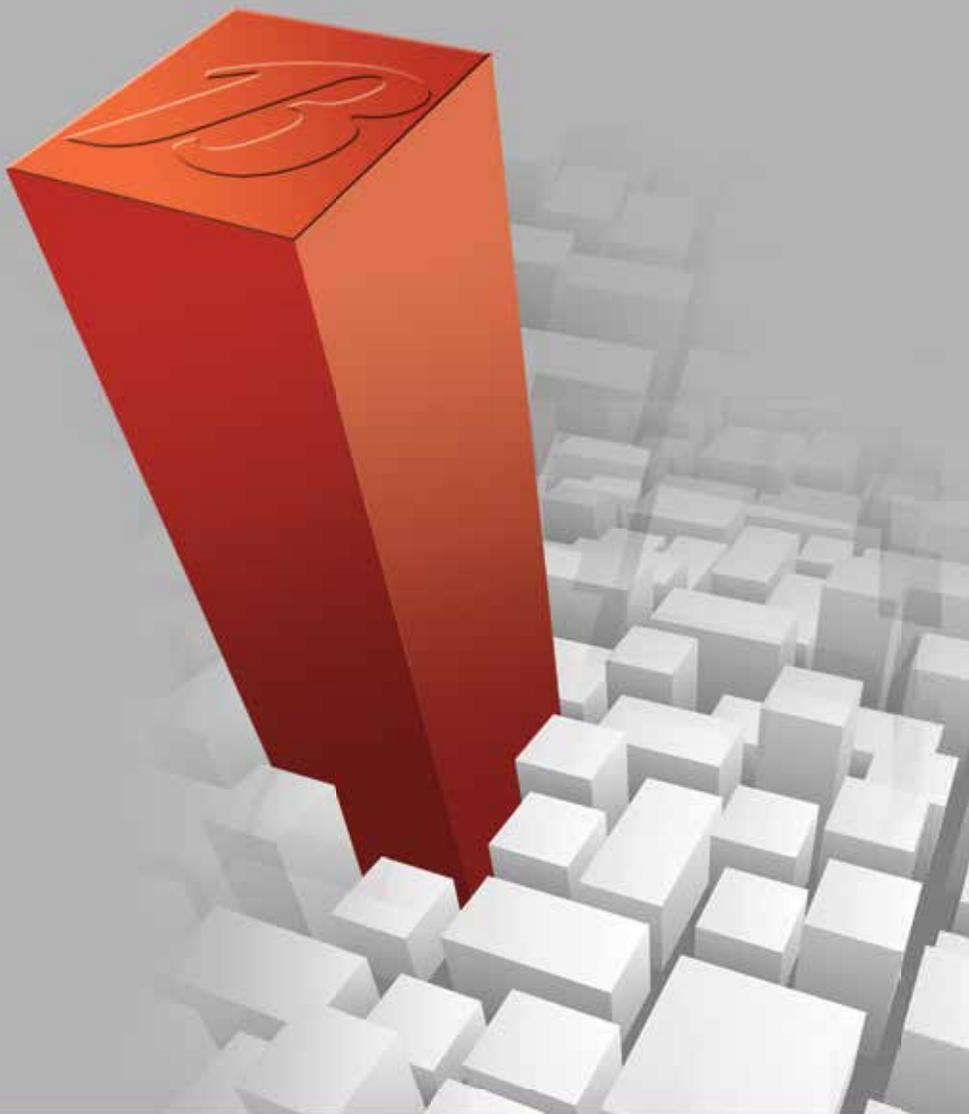


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QUARTERLY REPORT
2014
JULY - SEPTEMBER





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CORPORATE INFORMATION

Board of Directors

Mr. Fernando Garcia	Chairman
Mr. Muhammad Qayyum	Chief Executive
Mr. M. G. Middleton	Director
Mr. Cesar Panduro	Director & Chief Financial Officer
Mr. Ijaz Ahmad Chaudhry	Director
Mr. Muhammad Ali Malik	Director
Mr. Muhammad Maqbool	Director
Mr. Shahid Anwar (Nominee of NIT)	Director
Mr. Syed Haroon Rashid (Nominee of NIT)	Director

Audit Committee

Mr. Muhammad Maqbool	Chairman
Mr. Ijaz Ahmad Chaudhry	Member
Mr. M. G. Middleton	Member

Human Resource and Remuneration Committee

Mr. Ijaz Ahmad Chaudhry	Chairman
Mr. Muhammad Qayyum	Member
Mr. Muhammad Maqbool	Member

Company Secretary

Mr. S. M. Ismail

Auditors

Ernst & Young Ford Rhodes Sidat Hyder
Chartered Accountants
Mall View Building, 4 - Bank Square
P.O. Box No. 104,
Lahore.

