586,132)
Other operating expenses		**(143,050,123)**	(94,251,067)	**(61,565,152)**	(18,234,825)
Other operating income		**237,747,077**	236,072,771	**94,121,069**	66,812,112
		(818,276,356)	(777,860,506)	**(313,464,062)**	(256,613,551)
Profit from operations		**1,970,971,915**	1,160,010,650	**809,639,453**	415,847,690
Finance cost		**(488,431,473)**	(534,353,241)	**(206,229,614)**	(236,715,670)
		1,482,540,442	625,657,409	**603,409,839**	179,132,020
Share of profit of associated companies		**33,942,457**	15,022,073	**4,912,850**	3,398,541
Profit before taxation		**1,516,482,899**	640,679,482	**608,322,689**	182,530,561
Taxation					
Current					
- for the period		**(140,815,939)**	(163,868,296)	**(55,431,196)**	(54,926,052)
- prior year		**-**	28,743,065	**-**	-
Deferred		**(39,960,113)**	134,726,955	**(32,258,777)**	19,284,094
		(180,776,052)	(398,276)	**(87,689,973)**	(35,641,958)
Profit after taxation		**1,335,706,847**	640,281,206	**520,632,716**	146,888,603
Earnings per share - basic and diluted		**66.51**	31.88	**25.92**	7.31

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (Un-audited)
FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Nine Months Period Ended		Quarter Ended	
	March 31,		March 31,	
	2013	2012	**2013**	2012
	---------- Rupees ----------		---------- Rupees ----------	
Profit after taxation	**1,335,706,847**	640,281,206	**520,632,716**	146,888,603
Other comprehensive income:				
Available for sale investments				
Unrealized gain / (loss) on remeasurement of available for sale investments	**487,328,322**	58,821,959	**(68,296,489)**	708,821,942
Reclassification adjustments relating to gain / (loss) realized on disposal of available for sale investments	**1,181,647**	(41,351,297)	**1,181,647**	(1,372,200)
Unrealized (loss) / gain on remeasurement of available for sale investments - associates	**(110,496)**	808,768	**(434,106)**	267,707
	488,399,473	18,279,430	**(67,548,948)**	707,717,449
Forward foreign currency contracts				
Unrealized gain / (loss) on remeasurement of forward foreign currency contracts	**9,054,826**	(1,346,621)	**27,057,653**	6,372,696
Reclassification adjustments relating to gain / (loss) realized on settlement of foreign currency contracts	**26,899,054**	(1,899,447)	**-**	-
Unrealized gain on remeasurement of forward foreign currency contracts - associates	**91,406**	-	**68,114**	-
	36,045,286	(3,246,068)	**27,125,767**	6,372,696
Shares of increase / (decrease) in reserves of associated companies under equity method	**8,659,818**	(1,554,318)	**229,460**	6,016,205
Exchange difference on translating foreign operation	**322,550**	241,090	**126,492**	123,418
Other comprehensive income / (loss) for the period	**533,427,127**	13,720,134	**(40,067,229)**	720,229,768
Total comprehensive income for the period	**1,869,133,974**	654,001,340	**480,565,487**	867,118,371

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONSOLIDATED CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Note	March 31, 2013	2012
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash (used in) / generated from operations	8	**(1,470,054,302)**	269,777,320
Long term loans and deposits		**(27,929,012)**	(7,792,116)
Finance cost paid		**(478,122,389)**	(511,802,645)
Staff retirement benefits - gratuity paid		**(24,092,668)**	(23,469,354)
Taxes paid		**(214,694,152)**	(210,644,763)
		(744,838,221)	(753,708,878)
Net cash used in operating activities		**(2,214,892,523)**	(483,931,558)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(918,329,218)**	(652,290,001)
Purchase of intangible assets		**-**	(5,983,770)
Investment in associated undertakings		**(144,602,785)**	(49,205,282)
Investment others		**(341,743,177)**	(203,329,990)
Proceeds from disposal of property, plant and equipment		**35,160,273**	19,550,230
Proceeds from disposal of investment property		**21,000,000**	13,300,000
Proceeds from sale of investments		**3,954,311**	246,633,974
Proceeds from derivative financial instruments		**(1,960,204)**	2,082,147
Dividend received		**135,153,721**	123,664,812
Profit received		**171,828**	118,248
Rental income received		**10,485,000**	9,540,000
Net cash used in investing activities		**(1,200,710,251)**	(495,919,632)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings - net		**3,849,120,660**	1,062,983,296
Proceeds from long term financing		**454,158,674**	152,821,000
Repayment of long term financing		**(516,727,625)**	(145,996,592)
Exchange difference on translating foreign operation		**322,550**	241,090
Dividend paid		**(338,005,541)**	(99,669,990)
Net cash generated from financing activities		**3,448,868,718**	970,378,804
Net increase / (decrease) in cash and cash equivalents		**33,265,944**	(9,472,386)
Cash and cash equivalents at the beginning of the period		**100,819,730**	105,745,256
Cash and cash equivalents at the end of the period		**134,085,674**	96,272,870
Cash and cash equivalents			
Cash and bank balances		**139,651,453**	101,150,847
Book overdraft - unsecured		**(5,565,779)**	(4,877,977)
Cash and cash equivalents at the end of the period		**134,085,674**	96,272,870

