

A large, clear glass hourglass is positioned on the left side of the page. The top bulb is filled with white sand, while the bottom bulb is filled with bright green sand. The hourglass is oriented vertically, with the narrow neck in the center.

ISMAIL INDUSTRIES LIMITED

Half Yearly (unaudited) Report
December 2012

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SNACKCITY



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DIRECTORS REVIEW

The Directors of Ismail Industries Limited are pleased to present you the financial statements of the company duly reviewed by the auditors for the six months period ended December 31, 2012. The financial performance for the six months under review is summarized below:

Business Review

	2012	December 2011	Increase/ (Decrease)
Sales net	4,941,915,172	4,376,865,329	12.91%
Gross profit	983,066,115	843,982,461	16.48%
% of Sales	19.89%	19.28%	0.61%
Selling & distribution expenses	494,535,783	268,428,381	84.23%
% of Sales	10%	6%	3.87%
Profit before taxation	171,521,850	224,277,870	(23.52%)
Profit after taxation	110,050,083	100,898,197	9.07%
Earnings per share	2.18	2.00	9.00%

The period under review was too challenging and overall economic environment remains under pressure due to inflationary trend in commodities, rupee devaluation, highly competitive business environment and adverse law and order situation in the country. Despite all of these, your company has delivered a 13% substantial healthy value and volume growth during the period under review.

The company has achieved a significant growth in its overall profitability in comparison of the same period of last year on the back of healthy gross margins resulting from mix improvements as well as better absorption of distribution and other fixed expenses. However, profit before tax declined to Rs. 171 million as compared to Rs. 224 million in the corresponding period due selling and distribution expenses increased by 84% owing to increase in advertisement and in employee related expenses and enhanced transportation costs. Profit after tax increased by 9% in comparison of corresponding period.

The performance of the food processing division has been strong during the period under review, due to continued focus behind demand generation. We have endeavored to ensure that investment in sales and marketing has been optimized to reflect emphasis on flagship brands, leading to improved production efficiency and hence bottom line.

Future Outlook

Our primary focus is still on aggressive sales growth, through both new and existing products which will further allow us to take advantage of economies of scale. Nevertheless, in view of the unprecedented appreciation in prices of raw materials, the company continues to face tough challenges in terms of maintaining its margins. We hope to minimize the impact on our margins through sales growth and efficient inventory management.

The Directors would like to express their appreciation for the dedicated efforts, loyalty and hard work of the workers, staff and members of the management team. We also acknowledge the support and cooperation received from our valued customers, distributors, suppliers, bankers and other stakeholders.

On behalf of the Board of Directors

(Maqsood Ismail)
Chief Executive

Karachi: February 25, 2012

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS ON REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION

Introduction

We have reviewed the accompanying condensed interim balance sheet of Ismail Industries Limited (the Company) as at December 31, 2012 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and selected explanatory notes to the condensed interim financial information for the six-month period ended (herein after referred to as the "condensed interim financial information"). Management of the Company is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with the approved accounting standards applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as of and for the six-month period ended December 31, 2012 is not prepared in all material respects, in accordance with approved accounting standards as applicable in Pakistan for the condensed interim financial reporting.

Other matter

The figures for the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2012 and December 31, 2011 have not been reviewed, as we are required to review only cumulative figures for the six-month period ended December 31, 2012.

Karachi.