Legal Advisor

Surridge & Beecheno
60, Shahrah-e-Quaid-e-Azam,
Ghulam Rasool Building,
Lahore.

Stock Exchange Listing

Bata Pakistan Limited is listed on Karachi
and Lahore Stock Exchanges.

The Company's shares are quoted in leading
Newspapers under "Personal Goods" sector.

Bankers

Habib Bank Limited
Habib Metropolitan Bank Limited
MCB Bank Limited
Bank Al Habib Limited
National Bank of Pakistan Limited
United Bank Limited
Barclays Bank PLC

Registered Office

Batapur,
G. T. Road,
P.O. Batapur, Lahore.

Share Registrar

Corplink (Pvt.) Ltd.
Wings Arcade, 1-K Commercial
Area, Model Town, Lahore.

Factories

Batapur,
G. T. Road,
P.O. Batapur, Lahore.

Maraka,
26 - Km, Multan Road,
Lahore.

Liaison Office

138 C-II Commercial Area,
P.E.C.H.S., Tariq Road,
Karachi.

DIRECTORS' REVIEW

It is my pleasure to present the un-audited Condensed Interim Financial Information and brief review of the Company's operations for the nine months ended 30 September 2014.

The Company continues to sustain growth trend in turnover that it carried previously. Net turnover in the period under review was Rs. 10.179 billion as compared to Rs. 9.381 billion for the corresponding period of last year. The increase in raw material prices and adverse changes in sales tax rules relating to imported shoes (sales tax rate increased from 5% to 17%) have negative impact on our gross profit which reduced to 38.17% from 39.02% of last year. As a result, profit after tax slightly decreased from Rs. 935.947 million to Rs. 933.157 million and earning per share decreased from Rs. 123.80 to Rs. 123.43.

Our production facilities at Batapur and Maraka produced 13.748 million pairs as compared to 12.958 million pairs in the same period of last year. We are continually making investments in new machines which has not only improved the quality of the shoes produced but has also helped in improving the efficiency of the production process.

Our precedence remains to satisfy the demand of our valued customers and provide them with services exclusively and efficiently. In order to maintain our role as a leader in Footwear Industry in Pakistan, an amount of Rs. 161 million has been spent for opening of 17 new and renovation of 30 existing stores which is 177% more than the corresponding period of last year. Our focus as a part of our strategy will remain on expansion of big format stores (a new destination store with total area of 600 sq. meter was opened in Peshawar on 21 July 2014) by closing low turnover and non profitable stores which are under minimum benchmark.

The Company continued its Corporate Social Responsibilities (CSR) activities during the period under review and donated shoes, school bags and computers and furnished class room for underprivileged communities and orphanage. The mentorship sessions were held in different government schools by Bata employees (Volunteers) who inspired the children in career counselling, shoe designing and personality building. The Company is also investing a considerable time and money on human resource and training of employees has always been considered as an investment for the future with the objective to provide them with safe and healthy work place.

We remain confident as regards to our prospects for the remaining year, despite the highly competitive marketing environment and uncertain political situation in the country which disturbed our business in the third quarter of this year. We look forward to continued support from all our stakeholders to achieve the objectives for the year 2014.

In view of year to date results and anticipation of continuous good performance, the Board of Directors are pleased to declare interim cash dividend of 430% (Rs. 43 per share).