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Share Capital	Reserves					Other Components of equity				Total Equity
		Capital	Revenue			SUB TOTAL	Unrealized gain / (loss)			SUB TOTAL	
		Share Premium	Fixed Assets Replacement	General reserves	Unappropriated Profit		On available for sale investments	On forward foreign exchange contracts	exchange difference on translating Foreign operation		
	Rupees										
Balance as at July 01, 2011 (Audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	4,414,960,301	5,966,162,501	1,480,462,709	1,899,447	4,773	1,482,366,929	7,649,360,830
Total comprehensive income for the nine months period ended March 31, 2012											
Profit after taxation	-	-	-	-	640,281,206	640,281,206	-			-	640,281,206
Other comprehensive income	-	-	-	-	-	-	18,279,430	(3,246,068)	241,090	15,274,452	15,274,452
	-	-	-	-	640,281,206	640,281,206	18,279,430	(3,246,068)	241,090	15,274,452	655,555,658
Shares of decrease in reserves of associated companies under equity method					(1,554,318)	(1,554,318)	-	-	-	-	(1,554,318)
Transaction with owners											
Final dividend for the year ended June 30, 2011 @ Rs. 5 per share					(100,415,700)	(100,415,700)	-	-	-	-	(100,415,700)
Balance as at March 31, 2012 (Un-audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	4,953,271,489	6,504,473,689	1,498,742,139	(1,346,621)	245,863	1,497,641,381	8,202,946,470
Balance as at July 01, 2012 (Audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	5,445,873,161	6,997,075,361	1,343,088,685	(26,968,687)	439,837	1,316,559,835	8,514,466,596
Total comprehensive income for the nine months period ended March 31, 2013											
Profit after taxation	-	-	-	-	1,335,706,847	1,335,706,847	-	-	-	-	1,335,706,847
Other comprehensive income	-	-	-	-	-	-	488,399,473	36,045,286	322,550	524,767,309	524,767,309
	-	-	-	-	1,335,706,847	1,335,706,847	488,399,473	36,045,286	322,550	524,767,309	1,860,474,156
Shares of increase in reserves of associated companies under equity method	-	-	-	-	8,659,818	8,659,818	-	-	-	-	8,659,818
Transaction with owners											
Final dividend for the year ended June 30, 2012 @ Rs. 5 per share	-	-	-	-	(100,415,700)	(100,415,700)	-	-	-	-	(100,415,700)
Interim dividend for the year ended June 30, 2013 @ Rs. 12 per share	-	-	-	-	(240,997,680)	(240,997,680)	-	-	-	-	(240,997,680)
	-	-	-	-	(341,413,380)	(341,413,380)	-	-	-	-	(341,413,380)
Balance as at March 31, 2013 (Un-audited)	200,831,400	156,202,200	65,000,000	1,330,000,000	6,448,826,446	8,000,028,646	1,831,488,158	9,076,599	762,387	1,841,327,144	10,042,187,190

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

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

1 THE GROUP AND ITS OPERATIONS

The Group comprises of:

Sapphire Textile Mills Limited - the Holding Company

Sapphire Textile Mills Limited (the Holding Company) was incorporated in Pakistan on March 11, 1969 as a public limited company under the Companies Act, 1913 (Now the Companies Ordinance, 1984). The shares of the Company are listed on Karachi Stock Exchange. The registered office of the Company is located at 212, Cotton Exchange Building, I.I. Chundrigar Road, Karachi and its mills are located at Kotri, Nooriabad, Chunian, Feroze Watwan and Bhopattian Lahore. The Company is principally engaged in manufacturing and sale of yarn, fabrics and home textile products.