Anjum Asim Shahid Rahman
Chartered Accountants

CONDENSED INTERIM BALANCE SHEET AS AT DECEMBER 31, 2012

	Note	Un-audited December 31, 2012 Rupees	Audited June 30, 2012 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,721,597,020	2,654,875,863
Long-term investments	6	1,161,529,014	1,109,141,617
Long-term deposits		43,375,491	42,821,706
Total non-current assets		3,926,501,525	3,806,839,186
Current assets			
Stores and spares		58,789,994	54,239,339
Stock-in-trade		4,359,991,016	4,387,231,734
Trade debts - unsecured, considered good		653,587,672	577,700,749
Advances - considered good		129,782,438	81,903,956
Trade deposits and short-term prepayments		22,613,356	4,205,648
Other receivables		42,551,381	102,991,665
Advance tax - net of provision		71,425,296	57,546,836
Cash and bank balances	7	29,670,546	24,207,640
Total current assets		5,368,411,699	5,290,027,567
Total assets		9,294,913,224	9,096,866,753
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorised share capital			
100,000,000 (June 30, 2012: 100,000,000) ordinary share of Rs. 10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid-up capital			
50,520,750 (June 30, 2012: 50,520,750) ordinary shares at Rs.10 each full paid in cash		505,207,500	505,207,500
Share premium		579,265,000	579,265,000
Unappropriated profit		1,454,573,966	1,324,989,579
Total shareholders' equity		2,539,046,466	2,409,462,079
Non-current liabilities			
Loan from directors - sub-ordinated		352,151,770	352,151,770
Long-term finances - secured		684,175,396	653,867,668
Liabilities against assets subject to finance lease		124,236,756	150,323,252
Deferred liabilities		445,828,910	395,887,761
Total non-current liabilities		1,606,392,832	1,552,230,451
Current liabilities			
Trade and other payables		585,363,403	712,089,200
Accrued mark-up		116,170,364	118,996,600
Short-term finance - secured	8	3,900,339,122	3,686,383,205
Current portion of:			
- Long-term finances		404,384,513	481,897,741
- Liabilities against assets subject to finance lease		58,745,918	60,432,033
Advance from customers		84,470,606	75,375,444
Total current liabilities		5,149,473,926	5,135,174,223
Total liabilities		6,755,866,758	6,687,404,674
Contingencies and commitments	9		
Total equity and liabilities		9,294,913,224	9,096,866,753

The annexed selected notes from 1 to 15 form an integral part of this condensed interim financial information.

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2012

	Note	Quarter ended		Six-month period ended	
		December 31, 2012 Rupees	December 31, 2011 Rupees	December 31, 2012 Rupees	December 31, 2011 Rupees
Sales		3,063,483,071	2,899,890,179	5,605,219,863	5,008,698,284
Sales tax		(363,460,159)	(364,530,066)	(663,304,691)	(631,832,955)
Net sales		2,700,022,912	2,535,360,113	4,941,915,172	4,376,865,329
Cost of sales		(2,165,209,727)	(2,024,930,468)	(3,958,849,057)	(3,532,882,868)
Gross profit		534,813,185	510,429,645	983,066,115	843,982,461
Selling and distribution expenses		(254,007,554)	(151,111,860)	(494,535,783)	(268,428,381)
Administrative expenses		(24,900,037)	(17,740,077)	(47,987,632)	(41,557,706)
		(278,907,591)	(168,851,937)	(542,523,415)	(309,986,087)
Operating profit		255,905,594	341,577,708	440,542,700	533,996,374
Other operating income		17,584,928	21,623,271	33,425,904	32,052,437
		273,490,522	363,200,979	473,968,604	566,048,811
Other operating expenses					
- Finance cost		(151,143,162)	(165,757,998)	(317,504,933)	(319,536,059)
- Other charges		(9,973,622)	(12,066,424)	(13,490,895)	(12,313,486)
		(161,116,784)	(177,824,422)	(330,995,828)	(331,849,545)
		112,373,738	185,376,557	142,972,776	234,199,266
Share of profit/(loss) from associated undertaking		-	(9,921,396)	28,549,074	(9,921,396)
Profit before income tax		112,373,738	175,455,161	171,521,850	224,277,870
Income tax expense		(48,936,990)	(106,190,118)	(61,471,767)	(123,379,673)
Profit for the period		63,436,748	69,265,043	110,050,083	100,898,197
Earnings per share - basic and diluted	10	1.26	1.37	2.18	2.00

The annexed selected notes from 1 to 15 form an integral part of this condensed interim financial information.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME
(UN-AUDITED)
FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2012

	Quarter ended		Six-month period ended	
	December 31, 2012 Rupees	December 31, 2011 Rupees	December 31, 2012 Rupees	December 31, 2011 Rupees
Profit for the period	63,436,748	69,265,043	110,050,083	100,898,197
Other comprehensive income - net	-	-	20,324,950	-
Total comprehensive income for the period	<u>63,436,748</u>	<u>69,265,043</u>	<u>130,375,033</u>	<u>100,898,197</u>

The annexed selected notes from 1 to 15 form an integral part of this condensed interim financial information.

