

ISMAIL INDUSTRIES LIMITED



Quarterly (unaudited) Report
March 2013



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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

The Bank of Punjab

United Bank Limited

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited financial statements of the company for the third quarter and nine months period ended March 31, 2013. The financial performance for the period under review is summarized below:

Business Review

	2013	March 2012	Increase/ (Decrease)
Sales-net	7,814,817,308	6,992,783,910	11.76%
Gross profit	1,545,541,812	1,380,026,264	11.99%
% of Sales	19.78%	19.74%	0.04%
Selling & distribution expenses	798,765,015	362,152,790	120.56%
% of Sales	10.22%	5.18%	5.04%
Profit before taxation	322,855,167	478,682,142	-32.55%
Profit after taxation	173,666,340	291,037,944	-40.33%
Earnings per share	3.44	5.76	-40.28%

Overall growth ratio of the company during the nine months period of the current financial year stood at 12%. Total turnover of the Company is Rs.8,870 million as compared to Rs. 8,000 million in the corresponding period. Growth continues to result from a firm focus on innovation with a number of promising new brands in food segment. Steady investment remains behind base business to ensure its longevity and continued profitability. However, profit before tax declined to Rs. 323 million as compared to Rs. 479 million in the corresponding period due selling and distribution expenses increased by 121% owing to increase in advertisement and in employee related expenses and enhanced transportation costs.

Future Outlook

Despite the challenging business environment prevailing in the country, the Company's management has a long term optimistic outlook for our business and is taking appropriate measures to face them by optimization of the operations and expanding the product base. Your Company's priorities will not change in the period ahead and will continue to deliver exceptional value to customers and shareholders.

The Board of Directors would like to express their gratitude to all employees who have worked hard to achieve our common objectives.

On behalf of the Board of Directors

(Mursarim Saif)
Director

Karachi: April 26, 2013

Ismail Industries Limited

CONDENSED INTERIM BALANCE SHEET AS AT MARCH 31, 2013

	Note	March-13 Un-audited	June-12 Audited
-----Rupees-----			
ASSETS			
Non-Current Assets			
Property, plant and equipment	4	2,829,948,744	2,654,875,863
Long term investments	5	1,194,687,980	1,109,141,617
Long term deposits		43,476,491	42,821,706
Total non-current assets		4,068,113,215	3,806,839,186
Current Assets			
Stores and spares		63,328,051	54,239,339
Stock-in-trade		4,493,801,262	4,387,231,734
Trade debts		699,737,827	577,700,749
Advances - considered good		76,224,063	81,903,956
Trade deposits and short term prepayments		25,334,787	4,205,648
Other receivables		52,648,410	102,991,665
Advance tax - net of provision		82,235,259	57,546,836
Cash and bank balances	6	21,210,590	24,207,640
Total current assets		5,514,520,249	5,290,027,567
Total assets		9,582,633,464	9,096,866,753
EQUITY AND LIABILITIES			
Authorised share capital			
100,000,000 (June 30, 2012: 100,000,000) Ordinary shares 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 of Rs.10/- each.		505,207,500	505,207,500
Capital reserve - share premium		579,265,000	579,265,000
Unappropriated profit		1,503,960,034	1,324,989,579
Total Shareholder's equity		2,588,432,534	2,409,462,079
Non-Current Liabilities			
Directors' loan - subordinated		352,151,770	352,151,770
Long term finances - secured		784,150,589	653,867,668
Liabilities against assets subject to finance lease		112,563,700	150,323,252
Deferred liabilities		515,597,374	395,887,761
Total non-current liabilities		1,764,463,433	1,552,230,451
Current Liabilities			
Trade and other payables		632,918,208	712,089,200
Accrued mark-up		82,259,105	118,996,600
Short term finances - secured	7	3,955,038,457	3,686,383,205
Current Portion of :			
Long term finances		406,646,526	481,897,741
Liabilities against assets subject to finance lease		56,149,790	60,432,033
Advance from customers		96,725,411	75,375,444
Total current liabilities		5,229,737,497	5,135,174,223
Contingencies and Commitments			
Total equity and liabilities	8	9,582,633,464	9,096,866,753

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

As the Chief Executive is for the time being not in Pakistan, therefore these financial statements have been signed by two directors of the company as required under the section 241(2) of the Companies Ordinance, 1984.