Sapphire Wind Power Company Limited - the subsidiary company

The Company was incorporated as an unlisted public limited on December 27, 2006. The main object of the company is power generation through wind mills and sale of power. The company is developing a 50 MW wind power project at Jhimpir. Wind resource assessment and detailed project feasibility were approved by AEDB. The Company signed an EPC contract with CMEC, China and 10 years O&M contract with GE. The Company has also submitted a Tariff Petition to NEPRA in August 2011. The registered office of the company is located at 212, Cotton Exchange Building, Karachi.

Sapphire Home Inc - USA - the subsidiary

The company was incorporated in USA. The company is principally engaged in marketing services in United Sates of America. The registered office of the company is located at 1430, Broadway, Suite 1805, New York, NY 10018.

2 BASIS OF PREPARATION

2.1 Statement of compliance

This consolidated condensed interim financial information of the Group for the nine months period ended March 31, 2013 is un-audited and has been prepared in accordance with the requirements of the International Financial Reporting Standard (IFRS) IAS 34 "Interim Financial Reporting" and provisions of and directives issued by the Securities and Exchange Commission of Pakistan under the Companies Ordinance, 1984 (the Ordinance). This consolidated condensed interim financial information does not include all of the information and disclosures required for annual financial statements, and should be read in conjunction with the financial statements of the company as at and for the year ended June 30, 2012.

This consolidated condensed interim financial information is being submitted to the shareholders as required by the Listing regulations of Karachi Stock Exchange and section 245 of the Companies Ordinances, 1984.

2.2 Functional and presentation currency

These financial statements are presented in Pakistan Rupees which is also the Group's functional currency. All financial information presented in Pakistan Rupees has been rounded off to the nearest rupee.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation which have been used in the preparation of this consolidated condensed interim financial information are the same as those applied in preparation of the financial statements for the preceding year ended June 30, 2012.

Amendments to certain existing standards and new interpretations on approved accounting standards effective during the period either were not relevant to the Group's operations or did not have any impact on the accounting policies of the Group.

4 ACCOUNTING ESTIMATES, JUDGMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of this consolidated condensed interim financial information in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets and liabilities and income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision.

Judgments and estimates made by management in the preparation of this consolidated condensed interim financial information are the same as those that were applied to the financial statements as at and for the year ended June 30, 2012.

The Group's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2012.

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

		Note	(Un-audited) March 31, 2013	(Audited) June 30, 2012
			---------- Rupees ----------	
5	**PROPERTY, PLANT AND EQUIPMENT**			
	Operating fixed assets	5.1	**5,188,660,274**	4,736,750,808
	Capital work-in-progress	5.2	**564,237,015**	500,999,598
			5,752,897,289	5,237,750,406

5.1 The cost of additions and disposals to operating fixed assets during the nine months period ended March 31, 2013 were as follows.

	(Un-audited) March 31, 2013		(Audited) June 30, 2012	
	Addition	Disposal	Addition	Disposal
	Cost		Cost	
	---------- Rupees ----------		---------- Rupees ----------	
Land:				
Freehold	**-**	**20,907,438**	15,029,632	33,142,131
Leasehold	**52,046,959**	**-**	-	-
On Freehold land:				
Factory buildings	**25,203,266**	**-**	243,443,969	-
Labour, Staff colony and others	**184,200,855**	**-**	18,726,475	-
On Leasehold land:				
Factory buildings	**-**	**-**	11,255,986	-
Labour, Staff colony and others	**7,956,241**	**-**	-	
Leased building improvements	**1,889,722**	**-**	15,307,852	-
Plant & machinery	**414,448,129**	**25,045,246**	941,365,082	77,560,067
Electric installations	**136,528,952**	**-**	93,571,835	-
Fire Fighting equipment	**137,750**	**-**	214,400	-
Electric equipments	**379,000**	**-**	15,979,100	-
Computers	**2,948,129**	**113,793**	2,751,369	-
Office equipments	**724,250**	**-**	393,707	76,000
Mills equipments	**1,035,775**	**-**	9,838,895	-
Furniture & fixtures	**1,898,788**	**-**	5,461,846	-
Vehicles	**25,693,985**	**15,720,740**	45,361,036	21,101,003
	855,091,801	**61,787,217**	1,418,701,184	131,879,201

