



ISMAIL INDUSTRIES LIMITED

ISMAIL INDUSTRIES LIMITED

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17, Bangalore Town, Shahrah-e-Faisal,
Karachi-75350, Pakistan.
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Factories

Unit 1:

C-230, H.I.T.E., Hub,
Balochistan, Pakistan.
Tel.: (+92-853) 302526-302393
Fax: (+92-853) 302527

Unit 2:

B-140, H.I.T.E., Hub,
Balochistan, Pakistan.
Tel.: (+92-853) 363602-364234
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Unit 3:

G-1, H.I.T.E., Hub,
Balochistan, Pakistan.
Tel.: (+92-853) 302326
Fax: (+92-853) 302611, 303817

Unit 4:

G-22, 23, H.I.T.E., Hub,
Balochistan, Pakistan.
Tel.: (+92-853) 303193, 303177
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Unit 5:

38-C, 39, 39-A, 42-C,
Sunder Industrial Estate,
Raiwind Road, Lahore, Pakistan.
Tel.: (+92-42) 3529 7671-5

Unit 6:

D-91, D-92 & D-94,
North Western Industrial Zone,
Port Qasim Authority,
Karachi-75020, Pakistan.
Tel.: (+92-21) 34154169-70
Fax: (+92-21) 34154176

Unit 7:

E-164 to E-168,
North Western Industrial Zone,
Port Qasim Authority,
Karachi-75020, Pakistan.
Tel.: (+92-21) 34154171-73
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Unit 8:

E-154 to E-157,
North Western Industrial Zone,
Port Qasim Authority,
Karachi-75020, Pakistan.
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Thriving to
Succeed

Third
Quarterly
Report March
2018

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COMPANY PROFILE

Board of Directors

Mr. Muhammad M. Ismail	Chairman
Mr. Munsarim Saifullah	Chief Executive
Mr. Hamid Maqsood Ismail	Executive Director
Mr. Ahmed Muhammad	Executive Director
Mr. Maqsood Ismail	Non-Executive Director
Ms. Farzana Muhammad	Non-Executive Director
Ms. Almas Maqsood	Non-Executive Director
Ms. Reema Ismail Ahmed	Non-Executive Director
Mr. M. Zubair Motiwala	Independent Director

Audit Committee Members

Mr. M. Zubair Motiwala	Chairman
Mr. Muhammad M. Ismail	Member
Mr. Maqsood Ismail	Member
Ms. Almas Maqsood	Member
Ms. Reema Ismail Ahmed	Member

Registered Office

17, Bangalore Town,
Main Shahra-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 Committee

Mr. Maqsood Ismail	Chairman
Mr. M. Zubair Motiwala	Member
Mr. Munsarim Saifullah	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
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
Summit Bank Limited

DIRECTOR REVIEW

We are pleased to present the Company's standalone and consolidated unaudited condensed interim financial information for the quarter and nine-months period ended March 31, 2018. The financial performance of the company for the period under review is summarized below:

Description	March-18	March-17	Change in %
	PKR in Million		
Turnover	21,150	17,027	24%
Gross Profit	3,825	2,762	39%
Operating Profit	1,519	1,160	31%
Profit before tax	1,361	1,046	30%
Profit after tax	1,081	861	26%
Earnings per share – Rs.	16.95	13.5	26%

Though, the period under review was challenging for the country with volatile social, economic and business conditions. Despite all these circumstances, the overall performance of food segment was fantastic and plastic film division was satisfactory. Our prime focus on innovations and improvements has enabled us to successfully execute strategic decisions.

There was a robust growth of 24% in overall turnover of the Company during the period under review which has come through an aggressive and multi-dimensional focus on brand building and brand activation. Our core emphasis is on cost efficiency and customer satisfaction together with brand investments for sustainable growth in near and distant future has contributed to a long lasting favorable impact of society's trust in the Company which endeavored us to entertain after tax profits of Rs. 1,081 million and earnings per share of Rs.16.95, which is 26% higher than corresponding period.

Company spending on selling and distribution is in line with its strategy of high growth plans whereas the marketing spending has been aligned to achieve the set objectives. Efficiency in sales as well as production showed improvements through introduction of new product, prudent management of funds, and cost control. Cost rationalization initiatives across the entire spectrum of business will continue to remain our priority and this has reflected in our earnings.