On behalf of the Board

Batapur:
Lahore: 24 October 2014

(MUHAMMAD QAYYUM)
Chief Executive

CONDENSED INTERIM BALANCE SHEET - UNAUDITED

AS AT 30 SEPTEMBER 2014

	Note	(UN - AUDITED) 30 September 2014	(AUDITED) 31 December 2013
(Rupees in '000)			
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	5	1,326,409	1,116,281
Intangible assets		5,782	4,941
Long term investments		38,000	38,001
Long term deposits and prepayments		39,028	23,509
		1,409,219	1,182,732
CURRENT ASSETS			
Stores and spares		248	–
Stock in trade	6	3,514,494	2,368,302
Trade debts		1,066,955	363,975
Advances - unsecured		54,443	27,979
Deposits, short term prepayments and other receivables		495,111	522,131
Interest accrued		3,595	7,615
Tax refunds due from Government	7	508,597	508,597
Short term investments		400,000	968,000
Cash and bank balances		364,414	439,939
		6,407,857	5,206,538
TOTAL ASSETS		7,817,076	6,389,270
EQUITY AND LIABILITIES			
Authorized share capital 10,000,000 ordinary shares of Rs. 10 each		100,000	100,000
Issued, subscribed and paid up capital		75,600	75,600
Reserves			
Capital reserve		483	483
Revenue reserve		5,093,121	4,424,564
		5,093,604	4,425,047
TOTAL EQUITY		5,169,204	4,500,647
NON CURRENT LIABILITIES			
Long term deposits		38,000	38,001
Deferred liability-employee benefits	8	57,539	54,424
Deferred taxation		62,180	49,855
		157,719	142,280
CURRENT LIABILITIES			
Trade and other payables		2,128,303	1,275,552
Provision for taxation		361,850	470,791
		2,490,153	1,746,343
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		7,817,076	6,389,270

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Chief Executive

Director

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UNAUDITED

FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2014

	Note	Nine month ended		Three month ended	
		30 September 2014	30 September 2013	30 September 2014	30 September 2013
(Rupees in '000)					
NET SALES	10	10,179,399	9,381,939	3,874,518	3,539,282
COST OF SALES	11	6,294,176	5,720,660	2,424,930	2,143,443
GROSS PROFIT		3,885,223	3,661,279	1,449,588	1,395,839
Distribution Cost		1,924,305	1,704,895	753,469	614,318
Administrative Expenses		651,049	601,236	200,504	200,634
Other expenses		98,564	105,228	38,118	49,823
		2,673,918	2,411,359	992,091	864,775
OTHER INCOME		133,547	64,989	32,378	20,158
OPERATING PROFIT		1,344,852	1,314,909	489,875	551,222
FINANCE COST		24,620	42,323	8,770	14,874
PROFIT BEFORE TAXATION		1,320,232	1,272,586	481,105	536,348
PROVISION FOR TAXATION					
Current		361,850	333,742	138,042	138,952
Prior years		12,900	-	12,273	-
Deferred		12,325	2,897	6,399	5,722
		387,075	336,639	156,714	144,674
PROFIT AFTER TAXATION		933,157	935,947	324,391	391,674
Other comprehensive income		-	-	-	-
TOTAL COMPREHENSIVE INCOME		933,157	935,947	324,391	391,674
EARNINGS PER SHARE - BASIC AND DILUTED	15	Rs.123.43	Rs.123.80	Rs.42.91	Rs.51.81

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Chief Executive

Director

CONDENSED INTERIM CASH FLOW STATEMENT - UNAUDITED

FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2014

Note	Nine month ended	
	30 September 2014	30 September 2013
(Rupees in '000)		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,320,232	1,272,586
Non-cash adjustments to reconcile profit before tax to net cash flows		
Depreciation for property, plant & equipment	119,183	93,514
Amortization of intangible assets	2,359	4,644
Provision for gratuity	5,240	4,374
Gain on disposal of property, plant and equipment	(53,027)	(5,239)
Income from Financial assets	(75,047)	(54,212)
Provision for doubtful debts	2,482	(144)
Provision for slow moving and obsolete stock	109,813	88,847
Finance cost	24,620	42,323
	135,623	174,107
Operating cash flows before working capital changes	1,455,855	1,446,693
Net changes in working capital	12	(1,226,803)
Finance cost paid	(18,052)	(36,740)
Tax paid	(394,816)	(338,591)
Gratuity paid	(2,125)	(3,799)
Interest income received	79,067	53,459
Net cash used in operating activities	(100,574)	(105,781)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(388,753)	(230,282)
Decrease / (increase) in capital work in progress	53,457	(7,950)
Proceeds from sale of property, plant and equipment	55,814	13,281
Decrease / (Increase) in long term investments	1	(1,001)
Net cash used in investing activities	(279,481)	(225,952)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(263,470)	(172,734)
Net cash used in financing activities	(263,470)	(172,734)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(643,525)	(504,467)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	1,407,939	1,233,193
CASH AND CASH EQUIVALENTS AT END OF PERIOD	13	728,726

