

Our Vision

To be a leading investment company, governed by shareholder returns and managed in line with the highest ethical standards.

Our Commitment

We will maintain financial discipline and adhere to professional and moral codes. In the operation of the company, we will comply with all rules and regulations set down by the supervisory authorities.

Company information

Board of Directors	Mr. Muzaffar Ali Shah Bukhari Mr. Nasir Ali Shah Bukhari Syeda Mubashira Bukhari Khwaja Mr. Tariq Riaz Malik Syed Waseem ul Haq Haqqi Mr. Irshad Ali Shaban Ali Kassim Ms. Sophie Lui	Chairman Chief Executive Officer Director Director Director Director Director
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Chief Financial Officer Mr. Muhammad Aamir Ahmadani

Company Secretary Mr. Zia-ul-Haq

Auditors M/s Ernst & Young Ford Rhodes Sidat Hyder & Co.
Chartered Accountants

Legal Advisor Mohsin Tayebaly & Co.

Audit Committee	Syed Waseem ul Haq Haqqi Mr. Muzaffar Ali Shah Bukhari Mr. Tariq Riaz Malik	Chairman Member Member
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Bankers KASB Bank Limited
Soneri Bank Limited

**Registered Office &
Head Office** 90-91 Razia Shariff Plaza, Blue Area, Islamabad - 44000
Tel : (051) 2826181-82
Fax : (051) 2826184
Email : info.kcorp@kasb.com
Website : www.kasb.com

Principal Office 8-C, Block 6, P.E.C.H.S., Off Shahrah-e-Faisal, Karachi.
Tel : (021) 34557233-4, 34544850-1,
Fax : (021) 34544439

Share Registrar THK Associates (Pvt.) Limited
Ground Floor, State Life Building No. 3, Dr. Ziauddin Ahmed Road,
Karachi. 75530. P.O.Box. No. 8533
Tel: (92-21) 111-000-322, Fax: (92-21) 35655595
Email : info@thk.com.pk
Website : www.thk.com.pk

Directors' Reports to the Members

On behalf of the Board of Directors of KASB Corporation Limited (formerly Sigma Corporation Limited), I am pleased to present the Directors' Report and financial statements of the Company for the first quarter ended September 30, 2013.

Financial Performance for the First Quarter 2013

Profit and Loss Account	Sep 30, 2013
	Rs. (000)
Revenue	7,491
Expenses	2,421
Profit before tax	5,070
Taxation	80
Net profit	4,990
Earnings per share (Rupee)	0.17

Merger with KASB Finance Private Limited

We are pleased to inform the members that the Honorable Islamabad High Court on September 24, 2013 has granted approval to the Scheme of Amalgamation with KASB Finance (Private) Limited subject to increase in authorized capital of your Company. Consequent upon this order, the Company increased its authorized capital from Rs.1,000,000,000/- to Rs. 12,500,000,000/- on October 07, 2013 after obtaining approval from the shareholders and the Company now stands merged with KASB Finance (Private) Limited.

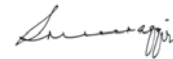
Changes in Board Composition

There has been no change in the Board composition since the last Directors' report dated September 28, 2013.

Acknowledgement

The Directors wish to record their gratitude to the Company's valued clients, shareholders and business partners for their continued trust and confidence, Securities and Exchange Commission of Pakistan and other regulatory authorities for their guidance. The Board would also like to record their appreciation to the employees of the Company for their commitment and dedication.

For and on behalf of the Board of Directors.



Chairman

Dated: October 30, 2013
Karachi

Condensed Interim Balance Sheet
As at September 30, 2013

	September 30, 2013	June 30, 2013
	<u>Note</u>	<u>Audited</u>
	----- Rupees -----	
ASSETS		
Current assets		
Cash and bank balances	152,694,222	8,454,694
Investments	4 182,497,001	320,983,599
Short term loans	10,000,000	10,000,000
Prepayments and other receivables	513,852	708,116
Advance taxation - net	1,017,267	955,477
Total current-assets	346,722,342	341,101,886
Non-current assets		
Long term deposits	234,934	232,200
Property and equipment	62,114,392	62,315,232
Total non-current assets	62,349,326	62,547,432
TOTAL ASSETS	409,071,668	403,649,318
LIABILITIES		
Current liabilities		
Accrued expenses and other liabilities	4,196,953	3,775,150
Total current liabilities	4,196,953	3,775,150
Non-current liabilities		
Deferred tax liability - net	6,166,196	6,155,703
Total Liabilities	10,363,149	9,930,853
Net Assets	398,708,518	393,718,465
Represented By		
Share capital	300,000,000	300,000,000
Reserves	53,842,861	48,800,731
	353,842,861	348,800,731
Surplus on revaluation of property and equipment - net of deferred tax	44,865,658	44,917,734
	398,708,518	393,718,465
Contingencies and commitments	5	

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements



Chief Executive Officer



Director

Condensed Interim Profit & Loss Account (un-audited)
For the quarter / period ended September 30, 2013