Muhammad M. Ismail
Director

Munsarim Saif
Director

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

	Note	Quarter ended		Nine months ended	
		March		March	
		2013	2012	2013	2012
-----Rupees-----					
Sales		3,264,544,545	2,998,901,313	8,869,764,409	8,000,044,950
Less: sales tax		391,642,412	375,428,085	1,054,947,102	1,007,261,040
Net Sales		2,872,902,133	2,623,473,228	7,814,817,307	6,992,783,910
Cost of sales		2,310,426,436	2,100,237,084	6,269,275,495	5,612,757,646
Gross profit		562,475,697	523,236,144	1,545,541,812	1,380,026,264
Selling and distribution expenses		304,229,233	93,724,328	798,765,016	362,152,709
Administrative expenses		25,521,089	20,721,673	73,508,720	62,279,379
		329,750,322	114,446,001	872,273,736	424,432,088
Operating profit		232,725,375	408,790,143	673,268,076	955,594,176
Other operating profit / (loss)		21,003,463	(2,613,086)	54,429,367	16,631,692
		253,728,838	406,177,057	727,697,443	972,225,868
Finance cost		141,658,504	158,045,651	459,163,437	477,581,710
Other operating expenses		11,639,546	813,845	25,130,441	13,127,331
		153,298,050	158,859,496	484,293,878	490,709,041
		100,430,788	247,317,561	243,403,565	481,516,827
Share of profit / (loss) from associated undertaking		50,902,528	7,086,711	79,451,602	(2,834,685)
Profit before tax		151,333,316	254,404,272	322,855,167	478,682,142
Taxation expense		87,717,060	64,264,525	149,188,827	187,644,198
Profit for the period		63,616,256	190,139,747	173,666,340	291,037,944
Earnings per share - basic and diluted	9	1.26	3.76	3.44	5.76

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Muhammad M. Ismail
Director

Munsarim Saif
Director

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

	Quarter ended		Nine months ended	
	March		March	
	2013	2012	2013	2012
	-----Rupees-----			
Profit for the period	63,616,256	190,139,747	173,666,340	291,037,944
Other comprehensive (loss) / income	(14,230,189)	-	6,094,761	-
Total comprehensive income for the period	<u>49,386,067</u>	<u>190,139,747</u>	<u>179,761,101</u>	<u>291,037,944</u>

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Muhammad M. Ismail
Director

Munsarim Saif
Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Issued, subscribed and paid up capital	Share premium	Un-appropriated profit	Total
	----- (R u p e e s) -----			
Balance as at June 30, 2011	505,207,500	579,265,000	948,053,287	2,032,525,787
Dividend for the year ended June 30, 2011	-	-	(1,551,276)	(1,551,276)
Total comprehensive income for the nine months period ended March 31, 2012	-	-	291,037,944	291,037,944
Balance as at March 31, 2012	<u>505,207,500</u>	<u>579,265,000</u>	<u>1,237,539,955</u>	<u>2,322,012,455</u>
Balance as at June 30, 2012	505,207,500	579,265,000	1,324,989,579	2,409,462,079
Dividend for the year ended June 30, 2012	-	-	(790,646)	(790,646)
Total comprehensive income for the nine months period ended March 31, 2013	-	-	179,761,101	179,761,101
Balance as at March 31, 2013	<u>505,207,500</u>	<u>579,265,000</u>	<u>1,503,960,034</u>	<u>2,588,432,534</u>

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Muhammad M. Ismail
Director

Munsarim Saif
Director

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

	Note	March 2013	March 2012
-----Rupees-----			
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	10	714,101,078	754,092,838
Gratuity paid		(4,661,504)	(4,608,743)
Income tax paid (net of refund)		(66,251,802)	(53,882,785)
Net cash generated from operating activities		643,187,772	695,601,310
CASH FLOW FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(369,986,046)	(381,225,160)
Proceeds from disposal of property, plant & equipment		9,331,329	3,397,271
Long term deposits		(654,785)	(5,544,717)
Net cash used in investing activities		(361,309,502)	(383,372,606)
CASH FLOW FROM FINANCING ACTIVITIES			
Long-term borrowings less repayments		55,031,706	(271,714,358)
Finance lease liability less repayments		(42,041,795)	11,834,733
Interest / mark- up paid		(495,900,932)	(485,167,032)
Dividend paid		(790,646)	(1,551,276)
Net cash used in financing activities		(483,701,667)	(746,597,933)
Net decrease in cash and cash equivalents		(201,823,397)	(434,369,229)
Cash and cash equivalents at beginning of the year		(1,502,537,342)	(821,693,751)
Cash and cash equivalents as at March 31	11	(1,704,360,739)	(1,256,062,980)