		(Un-audited) March 31, 2013	(Audited) June 30, 2012
		---------- Rupees ----------	
5.2	**Capital work-in-progress**		
	Advance for Land	**998,400**	-
	Civil works on Buildings	**210,690,820**	247,521,068
	Plant and machinery	**342,413,776**	154,122,837
	Electric installations	**5,474,112**	99,008,103
	Office equipments	**100,000**	100,000
	Mills equipments	**2,887,500**	247,590
	Furniture & Fixtures	**162,000**	-
	Electric equipments	**1,284,500**	-
	Computers	**225,907**	-
		564,237,015	500,999,598

6 CONTINGENCIES AND COMMITMENTS

Contingencies

6.1	Guarantees issued by banks on behalf of the Group	**263,545,267**	255,257,767

6.2 Post dated Cheques have been issued to the Collector of Customs as an indemnity to adequately discharge the liabilities for taxes and duties leviable on imports. As at March 31, 2013, the value of these cheques amounted to Rs.47.839 million (June 30, 2012: Rs.92.227 million).

Commitments

6.3	Confirmed letter of credit in respect of:		
	- plant and machinery	**212,569,302**	197,159,004
	- raw material	**207,219,959**	17,577,061
	- stores and spares	**4,244,616**	9,268,077
		424,033,877	224,004,142

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

		Nine Months Period Ended		Quarter Ended	
		March 31,		March 31,	
		2013	2012	2013	2012
		---------- Rupees ----------		---------- Rupees ----------	
7	**COST OF SALES AND SERVICES**				
	Finished goods - Opening stock	**595,840,946**	881,224,450	**724,160,918**	615,192,036
	Cost of goods manufactured	**15,603,393,412**	13,730,864,197	**5,655,256,382**	4,758,021,593
		16,199,234,358	14,612,088,647	**6,379,417,300**	5,373,213,629
	Finished goods: Cotton purchases	**69,335,074**	41,353,449	**2,077,704**	7,805,679
		16,268,569,432	14,653,442,096	**6,381,495,004**	5,381,019,308
	Less: Finished goods - Closing stock	**(705,407,736)**	(633,844,099)	**(705,407,736)**	(633,844,099)
		15,563,161,696	14,019,597,997	**5,676,087,268**	4,747,175,209
	Cost of Goods Manufactured				
	Work in process - opening stock	**325,046,975**	311,539,529	**346,106,298**	313,020,329
	Raw materials consumed	**11,641,980,910**	10,450,598,686	**4,216,609,059**	3,530,702,038
	Overheads	**4,016,491,041**	3,271,023,140	**1,472,666,539**	1,216,596,384
		15,983,518,926	14,033,161,355	**6,035,381,896**	5,060,318,751
	Less: Work in process - closing stock	**(380,125,514)**	(302,297,158)	**(380,125,514)**	(302,297,158)
		15,603,393,412	13,730,864,197	**5,655,256,382**	4,758,021,593

		March 31,	
		2013	2012
		---------- Rupees ----------	
8	**CASH GENERATED FROM OPERATIONS**		
	Profit before taxation and share of profit of associated companies	**1,482,540,442**	625,657,409
	Adjustments for non-cash charges and other items:		
	Depreciation	**375,941,386**	324,142,199
	Depreciation on investment property	**959,545**	1,216,592
	Gain on sale of investments	**(1,065,408)**	(32,668,249)
	Amortization of intangible assets	**2,071,650**	1,373,541
	Gain on sale of property, plant and equipment	**(7,919,324)**	(7,644,636)
	Loss / (gain) on sale of investment property	**200,000**	(1,293,181)
	Dividend income	**(202,048,266)**	**(171,721,334)**
	Provision for gratuity	**47,830,500**	43,459,500
	Provision for doubtful debts and advances	**9,000,000**	10,573,393
	Exchange differences	**(1,657,006)**	23,357,591
	Realized loss / (gain) on measurement of derivative financial instruments	**1,960,204**	(218,204)
	Finance cost	**486,471,269**	534,571,445
	Profit on deposits	**(171,828)**	(118,248)
	Rental income	**(10,390,500)**	(9,540,000)
		701,182,222	715,490,409
	Operating cash flow before changes in working capital	**2,183,722,664**	1,341,147,818
	Changes in working capital		
	(Increase) / Decrease in current assets		
	Stores, spare and loose tools	**(2,594,595)**	(72,664,388)
	Stock-in-trade	**(3,820,658,928)**	(1,737,358,301)
	Trade debts	**(313,027,316)**	433,583,806
	Loans and advances	**(144,081,609)**	1,912,312
	Trade deposits and short term prepayments	**(11,803,738)**	(8,792,803)
	Other receivables	**(8,512,517)**	(6,986,170)
		(4,300,678,703)	(1,390,305,544)
	Increase in current liabilities		
	Trade and other payables	**646,901,737**	318,935,046
		(1,470,054,302)	269,777,320