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Chief Executive

Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UNAUDITED

FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2014

	Share capital	Capital reserve	General reserve	Unappropriated profits	Total
	Rupees in '000'				
Balance as at 01 January 2013 (restated)	75,600	483	3,047,000	810,422	3,933,505
Final dividend for 2012 at the rate of Rs. 23 per share	–	–	–	(173,880)	(173,880)
Transfer to general reserve for 2012	–	–	620,000	(620,000)	–
Total comprehensive income for the nine month period ended 30 September 2013	–	–	–	935,947	935,947
Balance as at 30 September 2013	<u>75,600</u>	<u>483</u>	<u>3,667,000</u>	<u>952,489</u>	<u>4,695,572</u>
Balance as at 01 January 2014	75,600	483	3,667,000	757,564	4,500,647
Final dividend for 2013 at the rate of Rs. 35 per share	–	–	–	(264,600)	(264,600)
Transfer to general reserve for 2013	–	–	490,000	(490,000)	–
Total comprehensive income for the nine month period ended 30 September 2014	–	–	–	933,157	933,157
Balance as at 30 September 2014	<u>75,600</u>	<u>483</u>	<u>4,157,000</u>	<u>936,121</u>	<u>5,169,204</u>

The annexed notes from 1 to 18 form an integral part of this interim financial information.

Chief Executive

Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED

FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2014

1 LEGAL STATUS AND OPERATIONS

Bata Pakistan Limited (the Company) is a public limited company incorporated in Pakistan and is quoted on Lahore and Karachi Stock Exchanges. The registered office of the Company is situated at Batapur, Lahore. The principal activity of the Company is manufacturing and sale of footwear of all kinds along with sale of accessories and hosiery items. The Parent Company of Bata Pakistan Limited is Bafin B.V., Nederland, whereas the ultimate parent is Compass Limited, Bermuda.

2 STATEMENT OF COMPLIANCE

This condensed interim financial report of the Company for the nine month period ended 30 September 2014 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.

3 BASIS OF PRESENTATION AND MEASUREMENT

This condensed interim financial report of the Company for the nine month period ended 30 September 2014 are unaudited and these should be read in conjunction with the financial statements of the Company for the year ended 31 December 2013.

4 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial statements are the same as those applied in the preparation of the financial statements for the year ended 31 December 2013 except as describe below:

New and amended standards and interpretations

The Company has adopted the following new and amended IFRS and IFRIC interpretations which became effective during the period:

IAS 32	–	Financial Instruments: Presentation - (Amendment) offsetting financial assets and financial liabilities
IAS 36	–	Impairment of Assets - (Amendment) Recoverable amount disclosures for non-financial assets
IAS 39	–	Financial Instruments: Recognition and measurements - (Amendment) Novation of derivatives continuation of hedge accounting.
IFRIC 21	–	Levies

The adoption of the above revision, amendments interpretation of the standards did not have any material effect on the condensed financial information.

Further, certain new standards have been issued by IASB which are effective for accounting periods beginning on or after 01 January 2014 but are yet to be notified by the SECP for the purpose of applicability in Pakistan.

5. ACQUISITION AND DISPOSAL OF PROPERTY, PLANT AND EQUIPMENT

	(UN - AUDITED)			
	30 September 2014	30 September 2014	30 September 2013	30 September 2013
	(Rupees in '000)			
	Addition	Disposal (cost)	Addition	Disposal (cost)
Buildings				
- Factory	65,732	–	90	–
- Others	–	931	263	–
Plant & Machinery	109,580	4,950	73,607	15,025
Office Equipment	82	–	742	254
Furniture, Fixture and Fittings	186,884	5,719	131,350	13,365
Computers	22,324	3,052	10,762	1,270
Vehicles	–	–	7,468	25
Boiler	952	–	6,002	654
	<u>385,554</u>	<u>14,652</u>	<u>230,284</u>	<u>30,593</u>

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2014

6. STOCK IN TRADE

This includes provision against slow moving and obsolete stock amounting to Rs. 103,728 ('000) [2013: Rs. 4,658 ('000)]

7. TAX REFUNDS DUE FROM GOVERNMENT

This represents sales tax paid on raw materials used in zero-rated taxable shoes for which refund claims have been lodged with the Sales Tax Department.