The annexed notes 1 to 15 form an integral part of these condensed interim financial statements

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Muhammad M. Ismail
Director

Munsarim Saif
Director

**NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION
(UN-AUDITED)**

**FOR THE QUARTER AND NINE MONTHS PERIOD ENDED
MARCH 31, 2013**

Ismail Industries Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)

FOR THE QUARTER AND NINE MONTHS PERIOD ENDED MARCH 31, 2013

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 into 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 - Bangalore 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 constitutes separate condensed interim financial statements of the Company and are 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.

- 2.1 These condensed interim financial statements have been prepared under the accrual basis of accounting except for cash flow information.

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 for the year ended June 30, 2012.

4 PROPERTY, PLANT AND EQUIPMENT

	Un-audited March 2013	Audited June 2012
	----- (Rupees) -----	
Operating fixed assets	2,502,837,644	2,489,890,683
Capital work-in-progress	327,111,100	164,985,180
	<u>2,829,948,744</u>	<u>2,654,875,863</u>

- 4.1 Detail of additions and disposal to operating assets during the nine months period ended March 31, 2013 are as follows:

	Un-audited March 2013		Audited June 2012	
	-----Rupees-----		-----Rupees-----	
	Additions	Disposals	Additions	Disposals
Leasehold land	2,231,250	-	7,825,050	-
Building	159,698,187	-	61,432,741	-
Plant and machinery	32,090,035	-	338,363,276	-
Furniture and fittings	1,656,785	-	7,787,387	-
Equipment	6,290,285	-	3,905,232	23,800
Computers	529,345	137,000	1,737,579	439,924
Vehicles	6,090,950	11,405,596	45,995,460	12,725,212
	<u>208,586,837</u>	<u>11,542,596</u>	<u>467,046,725</u>	<u>13,188,936</u>

Ismail Industries Limited

4.2 Detail of additions in and transfers from capital work-in-progress during the nine months period ended March 31, 2013 are as follows;

	Un-audited March 2013 -----Rupees-----		Audited June 2012 -----Rupees-----	
	Additions	Transfers	Additions	Transfers
Civil works	114,609,068	159,698,187	171,970,087	69,257,790
Plant and machinery	239,497,861	32,090,035	299,957,840	338,363,276
Factory Equipment	5,370,787	6,290,285	3,307,676	3,905,232
Furniture and fittings	1,656,785	1,656,785	3,998,731	7,787,387
Computers	529,345	529,345	-	-
	<u>361,663,846</u>	<u>200,264,637</u>	<u>479,234,334</u>	<u>419,313,685</u>
			Un-audited March 2013 ----- (Rupees) -----	Audited June 2012

5 LONG TERM INVESTMENTS

Investment in associated undertakings

The Bank of Khyber	964,963,911	879,417,548
Novelty Enterprises (Private) Limited	<u>229,724,069</u>	<u>229,724,069</u>
	<u>1,194,687,980</u>	<u>1,109,141,617</u>

5.1 LONG TERM INVESTMENT

Investment in associated undertakings

The Bank of Khyber	5.1.1	964,963,911	879,417,548
Novelty Enterprises (Private) Limited	5.1.1 & 5.1.2	<u>229,724,069</u>	<u>229,724,069</u>

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

These investment are accounted for under the equity method. The Bank of Khyber concludes its annual financial results on December 31 as required by the 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 March 31, 2013 was Rs. 445.79 million (June 30, 2012: Rs. 586.78 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	
	March 2013	June 2012	March 2013	June 2012
	-----Rupees-----			
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	79,451,602	44,646,281	-	-
Share of Profit relating to other comprehensive income	6,094,761	11,295,402	-	-
	<u>964,963,911</u>	<u>879,417,548</u>	<u>229,724,069</u>	<u>229,724,069</u>

All transfers of funds to the Company, i.e. distribution of cash dividends, are subject to the approval by means of a resolution passed by the shareholders of the associates. The Company received dividends amounting to Rs. Nil (June 2012: Rs. Nil).

