

NOTES TO THE ACCOUNTS:

1. Those accounts are un-audited and are being submitted to shareholders, as required U/S245 of the Companies Ordinance, 1984.
2. Then accounting policies adopted for the preparation of these nine Monthly accounts are the same as those applied in the preparation of the preceding annual published accounts of the Company for the period from October 01, 2001 to September 30, 2002, except that incremental depreciation on revalued assets has been transferred from surplus on revaluation of fixed assets to accumulated loss through statement of changes in Equity as per S.R.O No. 45(1)2003 of Securities and Exchanges Commission of Pakistan.
3. These accounts have been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 "Interim Financial Reporting".

4. Contingencies

The Company has filed a suit in the Honorable Lahore High Court, Lahore against Faysal Bank Limited for compensation of loss suffered on acquisition of unremunerative agriculture land and disposal of the same, for not providing timely cash finance facilities despite written commitments and for charging illegal profits against in the principle of Islamic banking in contravention of the objective clause of its Articles and Memorandum of Association. The amount claimed for the first two counts is Rs, 141.831 M(Including claims of Central Excise Duty) and for last count has been left for the court to get determined.

As per company lawyer's opinion the case is based on strong legal grounds and is likely to be decided in company's favor, if so happened the amount of long term loan would decrease by the amount so decided by the court.Faysal Bank Limited has also filed a counter suit against the company.

5. Figures

- have been rounded off to the nearest thousand of rupees.
- of prior period have been rearranged and regrouped wherever necessary for the purpose of comparison