



ISMAIL
INDUSTRIES
LIMITED



TO A
LEGACY
& MORE...

QUARTERLY REPORT
SEPTEMBER 2019

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COMPANY PROFILE

Board of Directors

Mr. Muhammad M. Ismail	Chairman
Mr. Munsarim Saifullah	Chief Executive Officer
Mr. Ahmed Muhammad	Executive Director
Mr. Hamid Maqsood Ismail	Non-Executive Director
Mr. Maqsood Ismail	Non-Executive Director
Mr. M. Zubair Motiwala	Independent Director
Ms. Tasneem Yusuf	Independent Director

Audit Committee Members

Ms. Tasneem Yusuf	Chairperson
Mr. Muhammad M. Ismail	Member
Mr. Maqsood Ismail	Member

Registered Office

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

Factories

Unit-1: C-230, Hub H.I.T.E.,
Balochistan.

Unit -2: B-140, Hub H.I.T.E.,
Balochistan.

Unit-3: G-1, Hub H.I.T.E.,
Balochistan.

Unit-4: G-22, Hub H.I.T.E.,
Balochistan.

Unit-5: 38-C, Sundar Industrial Estate
Raiwind Road, Lahore.

Unit-6: D-91, D-92 & D-94 North Western Zone,
Port Qasim.

Unit-7: E164-168, North Western Zone,
Port Qasim.

Unit-8: E154-157, North Western Zone,
Port Qasim.

Human Resource & Remuneration Committee

Mr. M. Zubair Motiwala	Chairman
Mr. Maqsood Ismail	Member
Ms. Farzana Muhammad	Member

Company Secretary

Mr. Ghulam Farooq

Chief Financial Officer

Mr. Abdul Qadir

Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.

Share Registrar

THK Associates (Pvt.) Limited

Bankers / Institutions

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial & Commercial Bank of China Limited
JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Pak Brunei Investment Co Ltd
Pak Oman Investment Co. Ltd
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited

DIRECTOR'S REVIEW REPORT ON COMPANY'S AFFAIRS

The Board of Directors of the Company is pleased to present the stand alone and consolidated un-audited condensed interim financial information of Ismail Industries Limited for the quarter ended September 30, 2019. Brief highlights of the Company's performance for the quarter under review is here under:

Description	Sep-19	Sep-18
	PKR in Million	
Sales	9,928	8,560
Gross Profit	1,686	1,576
Operating Profit	729	764
Profit before tax	450	579
Profit after tax	193	392
Earnings per share - Rs.	3.02	6.14

Despite tough economic and business conditions, the overall performance of Company's food and plastic divisions were quite satisfactory, and topline of the Company shows growth of 16% which stood at **Rs. 9,928 million** as compared to **Rs. 8,560 million** in the corresponding period. Growth in food segment achieved through aggressive marketing and trade activities whereas in plastic segment it has a substantial effect of RKR devaluation due to which price of basic raw material increased. The company has also initiated different customer awareness and regaining brand loyalty tactics in order to align the Company's growth strategy.

During the period under review earnings after tax is **Rs. 193 million** in comparison of **Rs. 392 million** earned in the same period of last year. The reason for decline in profitability is due to drastic hike in gas prices, financing cost and PKR devaluation which ultimately increased the cost of doing business and put the pressure on overall profitability of the Company. However, the Company has strategically initiated various cost rationalization measures across the entire spectrum of the business to achieve these results.

We are confident to achieve sustained growth through diversification and witnessed good progress in launching of new products, higher sales volume and cost controls. The management has also undertaken various initiatives like curtailment of input cost, increasing production at optimum levels and getting better results from synergies in operation to enhance the shareholders' value in upcoming periods.

FUTURE OUTLOOK

Business environment will continue to remain challenging and competitive intensity is likely to remain high in periods ahead. Our primary focus is still on aggressive volume driven sales growth through both new and existing products which will further allow us to take advantage of economies of scale. The Company has a long-term optimistic outlook for its business and is taking appropriate measures by optimizing operations and expanding the product base.

ACKNOWLEDGEMENT

We acknowledge the trust and continued support of our valuable customers, financial institution and shareholders towards the Company. The Directors would also like to place on record their appreciation to all workforce of the Company for their dedication, diligence, commitment and hard work.

On behalf of the,
Board of Directors

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Karachi: October 28, 2019

ڈائریکٹران کی جائزہ رپورٹ

ہوگا اور آنے والی مدتوں میں حصص یافتگان کو کاروباری سرگرمیوں سے مزید بہتر نتائج فراہم کئے جائیں گے۔

مستقبل کی پیش بینی

کاروباری ماحول تسلسل کے ساتھ دشوار گزار رہے گا اور توقع ہے کہ آنے والی مدتوں میں مسابقت کی شدت میں اضافہ ہوگا۔ ہماری توجہ کا بنیادی مرکز اب بھی نئی اور موجودہ مصنوعات کے حجم فروخت میں متحرک اضافہ پر ہے جس سے ہمیں بڑے پیمانے پر معاشی فائدہ ہوگا۔ کمپنی اپنے کاروبار میں طویل مدتی حوصلہ افزاء منظر نامہ دیکھ رہی ہے اور اپنے کاروباری افعال میں بہتری اور مصنوعات کی بنیاد میں وسعت لانے کے لئے مناسب اقدامات کر رہی ہے۔

اعتراف

ہم اپنے قابل قدر گاہکوں، مالیاتی اداروں، حصص یافتگان کے کمپنی کے لئے تسلسل تعاون اور اعتماد پر ان کے مشکور ہیں۔ ڈائریکٹران اس موقع پر کمپنی کے تمام ملازمین کے خلوص، شائستگی، انتھک محنت اور جدوجہد پر ان کے لئے ستائش ریکارڈ پر لانا چاہتے ہیں۔

منجانب بورڈ آف ڈائریکٹرز

منصرہ سیف اللہ مقصود اسامیل
چیف ایگزیکٹو ڈائریکٹر

آپ کی کمپنی کے ڈائریکٹران اسماعیل انڈسٹریز لمیٹڈ کے تنہا اور مجموعی غیر آڈٹ شدہ اختصاری عبوری مالیاتی نتائج برائے مختتمہ مدت 30 ستمبر 2019 پیش کرتے ہوئے اظہار مسرت کرتے ہیں۔ جائزہ سد ماتی میں کمپنی کی کارکردگی کی مختصراً جھلکیاں درج ذیل ہیں:

تفصیل	ستمبر 2019	ستمبر 2018
فروخت	9,928	8,560
خام منافع	1,686	1,576
کاروباری منافع	729	764
منافع قبل از ٹیکس	450	579
منافع بعد از ٹیکس	193	392
فی حصص آمدن - روپے	3.02	6.14

دشوار گزار معاشی اور کاروباری صورتحال کے باوجود آپ کی کمپنی کے غذائی اور پلاسٹک کے شعبوں کی کارکردگی مجموعی طور پر انتہائی تسلی بخش رہی اور کمپنی کی فروخت 16 فیصد اضافہ کے ساتھ 9,928 ملین روپے رہی جبکہ گزشتہ مدت میں 8,560 ملین روپے تھی۔ غذائی شعبے میں نمونہ متحرک مارکیٹنگ اور تجارتی سرگرمیوں کی وجہ سے ہوئی جبکہ پلاسٹک کے شعبے میں روپے کی قدر میں کمی نے قابل ذکر اثرات مرتب کئے جس کی وجہ سے بنیادی خام مال کی قیمت میں اضافہ ہو گیا۔ کمپنی کی نمونہ حکمت عملی کے تحت کمپنی نے گاہکوں کی آگاہی اور برانڈ پروگراموں کا اعتماد کو بڑھانے کے لئے مختلف کارا اختیار کئے۔