Future Outlook

As we are approaching towards the end of fiscal year 2018, we feel very confident that the Company is all set to achieve historic milestones both in food and plastic segments. Markets are also expected to grow, however uncertain economic environment, inflation and competitive intensity continue to pose challenges for the period ahead. Improvements in the business environment will largely depend on the economic policies of the government and the implementation of key reforms. Company's priorities will not change and will continue to focus on delivering exceptional value to customers and shareholders.

Acknowledgment

On behalf of the Board, we would like to place on record our appreciation for the commitment and passion demonstrated by the staff to achieve the company's objective and for the continued support of valuable customers, financial institutions and other stakeholders.

On behalf of the Board of Directors

Karachi: April 25, 2018

Munsarim Saifullah
Chief Executive

ڈائریکٹر کا جائزہ

ہم 31 مارچ 2017 کو ختم ہونے والی سہ ماہی و فوہامہ کے لئے آپ کی کمپنی کے انفرادی اور اجتماعی (غیر آڈٹ شدہ) وسط مدتی مالیاتی گوشوارے پیش کرنے میں انتہائی خوش محسوس کرتے ہیں۔ مذکورہ دورانیہ میں کمپنی کی کارکردگی مندرجہ ذیل رہی:

تفصیل	مارچ 2017	مارچ 2018	تبدیلی
	ملین پاکستانی روپے	ملین پاکستانی روپے	فیصد
مجموعی فروخت	17,027	21,150	24%
مجموعی منافع	2,762	3,825	39%
خام منافع	1,160	1,519	31%
نقل از محصل منافع	1,046	1,361	30%
بعد از محصل منافع	861	1,081	26%
نی ص آمدن - روپے	13.5	16.95	26%

اگرچہ، زیر جائزہ مدت ملک کے لئے سماجی، معاشی اور کاروباری حالات کے اختیار سے کافی چیلنج کا باعث رہی۔ ان تمام تر حالات کے باوجود غذائی شعبہ کی کارکردگی شاندار رہی جبکہ پلاسٹک فلم کی کارکردگی بھی تسلی بخش رہی۔ ایبادات اور بہتری کی طرف ہماری اہم توجہ نے ہمیں کامیاب اسٹریٹجک فیصلوں پر عملدرآمد کے قابل کیا۔

زیر جائزہ مدت میں کمپنی کی آمدن میں 24% فیصد کا مجموعی اضافہ ہوا جو کہ برائڈز کی بڑھتی ہوئی قدر اور نئی مصنوعات کے جاننا اضافے اور کثیر: جتنی توجہ کے ذریعے ممکن ہوا۔ سرمایہ کاری کی بہتر لاگت تقسیم اور صارفین کے اعتماد کے ساتھ ساتھ مستقبل قریب و بعد میں پائدار ترقی کے لئے برائڈز میں مؤثر سرمایہ کاری ہماری اولین ترجیح ہے جس نے معاشرے میں ہماری دیر پا قدر میں قابل قدر اضافہ کیا ہے جس کے باعث بعد از محصل Rs. 1,081 ملین اور فی حصص Rs. 16.95 کا پر لطف منافع حاصل ہوا جو گزشتہ سال کی زیر موازنہ مدت سے 26% فیصد زائد ہے۔

فروخت اور تقسیم کے لئے کمپنی کے اخراجات ہماری اعلیٰ ترقی کی اسٹریٹجی سے مطابقت رکھتے ہیں جبکہ مارکیٹنگ کے اخراجات ہمارے مقرر کردہ اہداف کے حصول کے عین مطابق ہیں۔ نئی مصنوعات کے متعارف کروانے، سرمائے کی حفاظت، اور پیداواری لاگت پر قابو نے فروخت اور پیداوار میں بہتری پیش کی۔ کاروبار کی مجموعی سطح پر پیداواری لاگت کی منطق تقسیم کے ایلے اقدامات ہماری اولین ترجیح رہیں گے جو کہ ہماری آمدن سے ظاہر ہے۔

مستقبل کی پیش بینی:

جیسا کہ ہم مالی سال 2018 کے اختتام کی طرف گامزن ہیں، ہم پر امید ہیں کہ کمپنی غذائی اور پلاسٹک کے شعبوں میں تاریخی سنگ میل عبور کرنے کے لیے پوری طرح تیار ہے۔ مجموعی طور پر ملک کے کاروباری حجم میں ترقی کا امکان ہے تاہم غیر یقینی معاشی صورتحال، مہنگائی اور مسابقتی ماحول میں شدت کی وجہ سے آئندہ ادوار میں نئے چیلنجز درپیش رہیں گے۔ کاروباری ماحول میں ترقی حکومتی پالیسی اور اہم اصلاحات پر عملدرآمد کے ذریعے ہی ممکن ہے۔ کمپنی کی ترجیحات تبدیل نہیں ہوں گی اور صارفین اور سرمایہ کاروں کے لئے غیر معمولی اقدار ہماری ترجیح رہے گی۔

خراج تحسین:

بورڈ کی جانب سے، ہم کمپنی کے مقاصد کے حصول کے لئے ملازمین کے عزم اور جذبہ جبکہ صارفین، مالیاتی اداروں اور تمام متعلقین کی مسلسل حمایت پر خراج تحسین پیش کرتے ہیں۔

منجانب: بورڈ آف ڈائریکٹرز
منصرم: سیف اللہ
چیف ایگزیکٹو

کراچی: 25 مارچ 2018

CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2018

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
ASSETS			
Non-current assets			
Property, plant and equipments	6	10,616,813,642	10,396,249,287
Long-term investments	7	4,040,414,617	3,925,677,319
Long-term deposits		40,773,891	33,358,415
Total non-current assets		14,698,002,150	14,355,285,021
Current assets			
Stores and spares	8	202,150,587	169,495,028
Stock-in-trade	9	4,810,161,956	4,863,525,805
Trade debts	10	1,700,982,413	1,442,852,765
Advances - considered good		414,915,839	369,770,405
Trade deposits and short-term prepayments		124,561,051	21,688,637
Other receivables		147,204,578	217,441,616
Taxation - net		798,202,272	766,013,092
Cash and bank balances	11	62,450,221	32,655,755
Total current assets		8,260,628,917	7,883,443,103
Total assets		22,958,631,067	22,238,728,124
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorised share capital			
250,000,000 (June 30, 2017: 250,000,000) ordinary share of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up capital			
63,804,750 (June 30, 2017: 63,804,750) ordinary shares of Rs.10 each full paid in cash		638,047,500	638,047,500
Reserves		6,328,315,309	5,633,601,413
Total shareholders' equity		6,966,362,809	6,271,648,913
Non-current liabilities			
Sponsors' loan - subordinated	12	902,151,770	902,151,770
Long-term finances - secured	13	5,422,056,535	6,524,794,709
Liabilities against assets subject to finance lease		185,044,910	168,176,412
Deferred liabilities		1,369,444,714	1,213,385,942
Total non-current liabilities		7,878,697,929	8,808,508,833
Current liabilities			
Trade and other payables	14	2,150,164,360	1,038,113,662
Accrued mark-up		68,345,043	93,598,715
Short-term finance - secured	15	3,072,543,498	3,783,293,527
Current portion of:			
- long-term finances - secured	13	2,635,140,048	2,078,107,585
- liabilities against assets subject to finance lease		101,132,490	80,377,295
Advances from customers		86,244,890	85,079,594
Total current liabilities		8,113,570,329	7,158,570,378
Total liabilities		15,992,268,258	15,967,079,211
Contingencies and commitments	16		
Total equity and liabilities		22,958,631,067	22,238,728,124