	(UN - AUDITED)	(AUDITED)
	30 September 2014	31 December 2013
	(Rupees in '000')	
8. DEFERRED LIABILITY - EMPLOYEE BENEFITS		
Opening liability	54,424	72,096
Amount recognized during the period/year	5,240	6,582
Payment made by the Company during the period/year	(2,125)	(3,932)
Actuarial adjustment	-	(20,322)
Closing liability	57,539	54,424

The latest actuarial valuation was carried out as at 31 December 2013.

	Note	(UN - AUDITED)	(AUDITED)
		30 September 2014	31 December 2013
		(Rupees in '000')	
9. CONTINGENCIES AND COMMITMENTS			
9.1 Counter Guarantees given to banks		5,847	5,474
Indemnity Bonds given to Custom Authorities		28,030	13,110
Claims not acknowledged as debts - under appeal		22,049	22,449
Order by sales tax department	9.1.1	138,851	138,851
Order by sales tax department - under appeal	9.1.2	201,252	201,252
Order by sales tax department - under appeal	9.1.3	237,370	237,370
Order by sales tax department - under appeal	9.1.4	25,820	25,820
Order by income tax department - under appeal	9.1.5	954,859	954,859
Order by sales tax department - under appeal	9.1.6	8,225	8,225
Order by sales tax department - under appeal	9.1.7	46,693	-
Order by sales tax department - under appeal		-	18,697
Order by income tax department - under appeal		-	491
		1,668,996	1,626,598

9.1.1 The Sales Tax Department has issued show-cause notice followed by an order amounting to Rs. 138.8 million in respect of the period from July 2005 to June 2007 for non payment of sales tax on certain items including disposal of fixed assets, inadmissible input tax claimed on electricity bills of retail outlets, inadmissible input tax adjustment claimed against zero rated retail supplies and less declaration of output sales tax in returns when compared with final accounts. The Company filed an appeal against the order before Commissioner Sales Tax (Appeals) who dismissed the appeal vide order dated 31-01-2009. Thereafter, the Company filed an appeal against the stated order before Appellate Tribunal Inland Revenue (ATIR) who decided the appeal in favor of the Company. The Sales Tax Department filed a reference application in Honorable Lahore High Court (LHC). LHC vide its order dated 16-05-2012 disposed off the reference application. However at the period end, the Company is not aware if any leave for appeal has been made by the Sales Tax Department. Moreover on 08-07-2013, Company received a letter from sales tax department asking for documentary evidence/record that no input tax has been claimed against retail sales during

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2014

above mentioned period. The Company has given a comprehensive reply to this letter and is of the opinion that this matter has already been decided by ATIR in favor of the Company and has attained finality as has been quoted by Commissioner (Appeals) in one of his orders. After this letter, Company has not received any communication from the sales tax department.