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2012

	Note	December 31, 2012 Rupees	December 31, 2011 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes	11	489,008,495	385,183,812
Gratuity paid		(2,004,685)	(3,431,452)
Taxes paid		(40,184,170)	(26,500,170)
Payment of long-term deposits		(553,785)	(3,676,100)
Net cash generated from operating activities		446,265,855	351,576,090
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(195,309,226)	(64,909,817)
Proceeds from disposal of property, plant and equipment		9,311,329	3,397,271
Net cash used in investing activities		(185,997,897)	(61,512,546)
CASH FLOWS FROM FINANCING ACTIVITIES			
Lease rentals paid		(29,600,111)	(9,371,193)
Dividends paid		(560,914)	(1,430,348)
Long-term finance less repayments		(47,205,500)	(126,800,379)
Financial charges paid		(313,408,224)	(323,564,722)
Net cash used in financing activities		(390,774,749)	(461,166,642)
Net decrease in cash and cash equivalents		(130,506,791)	(171,103,098)
Cash and cash equivalents at the beginning of the period		(1,502,537,342)	(821,693,751)
Cash and cash equivalents at the end of the period	12	(1,633,044,133)	(992,796,849)

The annexed selected notes from 1 to 15 form an integral part of this condensed interim financial information.

STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2012

	Issued, subscribed and paid up capital	Share premium	Unappropriated profit	Share holders' equity
	----- Rupees -----			
Balance as at June 30, 2011	505,207,500	579,265,000	948,053,287	2,032,525,787
Total comprehensive income for the six-month period ended December 31, 2011	-	-	100,898,197	100,898,197
Cash dividend paid for the year ended June 30, 2011 @ Rs. 2 per share	-	-	(1,551,276)	(1,551,276)
	-	-	99,346,921	99,346,921
Balance as at December 31, 2011	<u>505,207,500</u>	<u>579,265,000</u>	<u>1,047,400,208</u>	<u>2,131,872,708</u>
Balance as at June 30, 2012	505,207,500	579,265,000	1,324,989,579	2,409,462,079
Total comprehensive income for the six-month period ended December 31, 2012	-	-	130,375,033	130,375,033
Cash dividend paid for the year ended June 30, 2012 @ Rs. 2 per share	-	-	(790,646)	(790,646)
	-	-	129,584,387	129,584,387
Balance as at December 31, 2012	<u>505,207,500</u>	<u>579,265,000</u>	<u>1,454,573,966</u>	<u>2,539,046,466</u>

The annexed selected notes from 1 to 15 form an integral part of this condensed interim financial information.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE SIX-MONTH PERIOD ENDED DECEMBER 31, 2012

1 LEGAL STATUS AND OPERATIONS

Ismail Industries Limited (the Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted to a public limited company and its shares were quoted on the Karachi and Lahore stock exchanges. The registered office of the Company is situated at 17 - Banglore Town, Shahrah-e-Faisal, Karachi, Pakistan. Principal activities of the Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips and cast polypropylene film under the brands of 'CandyLand', 'Bisconni', 'Snackcity' and 'Astropack' respectively.

2 STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in accordance with the requirements of the 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.

This un-audited condensed interim financial information is being presented and submitted to the shareholders as required by Listing Regulations of Karachi and Lahore stock exchanges and under Section 245 of the Companies Ordinance, 1984. The condensed interim financial information do not include all information and disclosures required in the financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2012.

The condensed interim financial information is un-audited, but have been subject to limited scope review by the auditors as required by the Listing Regulations of Karachi and Lahore stock exchanges where the Company is listed.

3 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

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

4 ACCOUNTING ESTIMATES AND JUDGEMENTS

The estimates / judgments and associated assumptions used in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the financial statements of the Company for the year ended June 30, 2012.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	December 31, 2012 Rupees	June 30, 2012 Rupees
Operating fixed assets	5.1	2,563,374,095	2,489,890,683
Capital work in progress	5.2	158,222,925	164,985,180
		<u>2,721,597,020</u>	<u>2,654,875,863</u>

Ismail Industries Limited

5.1 Details of additions and deletions to operating fixed assets during the six-month period are as follows:

	Additions (at cost)		Deletions (at net book value)	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	Rupees			
Owned assets				
Leasehold land	2,231,250	-	-	-
Building on leasehold land	159,043,102	58,602,276	-	-
Plant and machinery	30,771,465	33,796,157	-	-
Furniture and fittings	1,381,785	2,907,582	-	-
Equipment	6,847,921	2,088,146	-	32,345
Computers	195,976	882,700	-	77,895
Vehicles	1,600,000	681,721	11,324,346	1,551,683
	<u>202,071,499</u>	<u>98,958,582</u>	<u>11,324,346</u>	<u>1,661,923</u>
Leased assets				
Vehicles	1,827,500	16,544,000	-	-
	<u>203,898,999</u>	<u>115,502,582</u>	<u>11,324,346</u>	<u>1,661,923</u>