جائزہ مدت کے دوران منافع بعد از ٹیکس 193 ملین روپے رہا جبکہ گزشتہ سال اسی مدت میں 392 ملین روپے کا منافع ہوا تھا۔ منافع میں کمی کی وجہ ٹیکس کی قیمتوں اور مالیاتی لاگت میں بڑے پیمانے پر اضافہ اور روپے کی قدر میں کمی ہے جس کے نتیجے میں کاروباری لاگت بڑھ گئی اور کمپنی کی مجموعی منافع کاری پر دباؤ بڑھ گیا۔ تاہم کمپنی نے حکمت عملی کے ذریعے کاروبار میں لاگتوں کو کم کرنے کے لئے مختلف اقدامات کئے اور جس سے یہ نتائج حاصل ہوئے۔

ہم پُر اعتماد ہیں کہ تنوع کے ذریعے پائیدار نمو آئے گی اور نئی مصنوعات کے متعارف ہونے سے اچھی کارکردگی کا مشاہدہ ہونے کے ساتھ بلند حجم فروخت حاصل ہوگا اور لاگتوں پر قابو پایا جائے گا۔ انتظامیہ نے نئی مختلف اقدامات کئے ہیں جن سے خام مال کی لاگت میں کمی کے ساتھ پیداوار میں بلند سطح تک اضافہ

UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER
ENDED SEPTEMBER 30, 2019

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2019

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Property, plant and equipment	8	15,646,583,860	12,758,702,112
Intangible assets		80,760,518	85,453,143
Long term investments	9	3,833,394,351	3,212,049,382
Long term deposits		58,498,477	44,303,491
Total non-current assets		19,619,237,206	16,100,508,128
Current assets			
Stores and spares	10	393,422,348	278,975,893
Stock-in-trade	11	5,599,264,648	5,111,616,128
Trade debts	12	3,171,691,526	2,746,331,968
Loans and advances		1,401,359,262	1,599,840,527
Trade deposits and short-term prepayments		119,536,140	33,409,696
Other receivables		124,727,991	131,962,803
Taxation - net		862,341,003	929,456,127
Cash and bank balances	13	65,657,616	32,394,264
Total current assets		11,738,000,534	10,863,987,406
Total assets		31,357,237,740	26,964,495,534
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital			
250,000,000 (June 30, 2019: 250,000,000) ordinary shares of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up share capital			
63,804,750 (June 30, 2019: 63,804,750) ordinary shares of Rs.10 each		638,047,500	638,047,500
Reserves		6,909,859,847	6,736,199,160
Total shareholders' equity		7,547,907,347	7,374,246,660
Non-current liabilities			
Sponsors' loan - subordinated	14	902,151,770	902,151,770
Long-term finances - secured	15	9,473,499,835	6,152,679,111
Liabilities against assets subject to finance lease		112,415,020	136,024,558
Deferred liabilities		1,789,646,200	1,632,662,558
Total non-current liabilities		12,277,712,825	8,823,517,997
Current liabilities			
Trade and other payables	16	2,170,650,279	2,051,217,937
Accrued mark-up		240,108,430	205,692,929
Short-term finance - secured	17	6,654,188,061	6,299,903,812
Current portion of:			
- long-term finances - secured	15	2,027,739,324	1,913,163,282
- liabilities against assets subject to finance lease		94,503,766	100,219,845
Unclaimed dividend		2,338,500	2,338,500
Unpaid dividend		191,414,250	-
Advances from customers		150,674,958	194,194,572
Total current liabilities		11,531,617,568	10,766,730,877
Total liabilities		23,809,330,393	19,590,248,874
Contingencies and commitments	18		
Total equity and liabilities		31,357,237,740	26,964,495,534

The annexed selected notes from 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Note	Three-months period ended	
		September 30, 2019	September 30, 2018
		-----Rupees-----	
Sales - gross	22.1	9,927,706,296	8,559,912,147
Sales returns and discounts		(495,187,545)	(529,618,395)
Export rebate		2,161,192	2,544,202
		(493,026,353)	(527,074,193)
		9,434,679,943	8,032,837,954
Sales tax		(1,414,304,434)	(1,212,284,107)
Sales net		8,020,375,509	6,820,553,847
Cost of sales	22.1	(6,334,456,347)	(5,244,513,721)
Gross profit		1,685,919,162	1,576,040,126
Selling and distribution expenses		(818,813,229)	(691,622,507)
Administrative expenses		(137,927,281)	(120,498,338)
Operating profit		729,178,652	763,919,281
Other operating expenses		(59,079,907)	(74,984,326)
		670,098,745	688,934,955
Other income		65,729,910	43,317,696
		735,828,655	732,252,651
Finance cost		(309,808,206)	(190,124,509)
		426,020,449	542,128,142
Share of profit from associated companies - net		24,072,287	36,564,047
Profit before taxation		450,092,736	578,692,189
Taxation		(257,540,698)	(186,921,666)
Profit after taxation		192,552,038	391,770,523
Earnings per share - basic	19	3.02	6.14

The annexed selected notes from 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Note	Three-months period ended	
		September 30, 2019	September 30, 2018
		-----Rupees-----	
Profit after taxation		192,552,038	391,770,523
<i>Item that will be reclassified to statement of profit or loss in subsequent period</i>		-	-
<i>Item that will not be reclassified to statement of profit or loss in subsequent period</i>			
Realized appreciation during the year on disposal of investment classified as fair value through OCI - net of tax		-	(26,092,557)
Share of other comprehensive income / (loss) from associated undertaking - net of tax	9.4	172,522,899	(163,510,659)
Other comprehensive income / (loss) for the period - net of tax		172,522,899	(189,603,216)
Total comprehensive income for the period		365,074,937	202,167,307

The annexed selected notes from 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Total Reserves					Total shareholders' equity
	Capital reserve		Revenue reserve		Total reserves	
	Share premium	Amalgamation reserves	Remeasurement of investment in associate	Remeasurement of investment at fair value through OCI		
Issued, subscribed and paid-up share capital						
638,047,500	579,265,000	916,862,067	(366,021,780)	26,092,557	5,425,785,968	6,581,283,812
Rupees						
-	-	-	-	-	391,770,523	391,770,523
-	-	-	-	(26,092,557)	-	(26,092,557)
-	-	-	(163,510,659)	-	(163,510,659)	(163,510,659)
-	-	-	(163,510,659)	(26,092,557)	391,770,523	202,167,307
-	-	-	-	-	(287,121,375)	(287,121,375)
638,047,500	579,265,000	916,862,067	(529,532,439)	-	5,530,435,116	7,135,077,244
638,047,500	579,265,000	916,862,067	(854,605,234)	-	6,094,677,327	7,374,246,660
-	-	-	-	-	192,552,038	192,552,038
-	-	-	172,522,899	-	-	172,522,899
-	-	-	172,522,899	-	192,552,038	365,074,937
-	-	-	-	-	(191,414,250)	(191,414,250)
638,047,500	579,265,000	916,862,067	(682,082,335)	-	6,095,815,115	6,909,859,847

Balance as at July 01, 2018

Profit for the three months period ended September 30, 2018

Realized appreciation on disposal of investment - net of tax

Share of other comprehensive loss from associate - net of tax

Total comprehensive (loss)/income for the period

Transaction with owners, recognised directly in equity

Final Cash dividend for the year ended June 30, 2018 @ Rs. 4.50 per share

Balance as at September 30, 2018

Balance as at July 01, 2019

Profit for the three months period ended September 30, 2019

Share of other comprehensive income from associated - net of tax

Total comprehensive income for the period

Transaction with owners, recognised directly in equity

Final Cash dividend for the year ended June 30, 2019 @ Rs. 3 per share

Balance as at September 30, 2019

The annexed selected notes from 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