	Quarter / Period Ended	
	September 30,	
	2013	2012
	----- Rupees -----	
Income		
Mark-up on bank balances and short term loans	582,722	1,897,534
Mark-up on investments	70,890	1,577,639
Realised gain on sale of investments	6,292,848	1,150,133
Unrealised gain on revaluation of investments	544,094	4,508,918
Other operating income	-	480,000
	7,490,554	9,614,224
Expenses		
Administrative and operating expenses	2,419,848	2,075,511
Financial charges	694	2,074
	2,420,542	2,077,585
Profit before taxation	5,070,011	7,536,639
Taxation		
Current	69,465	646,866
Deferred	10,493	14,983
	79,958	661,848
Net profit for the period	4,990,053	6,874,790
Earnings per share - basic and diluted	0.17	0.23

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Chief Executive Officer



Director

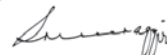
Condensed Interim Statement of Comprehensive Income (un-audited)
For the quarter / period ended September 30, 2013

	<u>Quarter / Period Ended</u>	
	<u>September 30,</u>	
	<u>2013</u>	<u>2012</u>
	<u>------(Rupees)-----</u>	
Profit for the period	4,990,053	6,874,790
Other comprehensive income		
Surplus on revaluation of investments - net	-	-
Total comprehensive income for the period	<u><u>4,990,053</u></u>	<u><u>6,874,790</u></u>

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements



Chief Executive Officer



Director

Condensed Interim Cash Flow Statement (un-audited) For the quarter / period ended September 30, 2013

	Quarter / Period Ended	
	September 30,	
	2013	2012
	----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation	5,070,011	7,536,639
Adjustments for:		
Depreciation	200,840	214,103
Financial charges	694	2,074
Net gain on remeasurement of investments held for trading	(544,094)	(4,508,918)
Realized gain on sale of investments	(6,292,848)	(1,150,133)
	(1,565,397)	2,093,765
Changes in operating assets / liabilities		
Prepayments and other receivables	194,264	3,965
Accrued expenses and other liabilities	421,803	(7,266)
	616,067	(3,301)
Cash (used in) generated from operations	(949,330)	2,090,464
Financial charges paid	(694)	(2,074)
Taxes paid	(131,254)	(372,299)
	(131,948)	(374,373)
Net cash generated from operating activities	(1,081,277)	1,716,091
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of investments	(230,000,000)	(424,928,904)
Proceeds on disposal of investments	375,323,540	368,350,000
Deposits	(2,734)	-
Net cash used in investing activities	145,320,806	(56,578,904)
Net (decrease) / Increase in cash and cash equivalents	144,239,529	(54,862,813)
Cash and cash equivalents at beginning of the period	8,454,694	69,894,289
Cash and cash equivalents at end of the period	152,694,222	15,031,476

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Chief Executive Officer



Director

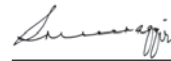
Condensed Interim Statement of Changes in Equity (un-audited)
For the quarter / period ended September 30, 2013

	Share Capital	Reserve Funds	Un-appropriated Profit	Surplus / (deficit) on re-valuation of investment	Total
	(Rupees)				
Balance as at June 30, 2012	300,000,000	-	24,942,144	-	324,942,144
Total comprehensive income for the period					
Profit for the period	-	-	6,874,790	-	6,874,790
Other comprehensive income / (loss)					
Surplus on revaluation of investments - net	-	-	-	-	-
	<u>300,000,000</u>	<u>-</u>	<u>31,816,934</u>	<u>-</u>	<u>331,816,934</u>
Transfer from surplus on revaluation of property and equipment - net of tax	-	-	52,079	-	52,079
Balance as at September 30, 2012	<u>300,000,000</u>	<u>-</u>	<u>31,869,013</u>	<u>-</u>	<u>331,869,013</u>
Balance as at June 30, 2013	300,000,000	-	48,800,731	-	348,800,731
Total comprehensive income for the period					
Profit for the period	-	-	4,990,053	-	4,990,053
Other comprehensive income / (loss)					
Surplus on revaluation of investments - net	-	-	-	-	-
	<u>300,000,000</u>	<u>-</u>	<u>53,790,784</u>	<u>-</u>	<u>353,790,784</u>
Transfer from surplus on revaluation of property and equipment - net of tax	-	-	52,076	-	52,076
Balance as at September 30, 2013	<u>300,000,000</u>	<u>-</u>	<u>53,842,861</u>	<u>-</u>	<u>353,842,861</u>

The annexed notes from 1 to 8 form an integral part of these condensed interim financial statements



Chief Executive Officer



Director

Notes to the Condensed Interim Financial Statements (un-audited)
For the quarter / period ended September 30, 2013

1. LEGAL STATUS AND OPERATIONS

The Company was incorporated in Pakistan on April 11, 1996 as a Public Limited Company and received certificate of commencement of business on January 27, 1997 and is listed on the Karachi Stock Exchange. The registered office of the Company is situated at 90-91 Razia Shariff Plaza, Blue Area, Islamabad.