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

5.1.2 Novelty Enterprises (Private) Limited has not commenced operations as of the reporting date.

Ismail Industries Limited

	Note	Un-audited March 2013	Audited June 2012
		----- (Rupees) -----	
6 CASH AND BANK BALANCES			
Cash in hand		939,390	3,569,959
Cash with banks in current accounts		<u>20,271,200</u>	<u>20,637,681</u>
		<u>21,210,590</u>	<u>24,207,640</u>
7 SHORT TERM FINANCES - secured			
Term finances	7.1	1,919,467,128	1,849,638,223
Export refinances	7.2	310,000,000	310,000,000
Running finance under mark-up arrangements	7.3	1,725,571,329	1,526,744,982
		<u>3,955,038,457</u>	<u>3,686,383,205</u>
<p>7.1 The facilities for term finances from various banks aggregated to Rs. 2,180,000,000 (June 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 9.76% to 13.47% per annum (June 2012: 12.65% to 15.06% per annum).</p> <p>7.2 The facilities for export refinance from various banks aggregated to Rs. 310,000,000 (June 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% above the SBP rate per annum (June 2012: 1% above SBP rate per annum)</p> <p>7.3 The facilities for running finances available from various banks aggregated to Rs. 1,902,000,000 (June 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 10.31% to 13.99% per annum (June 2012: 12.79% to 15.54% per annum).</p>			
8 CONTINGENCIES AND COMMITMENTS			
8.1 Contingencies			
8.1.1	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 favor.		
8.1.2	The Company has filed a suit against a debtor for recovery of Rs. 960,450. The suit was decreed in favor 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 favor of the Company and the debtor is being pursued to pay the decretal amount, the amount due has not been written off.		
8.1.3	A suit for Rs. 200 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). The decision of the case has been decided in favor of the company and the suit of Plaintiff is dismissed accordingly.		
		Un-audited March 2013	Audited June 2012
		----- (Rupees) -----	
8.2 Commitments			
Outstanding letters of guarantee		<u>89,119,750</u>	<u>56,130,788</u>
Outstanding letters of credit for:			
- capital expenditure		<u>320,536,931</u>	<u>2,373,800</u>
- others		<u>374,643,466</u>	<u>368,146,440</u>

Ismail Industries Limited

		Un-audited March 2013	Un-audited March 2012
		----- (Rupees) -----	
9	EARNING PER SHARE-Basic and Diluted		
	Basic earnings per share		
	Profit for the period	<u>173,666,340</u>	<u>291,037,944</u>
	Weighted average number of shares	<u>50,520,750</u>	<u>50,520,750</u>
	Earning per share	<u>3.44</u>	<u>5.76</u>
	Diluted earning per share		
	There is no dilution effect on the basic earning per share as the Company has no such commitments.		
		Un-audited March 2013	Un-audited March 2012
		----- (Rupees) -----	
10	CASH GENERATED FROM OPERATIONS		
	Profit before taxation	322,855,167	478,682,142
	Adjustments for:		
	Depreciation	191,444,847	174,506,627
	Profit on disposal of property, plant & equipment	(5,863,011)	(1,699,092)
	Provision for staff retirement gratuity	16,745,669	17,884,839
	Share of loss / (profit) from associated undertaking	(79,451,602)	2,834,685
	Finance cost	459,163,437	477,581,710
	Working capital changes (note 10.1)	<u>(190,793,429)</u>	<u>(395,698,073)</u>
		<u>714,101,078</u>	<u>754,092,838</u>
10.1	Changes in working capital		
	(Increase)/ decrease in current assets		
	Stores and spares	(9,088,712)	(31,846,655)
	Stock-in-trade	(106,569,528)	(5,096,793)
	Trade debts	(122,037,078)	(136,181,640)
	Advances-considered good	5,679,893	(137,503,224)
	Trade deposits and short-term prepayment	(21,129,139)	(5,075,952)
	Other receivables	<u>50,343,255</u>	<u>48,964,502</u>
		<u>(202,801,309)</u>	<u>(266,739,762)</u>
	Increase / (decrease) in current liabilities		
	Short-term finances	69,828,905	69,316,874
	Trade and other payables	(79,170,992)	(224,360,203)
	Advance from customers	<u>21,349,967</u>	<u>26,085,018</u>
		<u>12,007,880</u>	<u>(128,958,311)</u>
	Net increase in working capital	<u>(190,793,429)</u>	<u>(395,698,073)</u>
11	CASH AND CASH EQUIVALENTS		
	Cash and bank balances	6 21,210,590	42,530,905
	Running finances under mark-up arrangement	7 <u>(1,725,571,329)</u>	<u>(1,298,593,885)</u>
		<u>(1,704,360,739)</u>	<u>(1,256,062,980)</u>