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

9 SEGMENT ANALYSIS

9.1 SEGMENT RESULTS

	Spinning	Weaving	Home Textile	Others	Total
	---------- Rupees ----------				
For the nine months period ended March 31, 2013					
Revenue - external customers	**11,016,678,111**	**5,195,005,898**	**2,140,725,958**	**-**	**18,352,409,967**
Inter - segment sales	**1,050,855,211**	**661,498,900**	**-**	**-**	**1,712,354,111**
Segment results	**1,365,987,382**	**299,189,640**	**224,603,326**	**(13,505,387)**	**1,876,274,961**
For the nine months period ended March 31, 2012					
Revenue - external customers	9,958,833,216	4,110,994,440	1,887,641,497	-	15,957,469,153
Inter - segment sales	862,753,225	477,564,662	132,430	-	1,340,450,317
Segment results	707,364,121	264,399,853	58,044,263	(11,619,291)	1,018,188,946

Reconciliation of segment results with profit after tax is as follows:	**March 31, 2013**	2012
	---------- Rupees ----------	
Total results for reportable segments	**1,876,274,961**	1,018,188,946
Other operating expenses	**(143,050,123)**	(94,251,067)
Other operating income	**237,747,077**	236,072,771
Finance cost	**(488,431,473)**	(534,353,241)
Share of profit of associated companies	**33,942,457**	15,022,073
Profit before taxation	**1,516,482,899**	640,679,482
Taxation	**(180,776,052)**	(398,276)
Profit after taxation	**1,335,706,847**	640,281,206

9.2 SEGMENT ASSETS

	Spinning	Weaving	Home Textile	Others	Total
	---------- Rupees ----------				
As at March 31, 2013					
Segment assets	**10,746,970,588**	**3,095,287,144**	**1,340,227,798**	**116,842,845**	**15,299,328,375**
As at June 30, 2012					
Segment assets	6,881,820,938	2,677,350,663	792,020,187	83,741,689	10,434,933,477

Reconciliation of segment assets with total assets is as follows:	**March 31, 2013**	June 30 2012
	---------- Rupees ----------	
Total assets for reportable segments	**15,299,328,375**	10,434,933,477
Unallocated assets	4,885,476,912	3,814,821,818
Total assets as per Balance sheet	**20,184,805,287**	14,249,755,295

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS (Un-audited) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2013

	March 31, 2013	2012
	---------- Rupees ----------	

10 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of associated companies (due to common directorship), directors and key management personnel. Transactions with related parties are as follows:

Associates:		
Sales	**1,090,630,224**	421,158,715
Purchases	**257,221,399**	204,477,821
Electricity purchased	**365,194,842**	394,645,831
Expenses charged by	**134,260**	595,573
Expenses charged to	**11,483,126**	9,690,752
Dividend paid	**85,610,826**	24,389,240
Dividend received	**397,215**	795,443
Shares deposit money	**145,000,000**	50,000,000
Other related parties:		
Donations	**8,400,000**	8,250,000
Contribution to provident fund	**7,279,422**	**6,815,042**
Remuneration to key management personnel	**141,090,056**	128,843,298

11 CORRESPONDING FIGURES

Corresponding figures in the consolidated condensed interim balance sheet comprise of balances as per the annual audited financial statements of the Group for the year ended June 30, 2012 and the Corresponding figures in the consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity comprise of balances comparable period of the immediately preceding financial year i.e. nine months period ended March 31, 2012. Corresponding figures have been rearranged and reclassified, wherever necessary, for the purpose of comparison and better presentation. Significant reclassification includes the following:

Re-classification from component	Re-classification to component	Note	Rupees
Cash flow statement			
Inventories	Stores, spares and loose tools	8	72,664,388
	Stock-in-trade	8	1,737,358,301
Cost of sales			
Goods purchased : Yarn for processing	Raw material consumed	7	37,778,429
Goods purchased : Fabric for processing	Raw material consumed	7	30,369,824

12 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were approved by the Board of Directors of Holding Company and authorized for issue on April 29, 2013.

Karachi :
April 29, 2013

NADEEM ABDULLAH
Chief Executive

SHAHID ABDULLAH
Director