		September 30, 2019	September 30, 2018
	Note	-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes	20	36,041,492	97,603,104
Gratuity paid		(5,596,827)	(10,928,911)
Income taxes paid		(72,677,321)	(100,679,734)
Long-term deposits paid		(14,194,986)	-
Net cash used in operating activities		(56,427,642)	(14,005,541)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		(3,213,598,808)	(183,073,608)
Investment in associated undertakings		(16,294,565)	-
Proceeds from sale of investment		-	163,270,000
Advance against shares		(178,010,000)	-
Long term investment-Term Finance Certificates	9.5	(200,000,000)	-
Proceeds from disposal of property, plant and equipment		7,001,506	-
Net cash used in investing activities		(3,600,901,867)	(19,803,608)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from long-term financing - net		3,435,396,766	324,497,757
Lease repayment net of sale and lease back		(29,325,617)	(23,659,569)
Interest / mark-up paid		(275,392,705)	(204,095,826)
Net cash generated from financing activities		3,130,678,444	96,742,362
Net (decrease) / increase in cash and cash equivalents		(526,651,064)	62,933,213
Cash and cash equivalents at the beginning of the period		(3,267,596,157)	(1,916,243,707)
Cash and cash equivalents at the end of the period	21	(3,794,247,221)	(1,853,310,494)

The annexed selected notes from 1 to 24 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

SELECTED NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

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. The registered office of the Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange. The principal activities of the Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips, cast polypropylene (CPP) and Biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity' and 'Astro films' respectively.

2 SIGNIFICANT EVENTS AND TRANSACTIONS

There are no significant events and transactions occurred during the period.

3 STATEMENT OF COMPLIANCE

These condensed interim unconsolidated financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4 BASIS OF PREPARATION

These condensed interim unconsolidated financial statements of the Company does not include all of the information and disclosure required in the unconsolidated annual financial statements and should be read in conjunction with the unconsolidated annual financial statements of the Company as at and for the year ended June 30, 2019. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The figures in the condensed interim unconsolidated financial information for the three-months period ended September 30, 2019 and September 30, 2018 are neither audited nor reviewed.

5 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim unconsolidated financial statements are the same as those applied in the preparation of the unconsolidated financial statements of the company for the year ended June 30, 2019.

6 USE OF JUDGEMENTS AND ESTIMATES

The estimates / judgments and associated assumptions used in the preparation of this condensed interim unconsolidated financial information are consistent with those applied in the preparation of the unconsolidated financial statements of the Company for the year ended June 30, 2019.

7 FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated condensed interim financial statements is presented in Pakistani Rupees which is also Company's functional currency.

8 PROPERTY, PLANT AND EQUIPMENT

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
Operating fixed assets	8.1	13,012,542,667	12,120,868,266
Capital work in progress - at cost	8.2	2,634,041,193	637,833,846
		15,646,583,860	12,758,702,112

8.1 Details of additions and disposal to operating fixed assets during the three-months period are as follows:

	(Un-audited)			
	Additions		Disposals	
	-----At cost-----		-----At net book value-----	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	----- Rupees -----			
Owned assets				
Building on leasehold land	177,222,240	-	-	-
Plant and machinery	1,018,693,731	-	675,727	-
Equipments	5,121,338	131,874	-	-
Computers	1,390,600	125,568	-	-
Vehicles	185,000	4,645,503	3,814,520	-
	1,202,612,909	4,902,945	4,490,247	-
Leased assets				
Vehicles	14,778,552	5,857,000	-	-
	14,778,552	5,857,000	-	-
	1,217,391,461	10,759,945	4,490,247	-

8.2 Details of additions in and transfers from CWIP during the three-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	----- Rupees -----			
Civil works	616,995,281	42,305,399	177,222,240	-
Plant and machinery	2,575,128,037	115,058,264	1,018,693,731	-
	3,192,123,318	157,363,663	1,195,915,971	-

(Un-audited) (Audited)
September 30, June 30,
2019 2019
----- Rupees -----

Note

9 LONG-TERM INVESTMENTS

Investment in subsidiary company - unquoted shares

Hudson Pharma (Private) Limited	9.1	605,984,000	605,984,000
Add: Advance against shares		554,125,000	376,115,000
		1,160,109,000	982,099,000

Investment in associated undertakings

Novelty Enterprises (Private) Limited- unquoted shares	9.2	228,717,751	228,717,751
The Bank of Khyber	9.3	2,244,567,600	2,001,232,631

Other investment - at amortised cost

Term Finance Certificates-Habib Bank Limited	9.5	200,000,000	-
		3,833,394,351	3,212,049,382

9.1 Hudson Pharma (Private) Limited

The Company holds 60,598,400 (June 2019: 60,598,400) shares of Hudson Pharma (Private) Limited (subsidiary), which is equivalent to 71.29% of total paid-up share capital. The subsidiary is incorporated under Companies Act, 2017 as a private company, limited by shares. The registered office of the company is located at 17 Bangalore town, main Shahrah-e-Faisal Karachi. Principal activities of the subsidiary are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholeselling and retailing, trading and selling of all kinds of pharmaceutical drugs and medicines. The shares of subsidiary are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of subsidiary is June 30.

9.2 Novelty Enterprises (Private) Limited

The Company holds 33% (June 2019: 33%) voting and equity interest in Novelty Enterprises (Private) Limited (NEL). The shares of NEL are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of NEL is June 30.

Total equity / net assets of NEL as at June 30, 2019 based on un-audited financial statements amounted to Rs. 561.43 million (2018: Rs. 561.43 million based on audited financial statements). However, as per report of an independent valuer, Masud Associates dated December 31, 2015 fair value of fixed assets of NEL amounted to Rs. 1,016.32 million resulting in surplus on fixed assets of Rs. 483.61 million. Revised net assets after the revaluation surplus amounted to Rs. 1,045.06 million (2018: Rs. 1,045.06 million). Accordingly, the management is of the view that it would be able to recover carrying values of its investment.

9.3 The Bank of Khyber

The total shareholding of the Company in the Bank of Khyber (the Bank) is 244,339,031 shares which represents 24.43% of paid-up capital of the Bank (June 2019: 24.16%). In addition to this, the Company also has representation on the board of directors of the Bank. The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these financial statements have been taken from unaudited financial statements of the Bank for the nine-months period ended September 30, 2019 and unaudited interim six-months period ended June 30, 2019. Adjustment to confirm to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as on September 30, 2019 was Rs. 2,719.49 million (June 30, 2019: Rs. 2,382.56 million).

9.4 These investments are accounted for under the equity method. The aggregate amount of the associates recognized in these financial statements are as follows:

	The Bank of Khyber		Novelty Enterprises (Private) Limited	
	(Un-audited) September 30, 2019	(Audited) June 30, 2019	(Un-audited) September 30, 2019	(Audited) June 30, 2019
Balance as at July 01	2,001,232,631	2,530,641,520	228,717,751	228,727,912
Investment made during the period	16,294,565	-	-	-
Share of profit relating to statement of profit or loss	24,072,287	45,395,175	-	(10,161)
Share of other comprehensive income/(loss)	202,968,117	(574,804,064)	-	-
Balance as at period / year end	2,244,567,600	2,001,232,631	228,717,751	228,717,751

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. During the period, no cash dividend have been received from the Bank of Khyber (2019: Rs. Nil per share)

9.5 During the period, the Company has purchased 2,000 term finance certificates having face value of Rs 100,000/= per certificate. These certificates carry markup of 3 months kibar + 160 bps per annum. This investment is made with intention to earn contractual cashflows and hence recognized at amortized cost.