5.2 Details of additions in and transfers from capital work-in-progress during the six-month period are as follows:

	Additions (at cost)		Transfers (at cost)	
	December 31, 2012	December 31, 2011	December 31, 2012	December 31, 2011
	Rupees			
Civil works	13,237,435	21,179,752	159,224,195	57,788,897
Plant and machinery	171,651,389	42,388,886	31,914,157	30,353,379
Electric installation	1,298,950	2,211,477	-	7,780,862
Equipments and fixtures	5,769,735	663,050	7,581,415	2,976,784
	<u>191,957,509</u>	<u>66,443,165</u>	<u>198,719,767</u>	<u>98,899,922</u>
		Note	December 31, 2012 Rupees	June 30, 2012 Rupees

6 LONG-TERM INVESTMENTS

Investment in associated undertakings

The Bank of Khyber	6.1	931,804,945	879,417,548
Novelty Enterprises (Private) Limited	6.1 & 6.2	229,724,069	229,724,069
		<u>1,161,529,014</u>	<u>1,109,141,617</u>

Ismail Industries Limited

- 6.1 The Company holds a 8.6% voting and equity interest and has representation on the Board of Directors in the Bank of Khyber. The Company holds a 33% voting and equity interest in Novelty Enterprises (Private) Limited.

These investments are accounted for under the equity method. The Bank of Khyber concludes its annual financial results on December 31 as required by State Bank of Pakistan for financial institutions. The reporting date of Novelty Enterprises (Private) Limited is June 30.

The fair value of holding in the Bank of Khyber as on December 31, 2012 was Rs. 552,004 million (June 30, 2012: Rs. 568.78 million). The shares of Novelty Enterprises (Private) Limited are not listed on a stock exchange and hence published price quotes are not available. The carrying amounts of the associates can be summarised as follows:

	The Bank of Khyber		Novelty Enterprises (Private) Limited	
	December 31, 2012	June 30, 2012	December 31, 2012	June 30, 2012
Carrying value at the beginning of the period	879,417,548	823,475,865	229,724,069	229,724,069
Share of profit relating to profit and loss account	28,549,074	44,646,281	-	-
Share of profit relating to other comprehensive income	23,838,323	11,295,402	-	-
Carrying value at the end of the period	<u>931,804,945</u>	<u>879,417,548</u>	<u>229,724,069</u>	<u>229,724,069</u>

Deferred tax relating to the component of other comprehensive income amounting to Rs. 3,513,373.

All transfers of funds to the Company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associates. The Company has not received any dividend during the period. (June 30, 2012: Rs. Nil).

The Company has not incurred any contingent liabilities or other commitments relating to its investments in associates.

- 6.2 Novelty Enterprises (Private) Limited has not commenced operations as of the reporting date and hence the investment is stated at cost.

	Note	December 31, 2012 Rupees	June 30, 2012 Rupees
7 CASH AND BANK BALANCES			
Cash in hand		4,081,324	3,569,959
Cash with banks in current accounts		<u>25,589,222</u>	<u>20,637,681</u>
		<u>29,670,546</u>	<u>24,207,640</u>
8 SHORT TERM FINANCES - Secured			
Term finances	8.1	1,927,624,443	1,849,638,223
Export refinances	8.2	310,000,000	310,000,000
Running finance utilized under mark-up arrangement	8.3	<u>1,662,714,679</u>	<u>1,526,744,982</u>
		<u>3,900,339,122</u>	<u>3,686,383,205</u>

Ismail Industries Limited

- 8.1** The facilities for term finances from various banks aggregated to Rs. 2,080,000,000 (June 30, 2012: Rs. 2,000,000,000). These facilities are secured against pari-passu/ranking hypothecation of stocks, book debts and personal guarantees of the directors. These facilities carry mark-up at the rates ranging from 10.25% to 13.47% per annum (June 30, 2012: 12.65% to 15.06% per annum).
- 8.2** The facilities for export refinance from various banks aggregated to Rs. 310,000,000 (June 30, 2012: Rs. 310,000,000). These facilities are secured pari-passu against hypothecation of stocks, lien on export letters of credit and personal guarantees of the directors. These facilities carry mark-up at the rate of 1% (June 30, 2012: 1%) above the State Bank of Pakistan rate per annum.
- 8.3** The facility for running finance available from various banks aggregated to Rs. 1,802,000,000 (June 30, 2012: Rs. 1,652,000,000). These facilities are secured against pari-passu/ranking hypothecation of stocks and book debts and personal guarantees of the directors. These facilities carry mark-up at the rates ranging from 10.52% to 13.99% per annum (June 30, 2012: 12.79% to 15.54% per annum).