- 9.1.2** The Company has received an order from sales tax department amounting to Rs. 201.252 million for non-payment of retail tax on sales made through retail outlets and inadmissible input tax adjustment claimed against zero-rated retail supplies for the period from July 2007 to December 2008. The Company filed an appeal against the order before the Commissioner Sales Tax (Appeals) which was not decided in favor of the Company. The Company has filed an appeal with the Appellate Tribunal Inland Revenue (ATIR), which is pending adjudication. Moreover on 25-06-2012, Company received an additional order from Deputy Commissioner Inland Revenue (DCIR) amounting to Rs. 64 million pertaining to period from July 2007 to December 2008 of the sales tax previously refunded to the Company. The case has been referred to concerned ACIR/DCIR enforcement against the order. Company has filed an appeal with CIR(Appeals) which is pending adjudication. Based on legal advisor's opinion, the Company expects a favorable outcome of the matter.
- 9.1.3** The Company has received 22 separate orders dated 17-10-2012 and 14-11-2012 in which sales tax refunds for the periods from November 2008 to December 2010 amounting to Rs. 237.37 million have been rejected on the grounds that input sales tax relating to retail turnover is not admissible. Company filed separate appeals against these orders with Commissioner (Appeals). The Commissioner (Appeals) decided 19 appeals against while 3 appeals in favor of the Company. The Company filed 19 separate appeals while tax department filed 3 separate appeals with Appellate Tribunal Inland Revenue (ATIR). The ATIR decided all 22 appeals in favour of the Company on 15-05-2014. However at the period end, the Company is not aware if any leave for appeal has been made by the Sales Tax Department.
- 9.1.4** The Company has received an order dated 18-10-2012 from Sales tax department demanding Rs. 25.820 million on the basis that Company has wrongly adjusted input sales tax against output sales tax for the month of April 2011. Company filed an appeal with Commissioner (Appeals) who decided the appeal in favor of the Company. However the Department filed appeal with Appellate Tribunal Inland Revenue (ATIR) who on 19-05-2014 rejected the department's appeal. However at the period end, the Company is not aware if any leave for appeal has been made by the Sales Tax Department.
- 9.1.5** On 21 August 2013, Company received an assessment order from Deputy Commissioner Inland Revenue (DCIR) for the tax year 2011, adding back different provisions and liabilities and also assessing that Company has suppressed turnover to the tune of PKR. 1,427 million. Based on these add backs the DCIR created a demand of PKR. 954.859 million. The Company filed an appeal with Commissioner (Appeals), who deleted almost all the add backs and there is no liability against the Company against this order. However Department filed an appeal against the order of Commissioner with ATIR which is pending for adjudication.
- 9.1.6** The Company has received a show cause notice of Rs. 8.225 million stating that the input tax claimed by the Company did not match with sales tax return of suppliers. The demand notice was however subsequently suspended by the decision of the Lahore High Court through writ petition No. 15741/2013. The Company based on the advice of its tax advisor is confident that the writ petition will be decided in favour of the Company.

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED FOR THE NINE MONTH ENDED 30 SEPTEMBER 2014

9.1.7 A show cause notice was issued to the Company whereas discrepancies reported by Computerized Risk Evaluation Sales Tax (CREST) has revealed that Company has adjusted 100% of the input tax in violation of Section 8B of the Sales Tax Act 1990. Subsequently the order dated 19-05-2014 was issued in which a demand of Rs. 46.693 million was raised. The Company filed an appeal against the order before the Commissioner Inland Revenue (CIR) (Appeals). (CIR) (Appeals) rejected the Company's appeal by order dated 09-09-2014. The Company filed an appeal against the order with Appellate Tribunal Inland Revenue (ATIR) which is pending adjudication. Based on legal advisor's opinion, Company expects a favourable outcome of the matter.

9.2 Commitments

9.2.1 The Company has entered into rent agreements for retail shops. There are no restrictions placed upon the Company by entering into these agreements. Future minimum lease payable under these agreements are as follows:

	(UN - AUDITED) 30 September 2014	(AUDITED) 31 December 2013
	(Rupees in '000')	
With in one year	742,972	575,383
After one year but not more than five years	2,339,344	1,828,794
More than five years	1,336,336	1,083,789
	<u>4,418,652</u>	<u>3,487,966</u>
9.2.2 Commitments in respect of:		
- Capital expenditure	72,747	20,873
- Letters of credit and bank contracts	398,089	573,346
	<u>470,836</u>	<u>594,219</u>

	(UN - AUDITED) Nine month ended		(UN - AUDITED) Three month ended	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	(Rupees in '000)			
Shoes and accessories				
Local	11,839,396	10,686,549	4,551,413	4,069,965
Export	117,662	146,600	27,578	65,850
	<u>11,957,058</u>	<u>10,833,149</u>	<u>4,578,991</u>	<u>4,135,815</u>
Sundry articles and scrap material	16,027	25,344	4,128	4,709
	<u>11,973,085</u>	<u>10,858,493</u>	<u>4,583,119</u>	<u>4,140,524</u>
Less: Sales tax	757,896	544,080	328,531	266,912
Discount to dealers and distributors	861,440	781,690	312,608	277,285
Commission to agents/business associates	174,350	150,784	67,462	57,045
	<u>1,793,686</u>	<u>1,476,554</u>	<u>708,601</u>	<u>601,242</u>
	<u>10,179,399</u>	<u>9,381,939</u>	<u>3,874,518</u>	<u>3,539,282</u>

10. NET SALES

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED
FOR THE NINE MONTH ENDED 30 SEPTEMBER 2014