Note	(Un-audited) September 30, 2019	(Audited) June 30, 2019
	-----Rupees-----	

10 STORES AND SPARES

Stores and spare parts - gross	402,013,768	287,567,313
Provision for slow moving stores and spares	(8,591,420)	(8,591,420)
Store and spare parts - net	393,422,348	278,975,893

11 STOCK-IN-TRADE

Raw materials	11.1	3,377,145,243	2,951,988,975
Packing materials	11.1	573,521,284	451,115,557
Work-in-process		220,032,300	82,183,155
Finished goods		1,428,565,821	1,626,328,441
		5,599,264,648	5,111,616,128

- 11.1 Raw materials and packing materials are stated at net of provision for slow moving items amounting to Rs.13,384,583 (June 30, 2019: Rs.13,384,583) and Rs.106,676,298 (June 30, 2019: Rs. 109,848,549) respectively.

	(Un-audited) September 30, 2019	(Audited) June 30, 2019
	-----Rupees-----	
12 TRADE DEBTS		
Considered good	764,851,468	784,297,206
- secured (export debtors)	2,483,183,203	2,038,377,907
- unsecured (local)	3,248,034,671	2,822,675,113
	(76,343,145)	(76,343,145)
Allowance for expected credit loss	3,171,691,526	2,746,331,968
Trade debts - net		
13 CASH AND BANK BALANCES		
Cash in hand	49,725,859	7,303,543
Cash with banks in:		
- current accounts- <i>conventional</i>	5,034,778	20,660,039
- current accounts- <i>islamic</i>	10,896,979	4,430,682
	65,657,616	32,394,264

14 SPONSORS' LOAN - subordinated

The Company has obtained interest free loan from its sponsors. The sponsors have entered into an agreement with the Company and various banks in which they have under taken to subordinate their loans and their claims over the Company's assets. During the last year the Company has requested the Securities & Exchange Commission of Pakistan (the Commission) for special permission for conversion of sponsors loan into equity. The related formalities for the conversion of these loan into equity would be completed once the final approval received from the Commission.

15 LONG TERM FINANCES - secured

(Un-audited)			(Audited)		
30-Sep-19			30-Jun-19		
-----Rupees-----					
Conventional	Islamic	Total	Conventional	Islamic	Total
6,018,572,286	2,047,270,019	8,065,842,393	4,629,479,472	2,534,305,564	7,163,785,036
3,837,649,980	178,654,000	4,016,303,980	2,772,202,997	799,770,000	3,571,972,997
(352,990,550)	(227,916,664)	(580,907,214)	(1,383,110,183)	(1,286,805,545)	(2,669,915,640)
9,503,231,716	1,998,007,355	11,501,239,159	6,018,572,286	2,047,270,019	8,065,842,393
(1,164,297,660)	(863,441,664)	(2,027,739,324)	(1,128,579,949)	(784,583,333)	(1,913,163,282)
8,338,934,056	1,134,565,691	9,473,499,835	4,889,992,337	1,262,686,686	6,152,679,111

- 15.1 These represent financings for property, plant, and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu / ranking charge over present and future fixed assets of the Company and personal guarantees of sponsors.

- 15.2 The Company's total limit for long term loan amounting to Rs. 16,108 million. (June 2019 Rs. 13,320 million)

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
		-----Rupees-----	
16 TRADE AND OTHER PAYABLES	Note		
Trade creditors		1,415,452,346	1,358,568,340
Other liabilities		755,197,933	692,649,597
		2,170,650,279	2,051,217,937
17 SHORT TERM FINANCES - secured			
Term finances-conventional	17.1	803,858,224	895,013,391
Term finances-islamic	17.2	1,484,725,000	1,599,200,000
Export refinances	17.3	505,700,000	505,700,000
Running finance utilized under mark-up arrangement	17.4	3,859,904,837	3,299,990,421
		6,654,188,061	6,299,903,812

- 17.1 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 1,005 million (June 2019: Rs. 1,005 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 11.26% to 14.17% per annum (June 2019: 6.24% to 13.21% per annum).
- 17.2 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 1,600 million (June 2019: Rs. 1,600 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.85% to 14.38% per annum (June 2019: 6.56% to 13.16% per annum).
- 17.3 These represented facilities for export refinance arranged from various banks aggregating to Rs. 505.70 million (June 2019: Rs. 685.70 million). These are secured against pari-passu hypothecation of stocks, book debts and lien on export letters of credits of the Company along with the personal guarantees of the directors. These carried mark-up at the rate 0.25% to 0.60% above the State Bank of Pakistan (SBP) rate per annum (June 2019: 0.25% to 0.50% above SBP rate per annum).
- 17.4 These facilities for running finances available from various banks aggregated to Rs. 5,784.30 million (June 2019: Rs. 4,804.30 million). These are secured against pari-passu hypothecation of stocks and book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 12.92% to 14.56% per annum (June 2019: 7.02% to 13.54% per annum).

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

There are no material changes in the status of contingencies which was reported in the annual audited financial statements of the Company refer note 28.1.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
18.2	Commitments	-----Rupees-----	
	Outstanding letter of guarantees	1,125,638,585	929,682,424
	Outstanding letter of credit for:		
	- capital expenditures	1,815,647,452	4,295,585,276
	- others	1,929,827,622	1,204,858,818

19 EARNINGS PER SHARE - basic

There is no dilutive effect on the basic earnings per share of the company which is based on:

		(Un-audited) September 30, 2019	(Un-audited) September 30, 2018
	Basic earnings per share	-----Rupees-----	
	Profit for the period	192,552,038	391,770,523
		----- (Number) -----	
	Weighted average number of ordinary shares during the period	63,804,750	63,804,750
		----- (Rupees) -----	
	Basic earnings per share	3.02	6.14

20 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES

Profit before income tax		450,092,736	578,692,189
Adjustments for non-cash and other items:			
Depreciation		321,226,813	260,491,168
Amortization charge		4,692,624	-
Gain on disposal of property, plant and equipment - net		(2,511,259)	-
Provision for staff retirement gratuity		14,386,998	22,482,920
Share of profit from associated undertaking		(24,072,287)	(36,564,047)
Finance cost		309,808,206	190,124,509
Net decrease in working capital	20.1	(1,037,582,339)	(917,623,635)
		36,041,492	97,603,104

		(Un-audited) September 30, 2019	(Un-audited) September 30, 2018
	Note	-----Rupees-----	
20.1 Working capital changes			
Current assets			
Decrease / (Increase) in current assets			
Stores and spares		(114,446,455)	(1,487,966)
Stock-in-trade		(487,648,520)	(74,913,236)
Trade debts		(425,359,558)	(214,981,642)
Loans and advances		198,481,265	(73,529,161)
Trade deposits and short-term prepayments		(86,126,444)	(6,585,150)
Other receivables		7,234,812	(13,621,045)
		<u>(907,864,900)</u>	<u>(385,118,200)</u>
Current liabilities			
(Decrease) / Increase in current liabilities			
Trade and other payables		(71,981,908)	(546,070,417)
Unpaid dividend		191,414,250	-
Short-term finance - secured		(205,630,167)	76,026,836
Advances from customers		(43,519,614)	(62,461,854)
		<u>(129,717,439)</u>	<u>(532,505,435)</u>
Net decrease in working capital		<u><u>(1,037,582,339)</u></u>	<u><u>(917,623,635)</u></u>
21 CASH AND CASH EQUIVALENTS			
Cash and bank balances	13	65,657,616	60,763,294
Running finances under mark-up arrangement	17	(3,859,904,837)	(1,914,073,788)
		<u><u>(3,794,247,221)</u></u>	<u><u>(1,853,310,494)</u></u>

22 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 expense 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:

22.1	(Un-audited)					
	Three-months Period Ended					
	Food Processing		Plastic Film		Total	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	-----Rupees-----					
Local	7,133,526,064	6,470,451,871	2,013,699,591	1,889,452,415	9,147,225,655	8,359,904,286
Export	585,941,356	175,418,477	194,539,285	24,589,384	780,480,641	200,007,861
Export rebates	2,161,192	2,544,202	-	-	2,161,192	2,544,202
	7,721,628,612	6,648,414,550	2,208,238,876	1,914,041,799	9,929,867,488	8,562,456,349
Less:						
Sales return and discounts	(481,688,215)	(459,586,755)	(13,499,330)	(70,031,640)	(495,187,545)	(529,618,395)
Sales tax	(1,113,269,297)	(934,576,805)	(301,035,137)	(277,707,302)	(1,414,304,434)	(1,212,284,107)
	(1,594,957,512)	(1,394,163,560)	(314,534,467)	(347,738,942)	(1,909,491,979)	(1,741,902,502)
Net sales	6,126,671,100	5,254,250,990	1,893,704,409	1,566,302,857	8,020,375,509	6,820,553,847
Cost of sales	(4,655,725,185)	(3,869,332,114)	(1,678,731,162)	(1,375,181,607)	(6,334,456,347)	(5,244,513,721)
Selling and distribution	(771,132,717)	(660,498,596)	(47,680,512)	(31,123,911)	(818,813,229)	(691,622,507)
Administrative expenses	(125,276,669)	(110,524,917)	(12,650,612)	(9,973,421)	(137,927,281)	(120,498,338)
	(5,552,134,571)	(4,640,355,627)	(1,739,062,286)	(1,416,278,939)	(7,291,196,857)	(6,056,634,566)
Segment result	574,536,529	613,895,363	154,642,123	150,023,918	729,178,652	763,919,281
Unallocated income and expenses						
Other operating income					65,729,910	43,317,696
Finance cost					(309,808,206)	(190,124,509)
Other operating expenses					(59,079,907)	(74,984,326)
Share of profit from associated undertakings					24,072,287	36,564,047
Profit before taxation					450,092,736	578,692,189
Income tax expense					(257,540,698)	(186,921,666)
Profit for the period					192,552,038	391,770,523

22.2	(Un-audited)		(Audited)		(Un-audited)		(Audited)		(Un-audited)		(Audited)	
	Food Segment		Plastic Segment		Food Segment		Plastic Segment		Total		Total	
	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019
	-----Rupees-----											
Segment assets	19,369,502,408	15,727,044,151	7,206,331,485	7,092,171,057	26,575,833,893	22,819,215,208	4,781,403,847	4,145,280,326	31,357,237,740	26,964,495,534	31,357,237,740	26,964,495,534
Unallocated assets	-	-	-	-	-	-	-	-	-	-	-	-
Segment liabilities	4,866,431,118	4,675,009,250	4,542,943,360	4,436,912,905	9,409,374,478	9,111,922,155	14,399,955,915	10,478,326,719	23,809,330,393	19,590,248,874	23,809,330,393	19,590,248,874
Unallocated liabilities	-	-	-	-	-	-	-	-	-	-	-	-

22.6 Inter-segment pricing

Transactions among the business segments are recorded at estimated cost.

22.7 The Company's export sales have been primarily made to countries in the Middle East, Africa and South Asia. However, no material amount of export sales have been made to any one or more particular countries.

22.8 There were no major customers of the Company which formed 10 percent or more of the Company's revenue.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
22.9	RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES	Note	-----Rupees-----
Assets			
Total assets for reportable segments	22.2	26,575,833,893	22,819,215,208
Unallocated capital assets		948,009,496	933,230,944
Long term investment	9	3,833,394,351	3,212,049,382
Total assets		31,357,237,740	26,964,495,534
Liabilities			
Total liabilities for reportable segments	22.4	9,409,374,478	9,111,922,155
Sponsors' loan - subordinated		902,151,770	902,151,770
Deferred liabilities		1,789,646,200	1,274,088,153
Long term finance - secured	15	11,501,239,159	8,065,842,393
Liabilities against assets subject to finance lease		206,918,786	236,244,403
Total liabilities		23,809,330,393	19,590,248,874

23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

	(Un-audited) September 30, 2019	(Un-audited) September 30, 2018
	-----Rupees-----	
Transactions		
Plasitflex Films (Private) Limited		
(Common directorship)		
- Purchase of raw and packing materials	7,077,395	14,223,096
- Metallization service	5,382,157	-
- Sale of raw and packing materials	2,099,770	-
- Payment against purchases	4,257,544	3,222,855
Others		
Remuneration to directors and other key management personnel:		
Chief Executive Officer	2,350,000	1,750,000
Directors	3,975,000	2,775,000
Executives	89,946,049	83,485,489
	96,271,049	88,010,489
	(Un-audited) September 30, 2019	(Audited) June 30, 2019
	-----Rupees-----	
Balances		
Creditors - associated company		
-Payable to associate	9,924,707	14,586,783
Sponsor's loan - subordinated		
-Payable to director's	902,151,770	902,151,770

24 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on 28 October 2019 by the Board of Directors of the Company.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER
ENDED SEPTEMBER 30, 2019

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2019

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
ASSETS			
Non-current assets			
Property, plant and equipment	8	16,818,131,257	13,948,245,682
Goodwill		11,959,187	11,959,187
Intangible assets		80,760,518	85,453,143
Long term investments	9	2,673,285,351	2,229,950,382
Long term deposits		63,833,335	47,985,848
Total non-current assets		19,647,969,648	16,323,594,242
Current assets			
Stores and spares	10	407,801,441	292,887,591
Stock-in-trade	11	5,776,315,656	5,261,895,471
Trade debts	12	3,197,315,723	2,768,429,157
Loans and advances		1,447,086,096	1,634,108,116
Trade deposits and short-term prepayments		131,621,439	37,273,112
Other receivables		124,727,991	131,962,804
Taxation - net		879,579,484	945,869,617
Cash and bank balances	13	68,205,521	36,602,222
Total current assets		12,032,653,351	11,109,028,090
Total assets		31,680,622,999	27,432,622,332
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized share capital			
250,000,000 (June 30, 2019: 250,000,000) ordinary share of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up share capital			
63,804,750 (June 30, 2019: 63,804,750) ordinary shares of Rs.10 each		638,047,500	638,047,500
Non-controlling interest		142,173,597	179,714,690
Reserves		6,532,320,040	6,451,888,083
Total shareholders' equity		7,312,541,137	7,269,650,273
Non-current liabilities			
Sponsors' loan - subordinated	14	915,357,737	915,357,737
Long-term finances - secured	15	9,766,555,390	6,484,901,333
Liabilities against assets subject to finance lease		112,415,020	136,024,559
Deferred liabilities		1,801,292,121	1,643,629,575
Total non-current liabilities		12,595,620,268	9,179,913,204
Current liabilities			
Trade and other payables	16	2,251,327,325	2,106,806,641
Accrued mark-up		243,608,743	209,765,534
Short-term finance - secured	17	6,654,188,061	6,299,903,813
Current portion of:			
- long-term finances - secured	15	2,184,405,991	2,069,829,949
- liabilities against assets subject to finance lease		94,503,766	100,219,845
Unpaid dividend		191,414,250	-
Unclaimed Dividend		2,338,500	2,338,500
Advances from customers		150,674,958	194,194,573
Total current liabilities		11,772,461,594	10,983,058,855
Total liabilities		24,368,081,862	20,162,972,059
Contingencies and commitments	18		
Total equity and liabilities		31,680,622,999	27,432,622,332