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Note	Nine-month Period ended		Quarter ended	
		March 31, 2018 Rupees	March 31, 2017 Rupees	March 31, 2018 Rupees	March 31, 2017 Rupees
Sales	20.1	21,150,010,962	17,026,716,993	7,776,099,214	5,948,095,874
Sales tax		(3,163,733,399)	(2,572,307,126)	(1,194,945,949)	(902,838,925)
Net sales		17,986,277,563	14,454,409,867	6,581,153,265	5,045,256,949
Cost of sales	20.1	(14,161,204,922)	(11,692,872,993)	(5,360,440,610)	(4,284,005,253)
Gross profit		3,825,072,641	2,761,536,874	1,220,712,655	761,251,696
Selling and distribution expenses		(2,024,857,970)	(1,381,650,115)	(766,317,209)	(571,610,330)
Administrative expenses		(281,003,762)	(219,592,734)	(92,587,518)	(76,149,033)
		(2,305,861,732)	(1,601,242,849)	(858,904,727)	(647,759,363)
Operating profit		1,519,210,909	1,160,294,025	361,807,928	113,492,333
Other expenses		(184,355,002)	(94,461,493)	(66,608,628)	(20,810,517)
		1,334,855,907	1,065,832,532	295,199,300	92,681,816
Other income		172,066,799	156,952,004	62,814,866	79,730,736
		1,506,922,706	1,222,784,536	358,014,166	172,412,552
Finance cost		(466,392,667)	(504,660,271)	(159,072,805)	(135,794,499)
		1,040,530,039	718,124,265	198,941,361	36,618,053
Share of profit from associate		320,206,982	327,985,315	214,820,933	219,517,492
Profit before income tax		1,360,737,021	1,046,109,580	413,762,294	256,135,545
Income tax expense		(279,560,378)	(185,058,225)	(17,118,706)	(3,419,409)
Profit for the period		1,081,176,643	861,051,355	396,643,588	252,716,136
Earnings per share - basic and diluted	17	16.95	13.50	6.22	3.96

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

Note	Nine-month period ended		Quarter ended	
	March 31,	March 31,	March 31,	March 31,
	2018	2017	2018	2017
	Rupees	Rupees	Rupees	Rupees
Profit for the period	1,081,176,643	861,051,355	396,643,588	252,716,136
<i>Item to be reclassified to profit and loss account in subsequent period</i>				
Unrealized (diminution)/ appreciation on available for sale investment - net of tax	7.5	9,870,000	69,160,000	56,105,000
Share of other comprehensive loss from associated undertaking - net of tax	7.4	(220,869,684)	(367,972,119)	(95,013,556)
Other comprehensive loss for the period - net of tax		(210,999,684)	(298,812,119)	(38,908,556)
Total comprehensive income / (loss) for the period		870,176,959	562,239,236	357,735,032

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

Note	March 31, 2018 Rupees	March 31, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations after working capital changes	18	1,922,403,024
Gratuity paid		(28,220,854)
Taxes paid		(208,907,619)
Long-term deposits (paid)/ received		(7,415,476)
Net cash generated from operating activities		1,677,859,075
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure (including CWIP)		(972,837,785)
Proceeds from sale of investment		-
Proceeds from disposal of property, plant and equipments		63,814,189
Net cash used in investing activities		(909,023,596)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease obtained / (Rental paid)		37,623,693
Dividends paid		(175,701,894)
Long-term finance less repayments		(545,705,711)
Financial charges paid		(491,646,339)
Net cash (used in) / generated from financing activities		(1,175,430,251)
Net increase in cash and cash equivalents		(406,594,772)
Cash and cash equivalents at the beginning of the period		(773,560,635)
Cash and cash equivalents at the end of the period	19	(1,180,155,407)

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Issued, subscribed and paid-up capital	Capital to be issued pursuant to amalgamation	Total Reserves					Total reserves	Total shareholders' equity	
			Capital reserve		Share of AFS re-measurement from associate	Revenue reserve	Unappropriated profit			
			Share premium	Amalgamation reserves						
Rupees										
Balance as at June 30, 2016	505,207,500	132,840,000	579,265,000	916,862,067	382,805,697	13,074,613	3,468,829,978	5,360,837,355	5,998,884,855	
Capital issued pursuant to amalgamation	132,840,000	(132,840,000)	-	-	-	-	-	-	-	
Total comprehensive income for the period										
Profit for the nine month period ended March 31, 2017	-	-	-	-	-	-	-	-	-	
Total other comprehensive income/(loss) for the nine month period ended March 31, 2017	-	-	-	-	-	-	-	-	-	
Total comprehensive income	-	-	-	-	-	69,160,000	861,051,355	562,239,236	5,02,239,236	
Transaction with owners, recognised directly in equity										
Cash dividend paid for the year ended June 30, 2016 @ Rs. 6.50 per share	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2017	638,047,500	-	579,265,000	916,862,067	14,833,578	82,234,613	3,915,150,458	5,398,345,716	6,146,393,216	
Balance as at June 30, 2017	638,047,500	-	579,265,000	916,862,067	(83,785,290)	23,469,613	4,197,790,023	5,633,601,413	6,271,648,913	
Total comprehensive income for the period										
Profit for the nine month period ended March 31, 2018	-	-	-	-	-	-	-	-	-	
Total other comprehensive income/(loss) for the nine month period ended March 31, 2018	-	-	-	-	-	-	-	-	-	
Total comprehensive income	-	-	-	-	(220,869,684)	9,870,000	1,081,176,643	(210,999,684)	870,176,959	
Transaction with owners, recognised directly in equity										
Cash dividend paid for the year ended June 30, 2017 @ Rs. 2.75 per share	-	-	-	-	-	-	-	-	-	
Balance as at March 31, 2018	638,047,500	-	579,265,000	916,862,067	(304,654,974)	33,339,613	5,103,503,063	(175,463,063)	6,966,562,809	