On May 31, 2012, the Securities & Exchange Commission of Pakistan (SECP) de-registered the Company as a Non-Banking Finance Company (NBFC) and revoked its license to carry on leasing business vide letter NLA/PRDD/SCD/Sigma/2012-704.

During the previous year, the Board of Directors of the Company has approved in principle the proposed merger of the Company with KASB Finance Private Limited (KFPL) in their meeting held on October 31, 2012. For this purpose, a scheme of amalgamation (the Scheme) has also been approved by shareholders of the Company in their Extra Ordinary General Meeting held on 22 July 2013, subject to completion of requisite legal and regulatory requirements. As per the proposed Scheme, the entire undertaking and business inclusive of all assets, properties, rights, liabilities and dues of KFPL will be transferred to and assumed by the Company with effect from 26 September 2012.

The Company along with KFPL had filed a petition in the Honorable High Court of Islamabad (the Honorable High Court) for the approval of the amalgamation scheme. The Honorable Islamabad High Court on September 24, 2013 has granted approval to the Scheme of Amalgamation with KFPL subject to increase in authorized capital of the Company. Consequent upon this order, the Company increased its authorized capital from Rs. 1,000,000,000/- to Rs. 12,500,000,000/- on October 07, 2013 after obtaining approval from the shareholders and the Company now stands merged with KFPL.

These financial statements present the standalone position of KASB Corporation Limited (formerly Sigma Corporation Limited). As the merger stand legally approved on 7 October 2013. the same will be accounted for and reported in the financial statements for the period ended 31 December 2013.

2. BASIS OF PREPARATION OF CONDENSED INTERIM FINANCIAL STATEMENTS

These condensed interim financial statements are unaudited and are being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and have been prepared in accordance with the requirements of International Accounting Standard (IAS) - 34 "Interim Financial Reporting", as applicable in Pakistan. The condensed interim financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the financial statements of the Company for the year ended June 30, 2013.

3. ACCOUNTING POLICIES

The accounting policies adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of financial statements for the preceding year ended June 30, 2013.

4. INVESTMENTS	Note	September 30,	June 30,
		2013	2013
		Un-audited	Audited
		----- Rupees -----	
At fair value through profit or loss (held for trading)	4.1	182,497,001	270,983,599
Held to maturity	4.2	-	50,000,000
		<u>182,497,001</u>	<u>320,983,599</u>

4.1 At fair value through profit or loss

Number of Units / Certificates	Name of mutual funds (related party)	September 30, 2013		June 30, 2013	
		Un-audited	Audited	Un-audited	Audited
September 30, 2013	June 30, 2013	----- Rupees -----			
		Cost	Market Value	Cost	Market Value
Held for trading					
Mutual Funds					
784,656.0509	392,555.2199	80,000,000	80,050,296	40,000,000	40,318,287
1,002,483.1570	2,040,216.6162	100,000,000	100,000,000	202,185,309	211,914,444
33,393.7150	235,255.7167	1,952,907	2,446,704	15,710,965	18,750,869
		<u>181,952,907</u>	<u>182,497,001</u>	<u>257,896,274</u>	<u>270,983,599</u>
	Unrealized gain on remeasurement of fair value through profit or loss investments	544,093	-	13,087,325	-
		<u>182,497,001</u>	<u>182,497,001</u>	<u>270,983,599</u>	<u>270,983,599</u>

4.2 This represents certificate of Musharaka issued by KASB Modaraba (related party) matured during period.

5. CONTINGENCIES AND COMMITMENTS

The status of contingencies and commitments remained unchanged as disclosed in the financial statements for the year ended June 30, 2013.

6. TRANSACTIONS WITH RELATED PARTIES

Related parties of the company comprise associates, retirement benefit fund, major shareholders, directors and key management personnel and their close family members. Transactions/ balances with related parties are summarized as follows:

	September 30, 2013	June 30, 2013
	<u>Un-audited</u>	<u>Audited</u>
	----- Rupees -----	
Balances		
Bank balances	152,648,212	8,404,480
Short term loans	10,000,000	10,000,000
Certificate of musharaka	-	50,000,000
Investment in mutual funds	181,952,907	257,896,274
	September 30, 2013	September 30, 2012
	<u>Un-audited</u>	<u>Un-audited</u>
	----- Rupees -----	
Transactions		
Income		
Markup on desopits and short term loans	456,431	283,315
Return on investments	6,363,738	1,150,133
Expenses		
Financial charges	624	150
Others		
Contribution paid to employees provident fund	13,761	38,963

7. DATE OF AUTHORIZATION

These interim condensed financial statements were authorized for issue in the Board of Directors meeting held on October 30, 2013.

8. GENERAL

- 8.1 The figures of the corresponding period have been rearranged wherever necessary for the purpose of better presentation and comparison.
- 8.2 Figure have been rounded off to the nearest rupee.



Chief Executive Officer



Director