The annexed selected notes from 1 to 24 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	Note	Three-months period ended	
		September 30, 2019	September 30, 2018
		-----Rupees-----	
Sales - gross	22.1	9,956,622,647	8,571,760,030
Sales returns and discounts		(497,916,845)	(529,618,395)
Export rebate		2,161,192	2,544,202
		(495,755,653)	(527,074,193)
		9,460,866,994	8,044,685,837
Sales tax		(1,414,304,434)	(1,212,284,107)
Net sales		8,046,562,560	6,832,401,730
Cost of sales	22.1	(6,402,886,826)	(5,266,420,126)
Gross profit		1,643,675,734	1,565,981,604
Selling and distribution expenses		(877,651,690)	(715,407,875)
Administrative expenses		(152,148,144)	(129,108,135)
Operating profit		613,875,900	721,465,594
Other operating expenses		(59,079,907)	(74,984,326)
		554,795,993	646,481,268
Other income		65,729,910	43,673,189
		620,525,903	690,154,457
Finance cost		(325,275,277)	(200,587,598)
		295,250,626	489,566,859
Share of profit from associated companies - net		24,072,287	36,564,047
Profit before taxation		319,322,913	526,130,906
Taxation		(257,540,698)	(186,921,666)
Profit after taxation		61,782,215	339,209,240
Profit for the period attributable to:			
Shareholders of the Holding Company		99,323,308	354,298,409
Non-controlling interest		(37,541,093)	(15,089,169)
		61,782,215	339,209,240
Earnings per share - basic	19	1.56	5.55

The annexed selected notes from 1 to 24 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

		Three-months period ended	
		September 30, 2019	September 30, 2018
Note		-----Rupees-----	
	Profit after taxation	61,782,215	339,209,240
	<i>Items that will be reclassified to consolidated statement of profit or loss in subsequent periods</i>	-	-
	<i>Items that will not be reclassified to consolidated statement of profit or loss in subsequent periods</i>		
	Realized appreciation during the period on sale of investment classified as fair value through OCI - net of tax	-	(26,092,557)
9.3	Share of other comprehensive income / (loss) from associated undertaking - net of tax	172,522,899	(163,510,659)
	Other comprehensive income / (loss) for the period - net of tax	172,522,899	(189,603,216)
	Total comprehensive income for the period	234,305,114	149,606,024
	Total Comprehensive income for the period attributable to:		
	Shareholders of the Holding Company	271,846,207	164,695,193
	Non-controlling interest	(37,541,093)	(15,089,169)
		234,305,114	149,606,024

The annexed selected notes from 1 to 24 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED) FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

	September 30, 2019	September 30, 2018
Note	-----Rupees-----	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash (used in) / generated from operations after working capital changes	20	(71,880,895)	58,175,869
Gratuity paid		(6,064,366)	(12,306,940)
Income taxes paid		(73,502,310)	(101,301,524)
Long-term deposits paid		(15,847,487)	-
Net cash (used in) operating activities		(167,295,058)	(55,432,595)

CASH FLOWS FROM INVESTING ACTIVITIES

Capital expenditure (including CWIP)		(3,227,195,413)	(187,384,820)
Investment in associated undertakings		(16,294,565)	-
Proceeds from sale of investment		-	163,270,000
Long term investment - Term finance certificates		(200,000,000)	-
Proceeds from disposal of property, plant and equipment		7,001,506	1,706,389
Net cash used in investing activities		(3,436,488,472)	(22,408,431)

CASH FLOWS FROM FINANCING ACTIVITIES

Sponsors' loan - subordinated		-	45,000,000
Receipts from long term financing - net		3,396,230,099	311,997,757
Lease repayment net of sale and lease back		(29,325,618)	(23,659,569)
Interest / mark-up paid		(291,432,069)	(214,010,456)
Net cash generated from financing activities		3,075,472,412	119,327,732

Net (decrease) / increase in cash and cash equivalents

Cash and cash equivalents at the beginning of the period		(3,263,388,199)	(1,886,288,242)
Cash and cash equivalents at the end of the period	21	(3,791,699,316)	(1,844,801,536)

The annexed selected notes from 1 to 24 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS PERIOD ENDED SEPTEMBER 30, 2019

1 LEGAL STATUS AND OPERATIONS

1.1 The Group consist of:

Holding company: Ismail Industries Limited

Subsidiary company: Hudson Pharma (Private) Limited

a) Ismail Industries Limited

The Holding Company was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Holding Company was converted into a public limited company. The registered office of the Holding Company is situated at 17 - Bangalore Town, Shahrach-e-Faisal, Karachi, Pakistan. The shares of the Holding Company are quoted on Pakistan Stock Exchange. The principal activities of the Holding Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips, cast polypropylene (CPP) and Biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity' and 'Astro films' respectively.

b) Hudson Pharma (Private) Limited

The subsidiary company was incorporated in Pakistan as a private limited company on May 5, 2010, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 17, Bangalore Town, Main Shahrach-e-Faisal, Karachi. Principal activities of the company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail, trading and selling of all kinds of pharmaceutical, animal health, allied consumer products, drugs and medicines.

2 SIGNIFICANT EVENTS AND TRANSACTIONS

There are no significant events and transactions occurred during the period.

3 STATEMENT OF COMPLIANCE

These consolidated condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and
- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

4 BASIS OF PREPARATION

These consolidated condensed interim financial statements of the Group does not include all of the information and disclosure required in the consolidated annual financial statements and should be read in conjunction with the consolidated annual financial statements of the Group as at and for the year ended June 30, 2019. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The figures in the consolidated condensed interim financial information for the three-months period ended September 30, 2019 are neither audited nor reviewed.

5 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted for the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2019

6 USE OF JUDGEMENTS AND ESTIMATES

The estimates / judgments and associated assumptions used in the preparation of these consolidated condensed interim financial statements are consistent with those applied in the preparation of the consolidated financial statements of the Group for the year ended June 30, 2019.

7 FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated condensed interim financial statements is presented in Pakistani Rupees which is also Group's functional currency.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
8 PROPERTY, PLANT AND EQUIPMENT	Note	-----Rupees-----	
Operating fixed assets	8.1	14,183,890,064	13,310,211,836
Capital work in progress - at cost	8.2	2,634,241,193	638,033,846
		16,818,131,257	13,948,245,682

8.1 Details of additions and disposals to operating fixed assets during the three-months period are as follows:

	(Un-audited)			
	Additions		Disposals	
	-----At cost-----		-----At net book value-----	
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	----- Rupees -----			
Owned assets				
Building on leasehold land	177,222,240	-	-	-
Plant and machinery	1,018,693,731	854,500	675,727	-
Furniture & Fittings	2,679,117	-	-	-
Equipments	5,438,826	562,898	-	-
Computers	2,896,000	715,068	-	-
Vehicles	9,279,600	7,057,203	3,814,520	452,329
	1,216,209,514	9,189,669	4,490,247	452,329
Leased assets				
Vehicles	14,778,552	5,857,000	-	-
	14,778,552	5,857,000	-	-
	1,230,988,066	15,046,669	4,490,247	452,329

8.2 Details of additions in and transfers from CWIP during the three-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
	----- Rupees -----			
Civil works	616,995,281	42,329,886	177,222,240	-
Plant and machinery	2,575,128,037	115,058,264	1,018,693,731	-
	3,192,123,318	157,388,150	1,195,915,971	-

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
9	LONG-TERM INVESTMENTS	Note	-----Rupees-----
	<i>Investment in associated companies</i>		
	Novelty Enterprises (Private) Limited - unquoted shares	9.1	228,717,751
	The Bank of Khyber	9.2	2,244,567,600
	<i>Other investment - at ammotized cosr</i>		
	Term Finance Certificates Habib Bank Limited	9.4	200,000,000
			2,673,285,351
			2,229,950,382

9.1 Novelty Enterprises (Private) Limited

The Holding Company holds 33% (June 2019: 33%) voting and equity interest in Novelty Enterprises (Private) Limited (NEL). The shares of NEL are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of NEL is June 30.