12 SEGMENT OPERATING RESULTS

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 result 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

12.1

	Quarter ended				Nine Months ended							
	Food Processing		Plastic Film		Food Processing		Plastic Film					
	Mar-31 2013	Mar-31 2012	Mar-31 2013	Mar-31 2012	Mar-31 2013	Mar-31 2012	Mar-31 2013	Mar-31 2012				
-----Rupees-----												
Sales	2,927,245,905	2,695,663,276	421,997,944	371,972,069	3,349,243,849	3,067,635,345	7,972,525,700	7,149,433,003	1,106,291,369	1,059,439,792	9,078,817,069	8,208,872,795
Less: sales tax	345,561,698	322,344,685	46,080,714	53,083,400	391,642,412	375,428,085	933,295,735	857,186,671	121,651,367	150,074,369	1,054,947,102	1,007,261,040
Net sales	2,581,684,207	2,373,318,591	375,917,230	318,888,669	2,957,601,437	2,692,207,260	7,039,229,965	6,292,246,332	984,640,002	909,365,423	8,023,869,967	7,201,611,755
Cost of sales	2,090,102,894	1,900,303,152	305,022,846	268,667,964	2,395,125,740	2,168,971,116	5,650,838,607	5,059,336,540	827,489,548	762,248,951	6,478,328,155	5,821,585,491
Gross profit	491,581,313	473,015,439	70,894,384	50,220,705	562,475,697	523,236,144	1,388,391,358	1,232,909,792	157,150,454	147,116,472	1,545,541,812	1,380,026,264
Selling and distribution expenses	294,386,170	91,477,078	9,843,063	2,247,250	304,229,233	93,724,328	775,052,731	355,158,462	23,712,285	6,994,247	798,765,016	362,152,709
Administrative and general expenses	25,284,098	20,382,517	236,991	339,156	25,521,089	20,721,673	72,451,142	60,889,730	1,057,578	1,389,649	73,508,720	62,279,379
	319,670,268	111,859,595	10,080,054	2,586,406	329,750,322	114,446,001	847,503,873	416,048,192	24,769,863	8,383,896	872,273,736	424,432,088
Segment operating profit	171,911,045	361,155,844	60,814,330	47,634,299	232,725,375	408,790,143	540,887,485	816,861,600	132,380,591	138,732,576	673,268,076	955,594,176
Unallocated Income and expenses												
Other operating income												16,631,692
Finance cost												(459,163,437)
Other charges												(25,130,441)
Share of profit / (loss) from associated undertaking												79,451,602
Income tax expense												(187,644,198)
Profit for the period												291,037,944
Depreciation												173,666,340
												191,444,847
												17,884,839
Other non cash expenses												

Ismail Industries Limited

13 TRANSACTION WITH RELATED PARTIES

Related party comprise associates, directors and key management personnel. Details of transactions with related parties during the period, other than those which have been disclosed elsewhere in the financial statements are as follows.

		Un-audited March 2013	Un-audited March 2012
		----- (Rupees) -----	
	Rent paid to chief executive	900,000	900,000
	Dividends paid to associated undertaking	-	783,720
13.1	Remuneration to directors and other key managemnet personnel		
	Chief Executive	2,550,000	2,025,000
	Directors	6,750,000	5,400,000
	Executives	72,766,840	30,417,969
		82,066,840	37,842,969

14 DATE OF AUTHORIZATION

The financial information was authorized for issue on April 26, 2013 by the Board of Directors of the Company.

15 GENERAL

Figures have been rounded off to the nearest rupee.

STATEMENT UNDER SECTION 241(2) OF THE COMPANIES ORDINANCE, 1984

As the Chief Executive is for the time being not in Pakistan, therefore these financial statements have been signed by two directors of the company as required under the section 241(2) of the Companies Ordinance, 1984.

Muhammad M. Ismail
Director

Munsarim Saif
Director

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