	(UN - AUDITED)		(UN - AUDITED)	
	Nine month ended		Three month ended	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	(Rupees in '000)			
11. COST OF SALES				
Raw material consumed	2,720,905	2,430,814	750,800	609,802
Salaries, wages and benefits	283,102	245,329	91,751	70,896
Fuel and power	137,907	124,152	41,344	39,671
Stores and spares consumed	6,520	9,714	1,334	2,658
Repairs and maintenance	49,627	47,551	15,443	15,305
Insurance	8,380	6,102	2,734	2,358
Depreciation	27,582	20,413	10,965	7,584
	3,234,023	2,884,075	914,371	748,274
Add: Opening goods in process	73,510	45,867	47,465	89,565
	3,307,533	2,929,942	961,836	837,839
Less: Closing goods in process	76,478	75,994	76,478	75,994
Cost of goods manufactured	3,231,055	2,853,948	885,358	761,845
Add: Opening stock of finished goods	2,113,219	1,981,716	3,445,924	3,229,389
Finished goods purchased	4,041,200	3,694,870	1,184,946	962,083
	9,385,474	8,530,534	5,516,228	4,953,317
Less: Closing stock of finished goods	3,091,298	2,809,874	3,091,298	2,809,874
	6,294,176	5,720,660	2,424,930	2,143,443

	(UN - AUDITED)	
	30 September 2014	30 September 2013
	(Rupees in '000')	
12. NET CHANGES IN WORKING CAPITAL		
(Increase)/decrease in assets		
Stores and spares	(248)	(996)
Stock in trade	(1,256,006)	(1,062,962)
Trade debts	(704,550)	(483,009)
Advances - unsecured	(26,464)	(44,980)
Deposits, short term prepayments and other receivables	(62,768)	(105,461)
Long term deposits and prepayments	(15,519)	(575)
Increase / (decrease) in liabilities		
Trade and other payables	845,053	470,179
Long term deposits	(1)	1,001
	(1,220,503)	(1,226,803)
13 CASH AND CASH EQUIVALENTS		
Short term investment	400,000	580,000
Cash and bank balances	364,414	148,726
	764,414	728,726

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION - UNAUDITED FOR THE NINE MONTH ENDED 30 SEPTEMBER 2014

14. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise of parent company, related group companies, provident fund trusts, directors and key management personnel. Transactions with related parties during the period are as follows:

Relationship with the Company	Nature of transactions	(UN - AUDITED) Nine month ended		(UN - AUDITED) Three month ended	
		30 September 2014	30 September 2013	30 September 2014	30 September 2013
		(Rupees in '000)			
Associated Companies	Purchase of goods and services	1,102,703	1,084,914	341,750	327,894
	Sale of goods and services	9,960	4,200	6,303	2,407
	Dividend paid	199,005	130,775	199,005	130,775
	Brand royalty paid	239,282	220,653	91,024	83,221
	Management service fee and IT charges	128,470	122,647	37,727	41,825
Staff Retirement Benefits	Contribution to provident fund trusts	35,145	31,826	11,559	9,893
Key management personnel	Remuneration	75,484	55,319	27,469	16,414

The Company continues to have a policy whereby all transactions with related parties and associated undertakings are entered into at arm's length.

	(UN - AUDITED) Nine month ended		(UN - AUDITED) Three month ended	
	30 September 2014	30 September 2013	30 September 2014	30 September 2013
	(Rupees in '000)			
15. EARNINGS PER SHARE - BASIC AND DILUTED				
Profit after taxation attributable to ordinary share holders (in '000)	933,157	935,947	324,391	391,674
Weighted average number of ordinary shares - Number (in '000)	7,560	7,560	7,560	7,560
Earnings per share - Basic (Rs.)	123.43	123.80	42.91	51.81

15.1 No figure for diluted earnings per share has been disclosed as the Company has not issued any instrument which would have a dilutive impact on earnings per share, when exercised.

16. POST BALANCE SHEET EVENTS

The Board of Directors in its meeting held on 24 October 2014 has approved an interim cash dividend @ Rs. 43 per share in respect of the nine month period ended 30 September 2014 (30 September 2013: Rs. 65) amounting to Rs. ('000) 325,080 (30 September 2013: Rs. ('000) 491,400). This financial information does not reflect the effect of the above event.

17. DATE OF AUTHORIZATION

This financial information was authorized for issue by the Board of Directors on 24 October 2014.

18. GENERAL

The figures in this interim financial information have been rounded off to the nearest thousand rupees unless otherwise stated.

Chief Executive

Director



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