Total equity / net assets of NEL as at June 30, 2019 based on audited financial statements amounted to Rs. 561.43 million (June 2018: Rs. 561.43 million based on audited financial statements). However, as per report of an independent valuer, Masud Associates dated December 31, 2015 fair value of fixed assets of NEL amounted to Rs. 1,016.32 million resulting in surplus on fixed assets of Rs. 483.61 million. Revised net assets after the revaluation surplus amounted to Rs. 1,045.06 million (2018: Rs. 1,045.06 million). Accordingly, the management is of the view that it would be able to recover carrying values of its investment.

9.2 The Bank of Khyber

The total shareholding of the Holding Company in the Bank of Khyber (the Bank) is 244,339,031 shares which represents 24.43% of paid-up capital of the Bank (June 2019: 24.16%). In addition to this, the Holding Company also has representation on the board of directors of the Bank. The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these financial statements have been taken from unaudited financial statements of the Bank for the nine-months period ended September 30, 2019 and unaudited interim six-months period ended June 30, 2019. Adjustment to confirm to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as on September 30, 2019 was Rs. 2,719.49 million (June 30, 2019: Rs. 2,382.56 million).

- 9.3 These investments are accounted for under the equity method. The aggregate amount of the associates recognized in these financial statements are as follows:

	The Bank of Khyber		Novelty Enterprises (Private) Limited	
	(Un-audited) September 30, 2019	(Audited) June 30, 2019	(Un-audited) September 30, 2019	(Audited) June 30, 2019
Balance as at July 01	2,001,232,631	2,530,641,520	228,717,751	228,727,912
Investment made during the period	16,294,565	-	-	-
Share of profit/(loss) relating to statement of profit or loss	24,072,287	45,395,175	-	(10,161)
Share of other comprehensive income/(loss)	202,968,117	(574,804,064)	-	-
Balance as at period / year end	2,244,567,600	2,001,232,631	228,717,751	228,717,751

All transfers of funds to the Holding Company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associates. The Holding Company has not received cash dividend from Bank of Khyber during the period ended September 30, 2019 (June 30, 2019: Nil per share).

- 9.4 During the period, the Holding Company has purchased 2,000 term finance certificate having face value of Rs 100,000/= per certificate. These certificate carry markup of 3 moth kibar plus 160 bps per annum. This investment is made with intention to earn contractual cashflows and hence recognised at ammortized cost.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
10 STORES AND SPARES			
Stores and spare parts - gross		416,392,861	301,479,011
Provision for slow moving spare parts		(8,591,420)	(8,591,420)
Store and spare parts - net		<u>407,801,441</u>	<u>292,887,591</u>
11 STOCK-IN-TRADE			
Raw materials	11.1	3,450,336,019	3,001,271,860
Packing materials	11.1	585,906,251	459,813,888
Work-in-process		220,032,300	82,183,156
Finished goods		<u>1,520,041,086</u>	<u>1,718,626,567</u>
		<u>5,776,315,656</u>	<u>5,261,895,471</u>

- 11.1 Raw materials and packing materials are stated at net of provision for slow moving items amounting to Rs.13,384,583 (June 30, 2019: Rs.13,384,583) and Rs.106,676,298 (June 30, 2019: Rs. 109,848,548) respectively.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
		-----Rupees-----	
12 TRADE DEBTS			
Considered good		764,851,468	784,297,206
- secured (export debtors)		2,508,807,400	2,060,475,096
- unsecured (local)		<u>3,273,658,868</u>	<u>2,844,772,302</u>
Allowance for expected credit loss		(76,343,145)	(76,343,145)
Trade debts - net		<u>3,197,315,723</u>	<u>2,768,429,157</u>

13 CASH AND BANK BALANCES

Cash in hand	49,995,813	8,395,095
Cash with banks in:		
- current accounts- <i>conventional</i>	7,075,377	23,717,548
- current accounts- <i>islamic</i>	<u>11,134,331</u>	<u>4,489,579</u>
	<u>68,205,521</u>	<u>36,602,222</u>

14 SPONSORS' LOAN - subordinated

The Holding Company has obtained interest free loan from its sponsors. The sponsors have entered into an agreement with the company and various banks in which they have under take to subordinate their loans and their claims over the company's assets. During the last year the holding Company has applied with the Securities & Exchange Commission of Pakistan for special permission for conversion of Sponsors Loan into equity without going into public. The required formalities would be completed once the approval received from the regulatory authority.

15 LONG TERM FINANCES - Secured

	(Un-audited)			(Audited)		
	30-Sep-19			30-Jun-19		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	6,251,211,263	2,303,520,019	8,554,731,282	4,979,479,472	2,734,305,564	7,713,785,036
Obtained during the period / year	3,837,649,980	178,654,000	4,016,303,980	2,772,202,997	799,770,000	3,571,972,997
Repaid during the period / year	(382,157,217)	(237,916,664)	(620,073,881)	(1,500,471,206)	(1,230,555,545)	(2,731,026,751)
	9,706,704,026	2,244,257,355	11,950,961,381	6,251,211,263	2,303,520,019	8,554,731,282
	(1,280,964,327)	(903,441,664)	(2,184,405,991)	(1,245,246,616)	(824,583,333)	(2,069,829,949)
Less: Current maturity	8,425,739,699	1,340,815,691	9,766,555,390	5,005,964,647	1,478,936,686	6,484,901,333

- 15.1 These represent financings for property, plant, and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu / ranking charge over present and future fixed assets of the Company and personal guarantees of sponsors.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
16 TRADE AND OTHER PAYABLES			
Trade creditors		1,467,384,904	1,395,260,414
Other liabilities		783,942,421	711,546,227
		<u>2,251,327,325</u>	<u>2,106,806,641</u>
17 SHORT TERM FINANCES - Secured			
Term finances-conventional	17.1	803,858,224	895,013,392
Term finances-islamic	17.2	1,484,725,000	1,599,200,000
Export refinances	17.3	505,700,000	505,700,000
Running finance utilized under mark-up arrangements	17.4	3,859,904,837	3,299,990,421
		<u>6,654,188,061</u>	<u>6,299,903,813</u>

- 17.1 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 1,005 million (June 2019: Rs. 1,005 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 11.26% to 14.17% per annum (June 2019: 6.24% to 13.21% per annum).
- 17.2 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 1,600 million (June 2019: Rs. 1,600 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.85% to 14.38% per annum (June 2019: 6.56% to 13.16% per annum).
- 17.3 These represent facilities for export refinance arranged from various banks aggregating to Rs. 505.70 million (June 2019: Rs. 685.70 million). These are secured against pari-passu hypothecation of stocks, book debts and lien on export letters of credits of the Holding Company along with the personal guarantees of the directors. These carried mark-up at the rate 0.25% to 0.60% above the State Bank of Pakistan (SBP) rate per annum (June 2019: 0.25% to 0.50% above SBP rate per annum).
- 17.4 These represent facilities for running finances available from various banks aggregated to Rs. 5,784.30 million (June 2019: Rs. 4,804.30 million). These are secured against pari-passu hypothecation of stocks and book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 12.92% to 14.56% per annum (June 2019: 7.02% to 13.54% per annum).

18 CONTINGENCIES AND COMMITMENTS

18.1 Contingencies

There are no material changes in the status of contingencies which was reported in the annual audited financial statements of the Group refer 29.1.