9 CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

- 9.1.1** The Company has two labour matters pending in different courts of Balochistan for reinstatement. No liability has been booked against these claims as the management of the Company, based on the advice of its legal advisor, is of the opinion that matters will be decided in the Company's favour.
- 9.1.2** The Company has filed a suit against a debtor for recovery of Rs. 960,450. The suit was decreed in favour of the Company but as the debtor didn't have any tangible property within the territorial jurisdiction of court at Hub the case has been transferred to the District Judge, Lahore for execution. As the case has been decided in favour of the Company and the debtor is being pursued to pay the decretal amount, the amount due has not been written off.
- 9.1.3** A suit for Rs. 20 million has been filed against the Company and Lasbella Industrial Estates Development Authority for illegal allotment of Plot No. C-386 Hub Industrial Trading Estate (HITE). No provision has been made in these financial statements against this aforementioned amount as the management of the Company, based on the advice of its legal counsel, is of the opinion that the case will be decided in the Company's favour.

9.2 Commitments

	December 31, 2012 Rupees	June 30, 2012 Rupees
Outstanding letter of guarantees	<u>100,886,909</u>	<u>76,728,500</u>
Outstanding letter of credit for:		
- capital expenditures	<u>260,047,160</u>	<u>2,373,800</u>
- others	<u>272,207,795</u>	<u>368,146,440</u>
	December 31, 2012 Rupees	December 31, 2011 Rupees

10 EARNINGS PER SHARE-Basic and Diluted

Basic earnings per share

Profit for the period	<u>110,050,083</u>	<u>100,898,197</u>
Weighted average number of shares	<u>50,520,750</u>	<u>50,520,750</u>
Earnings per share	<u>2.18</u>	<u>2.00</u>

Diluted earning per share

There is no dilution effect on the basic earning per share of the Company as the Company has no such commitments.

Ismail Industries Limited

	Note	December 31, 2012 Rupees	December 31, 2011 Rupees
11 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES			
Profit before income tax		171,521,850	224,277,870
Adjustments for non-cash and other items:			
Depreciation		126,980,118	117,092,078
(Gain) / loss on disposal of property, plant and equipment - net		(5,875,879)	(1,699,092)
Provision for staff retirement gratuity		13,266,403	12,956,755
Share of (profit) / loss from associated undertaking		(28,549,074)	9,921,396
Finance cost		310,581,988	319,536,059
Net decrease in working capital	11.1	<u>(98,916,911)</u>	<u>(296,901,254)</u>
		<u>489,008,495</u>	<u>385,183,812</u>
11.1 Working capital changes			
Current assets			
Increase in stores and spares		(4,550,655)	(18,164,529)
Decrease/(Increase) in stock-in-trade		27,240,718	(194,763,543)
Increase in trade debts		(75,886,923)	(106,826,994)
(Increase)/Decrease in advances		(47,878,482)	27,686,698
Increase in trade deposits and short-term prepayments		(18,407,708)	(11,350,626)
Decrease/(Increase) in other receivables		60,440,284	(26,968,513)
		<u>(59,042,766)</u>	<u>(330,387,507)</u>
Current liabilities			
Decrease in trade and other payables		(126,955,527)	(176,206,511)
Increase in short-term finances		77,986,220	190,946,133
Increase in advance from customers		9,095,162	18,746,631
		<u>(39,874,145)</u>	<u>33,486,253</u>
Net decrease in working capital		<u>(98,916,911)</u>	<u>(296,901,254)</u>
12 CASH AND CASH EQUIVALENTS			
Cash and bank balances	7	29,670,546	74,292,813
Running finances under mark-up arrangement	8	<u>(1,662,714,679)</u>	<u>(1,067,089,662)</u>
		<u>(1,633,044,133)</u>	<u>(992,796,849)</u>

13 SEGMENT INFORMATION

A segment is a distinguishable component of the Company that is engaged in business activities from which the Company earns revenues and incur expenses and its results are regularly reviewed by the Company's Chief Operating Decision Maker to make decision about resources to be allocated to the segment and assess its performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the Company is organised into the following two operating segments:

- Food processing
- Plastic film

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

segment revenue, segment result, costs, assets and liabilities for the period are as follows:

[illegible]

Ismail Industries Limited

14 TRANSACTIONS WITH RELATED PARTIES

Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in the condensed interim financial information are as follows:

		December 31, 2012 Rupees	December 31, 2011 Rupees
Rent paid to chief executive officer		<u>600,000</u>	<u>600,000</u>
Dividends paid to associated undertaking		<u>-</u>	<u>783,720</u>
Others			
Remuneration to directors and other key management personnel	14.1	<u>65,013,476</u>	<u>25,708,352</u>
14.1 Remuneration to directors and other key management personnel			
Chief Executive Officer		1,350,000	1,350,000
Directors		3,600,000	3,600,000
Executives		<u>60,063,476</u>	<u>20,758,352</u>
		<u>65,013,476</u>	<u>25,708,352</u>

15 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on February 25, 2013 by the Board of the Company.

Maqsood Ismail
Chief Executive

Munsarim Saif
Director

COMPANY PROFILE

Board of Directors

Executive Directors

Mr. Muhammad M. Ismail
(Chairman)
Mr. Maqsood Ismail
(Chief Executive)
Mr. Miftah Ismail
Mr. Munsarim Saif

Non-Executive Directors

Ms. Rashida Iqbal
Ms. Anisa Naviwala
Ms. Nafisa Yousuf Palla
Ms. Uzma Arif

Audit Committee Members

Ms. Rashida Iqbal	Chairperson
Mr. Maqsood Ismail	Member
Ms. Uzma Arif	Member

Human Resource Committee

Ms. Uzma Arif	Chairperson
Ms. Nafisa Yousuf Palla	Member
Ms. Anisa Naviwala	Member

Registered Office

17, Bangalore Town,
Main Shahra-e-Faisal, Karachi

Factory - 1

C-230, Hub H.I.T.E.,
Balochistan.

Factory - 2

B-140, Hub H.I.T.E.,
Balochistan.

Factory - 3

G-1, Hub H.I.T.E.,
Balochistan.

Factory - 4

G-22, Hub H.I.T.E.,
Balochistan.

Factory - 5

38-C, Sundar Industrial Estate
Raiwind Road, Lahore.

CFO & Company Secretary

Mr. Ghulam Farooq

Auditor

Anjum Asim Shahid Rahman
Chartered Accountants

Tax Advisor

Munaf Yusuf & Co.
Chartered Accountants

Legal Advisor

Farooq Rasheed & Co.

Share Registrar

THK Associates (Pvt.) Limited

Intellectual Property Advisor

Ali Associates

Bankers / Institutions

Allied Bank Limited
Bank Al-Habib Limited
Barclays Bank PLC, Pakistan
Bank Alfalah Limited
Burj Bank Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
First Habib Bank Modaraba
First Habib Modaraba
First UDL Modaraba
Habib Bank Limited
Habib Metropolitan Bank Limited
JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
National Bank of Pakistan
NBP Leasing Ltd
NIB Bank Limited
Pak Brunei Investment Co Ltd
Pak Oman Investment Co. Ltd
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited
Standard Chartered Modaraba
Silkbank Limited
The Bank of Punjab
United Bank Limited

BOOK POST

Under Postal Certificate

ISMAIL INDUSTRIES LIMITED

Head Office

17 - Bangalore Town, Main Shahrah-e-Faisal, Karachi-75350, Pakistan.
Tel: (92-21) 3431 1172-75, Fax: (92-21) 3454 7843, 3454 1094

Factories

Unit 1: C-230, H.I.T.E., HUB, Balochistan, Pakistan.
Tel: (92-853) 302526-302393, Fax: (92-853) 302527

Unit 2: B-140, H.I.T.E., HUB, Balochistan, Pakistan.
Tel: (92-853) 363602-364234, Fax: (92-853) 363322

Unit 3: G-1, H.I.T.E., HUB, Balochistan, Pakistan.
Tel: (92-853) 302326, Fax: (92-853) 302611, 303817

Unit 4: G-22,23, H.I.T.E., HUB, Balochistan, Pakistan.
Tel: (92-853) 303193, 303177, Fax: (92-853) 302284

Unit 5: 38-C, 39, 39-A, 42-C, Sunder Industrial Estate,
Raiwind Road, Lahore. Tel: (92-42) 3529 7671-5