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
18.2 Commitments			
Outstanding letter of guarantees		1,125,638,585	929,682,424
Outstanding letter of credit for:			
- capital expenditures		1,815,647,452	4,445,660,146
- others		1,929,827,622	1,235,906,399

19 EARNINGS PER SHARE - Basic

There is no dilutive effect on the basic earnings per share of the group which is based on:

	Note	(Un-audited) September 30, 2019 Rupees	(Un-audited) September 30, 2018 Rupees
Basic earnings per share			
Profit for the period		<u>99,323,308</u>	<u>354,298,409</u>
		----- (Number) -----	
Weighted average number of ordinary shares during the period		<u>63,804,750</u>	<u>63,804,750</u>
		----- (Rupees) -----	
Basic earnings per share		<u>1.56</u>	<u>5.55</u>

20 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES

Profit before income tax		319,322,913	526,130,906
Adjustments for non-cash and other items:			
Depreciation		352,819,589	294,530,672
Amortization of intangible		4,692,624	
Gain on disposal of property, plant and equipment - net		(2,511,259)	(355,493)
Provision for staff retirement gratuity		15,533,442	23,328,920
Share of profit from associated undertaking		(24,072,287)	(36,564,047)
Finance cost		325,275,277	200,587,598
Net decrease in working capital	20.1	(1,062,941,194)	(949,482,687)
		<u>(71,880,895)</u>	<u>58,175,869</u>

20.1 Working capital changes

Current assets			
Decrease / (Increase) in current assets			
Stores and spares		(114,913,850)	(5,642,468)
Stock-in-trade		(514,420,185)	(80,071,801)
Trade debts		(428,886,566)	(219,917,139)
Loans and advances		187,022,020	(74,556,654)
Trade deposits and short-term prepayments		(94,348,327)	(10,963,191)
Other receivables		7,234,813	(14,822,936)
		<u>(958,312,095)</u>	<u>(405,974,189)</u>
Current liabilities			
Increase / (Decrease) in current liabilities			
Trade and other payables		(46,893,566)	(557,073,480)
Short-term finance - secured		(205,630,168)	76,026,836
Unpaid dividend		191,414,250	-
Advance from customers		(43,519,615)	(62,461,854)
		<u>(104,629,099)</u>	<u>(543,508,498)</u>
Net decrease in working capital		<u>(1,062,941,194)</u>	<u>(949,482,687)</u>

21 CASH AND CASH EQUIVALENTS

Cash and bank balances	13	68,205,521	69,272,252
Running finances under mark-up arrangement	17	(3,859,904,837)	(1,914,073,788)
		<u>(3,791,699,316)</u>	<u>(1,844,801,536)</u>

22 SEGMENT INFORMATION

A segment is a distinguishable component of the Group that is engaged in business activities from which the Group earns revenues and incurs expenses and its results are regularly reviewed by the Group'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 group is organised into the following three operating segments:

- Food processing
- Plastic film
- Pharmaceutical

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:

	(Un-audited)					
	Food Processing			Plastic Film		
	Three-months Period Ended			Pharmaceutical segment		
	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018
Sales						
Local	7,133,526,064	6,470,451,871	2,013,699,591	28,916,332	11,847,883	8,371,752,169
Export	585,941,555	175,418,477	194,559,285	-	-	201,007,861
Export rebates	21,611,092	25,442,002	-	-	-	2,544,202
	7,721,628,611	6,648,414,550	2,208,238,876	28,916,332	11,847,883	8,574,304,232
Less:						
Sales return and discounts	(481,688,215)	(459,586,755)	(13,499,330)	(2,729,300)	-	(497,916,445)
Sales tax	(1,113,269,297)	(934,376,605)	(301,035,137)	(2,729,300)	-	(1,414,304,434)
	(1,594,957,512)	(1,394,163,360)	(334,534,467)	(2,729,300)	-	(1,912,221,279)
Net sales	6,126,671,099	5,254,250,990	1,893,704,409	26,187,032	11,847,883	6,662,082,961
Cost of sales	(4,655,725,185)	(3,869,332,114)	(1,678,731,162)	(68,430,479)	(21,906,405)	(5,266,420,126)
Selling and distribution expenses	(771,132,717)	(660,498,596)	(47,680,512)	(58,838,461)	(23,785,368)	(877,651,875)
Administrative expenses	(125,276,669)	(110,524,917)	(12,650,612)	(14,229,863)	(8,609,797)	(129,108,135)
	(5,552,134,571)	(4,640,355,627)	(1,739,062,286)	(141,499,803)	(54,301,570)	(6,110,936,136)
Segment result	574,536,528	613,895,363	154,642,123	(115,302,751)	(42,453,687)	613,875,900
Unallocated income and expenses						
Other operating income					65,729,910	43,073,189
Finance cost					(325,275,277)	(200,587,598)
Other operating expenses					(59,079,907)	(74,984,326)
Share of profit from associated undertakings					24,072,287	36,564,047
Profit before taxation					319,322,913	526,130,906
Income tax expense					(257,540,698)	(186,921,666)
Profit for the period					61,782,215	339,209,240
	Unaudited	Audited	Unaudited	Audited	Unaudited	Audited
	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019	September 30, 2019	June 30, 2019
22.2 Segment assets	19,369,502,408	15,727,045,611	7,206,331,485	1,465,179,204	28,041,013,097	24,269,441,005
22.3 Unallocated assets	19,369,502,408	15,727,045,611	7,206,331,485	1,465,179,204	3,639,609,902	3,163,181,327
22.4 Segment liabilities	4,866,431,118	4,675,003,868	4,542,943,360	545,545,502	31,680,622,999	27,432,622,332
22.5 Unallocated liabilities	4,866,431,118	4,675,003,868	4,542,943,360	545,545,502	9,954,919,980	9,684,645,338
22.6 Inter-segment pricing					14,413,161,282	10,478,326,721
22.7 Transactions among the business segments are recorded at estimated cost.					24,368,081,862	20,162,927,059
22.8 The Holding Company's export sales have been primarily made to countries in the Middle East, Africa and South Asia. However, no material amount of export sales have been made to any one or more particular countries.						
22.9 There were no major customers of the group which formed 10 percent or more of the Company's revenue.						

		(Un-audited) September 30, 2019	(Audited) June 30, 2019
		-----Rupees-----	
22.9	RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES	Note	
Assets			
	Total assets for reportable segments	22.2	28,041,013,097
	Administrative capital assets		966,324,551
	Long term investment	9	2,673,285,351
	Total assets		31,680,622,999
Liabilities			
	Total liabilities for reportable segments	22.4	9,954,919,980
	Sponsors' loan - subordinated		915,357,737
	Deferred liabilities		1,789,646,200
	Long term finance	15	11,501,239,159
	Liabilities against assets subject to finance lease		206,918,786
	Total liabilities		24,368,081,862

23 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

	September 30, 2019	September 30, 2018
Transactions	-----Rupees-----	
Plasitflex Films (Private) Limited		
(Common directorship)		
- Purchase of raw & packing Materials	7,077,395	14,223,096
- Metallization of raw material	5,382,157	-
- Sale of raw & packing materials	2,099,770	-
- Payment against purchases	4,257,544	3,222,855
Others		
Remuneration to directors and other key management personnel:		
Chief Executive Officer	4,450,000	4,000,000
Directors	3,975,000	2,775,000
Executives	89,946,049	89,636,111
	98,371,049	96,411,111
	(Un-audited) September 30, 2019	(Audited) June 30, 2019
Balances	-----Rupees-----	
Creditors - associated company		
-Payable to associate	9,924,707	14,586,784
Sponsors' loan - subordinated		
-Payable to director's	915,357,737	915,357,737

24 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on 28 October 2019 by the Board of Directors of the Group.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer



ISMAIL
INDUSTRIES
LIMITED

ISMAIL INDUSTRIES LIMITED

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