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

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. Previously the shares of the Company were listed on the Karachi and Lahore Stock Exchanges. However, due to integration of these Stock Exchanges into Pakistan Stock Exchange effective January 11, 2016 the shares of the company are now quoted on Pakistan Stock Exchange. 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 STATEMENT OF COMPLIANCE

- This condensed interim financial information of the Company for the nine months period ended 31 March 2018 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.
- The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the Securities and Exchange Commission of Pakistan (SECP) vide its circular no 23/2017 dated 04 October 2017, this condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984. Furthermore, the Institute of Chartered Accountants of Pakistan also issued clarification vide its circular dated 06 October 2017 which states that the interim financial information of the companies for the periods ending on or before March 31, 2018 shall also be prepared in accordance with the provisions of the repealed Companies Ordinance 1984.
- This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements as at and for the year ended 30 June 2017.
- The comparative Balance Sheet presented in this condensed interim financial information has been extracted from the audited annual financial statements of the Company for the year ended 30 June 2017, whereas the comparative condensed interim Profit and Loss Account, condensed interim Statement of Comprehensive Income, condensed interim Cash Flow Statement and condensed interim Statement of Changes in Equity are extracted from the unaudited condensed interim financial information for the period ended 31 March 2018.

3 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

- The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements of the Company for the year ended June 30, 2017.
- Certain amendments and interpretation to approved accounting standards become effective during period were not relevant to the Company's operation and do not have any impact on the accounting policies of the Company.

4 USE OF JUDGEMENTS AND ESTIMATES

The estimates / judgments and associated assumptions used in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the financial statements of the Company for the year ended June 30, 2017.

5 FUNCTIONAL AND PRESENTATION CURRENCY

This condensed interim financial information is presented in Pakistani Rupees which is also company's functional currency.

6 PROPERTY, PLANT AND EQUIPMENTS

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
Operating fixed assets	6.1	10,298,253,799	9,221,162,306
Capital work in progress	6.2	318,559,843	1,175,086,981
		10,616,813,642	10,396,249,287

6.1 Details of additions and deletions to operating fixed assets during the nine-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----		-----At net book value-----	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- Rupees -----			
Owned assets				
Leasehold land	85,277,359	123,244,641	-	-
Buildig on leasehold land	625,731,512	154,192,765	-	-
Plant and machinery	803,991,926	678,945,112	-	-
Furniture and fittings	8,958,680	657,715	-	-
Equipment	118,848,360	3,375,557	-	-
Computers	2,987,050	1,491,038	-	43,396
Vehicles	46,159,348	97,169,967	40,279,946	2,667,468
	1,691,954,235	1,059,076,795	40,279,946	2,710,864
Leased assets				
Vehicles	137,410,688	37,447,285	-	-
	137,410,688	37,447,285	-	-
	1,829,364,923	1,096,524,080	40,279,946	2,710,864

6.2 Details of additions in and transfers from capital work-in-progress during the nine-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	----- Rupees -----			
Civil works	240,022,574	474,310,130	625,731,512	154,192,765
Plant and machinery	185,735,923	1,433,886,515	788,421,056	676,269,063
Electric insallation	19,104,113	33,059,268	15,570,870	2,676,049
Equipments and fixtures	220,063,912	18,194,195	127,807,040	4,033,272
Software development	36,076,818	5,662,440	-	-
	701,003,340	1,965,112,548	1,557,530,478	837,171,149

7 LONG-TERM INVESTMENTS

Investment in subsidiary Company- unquoted shares

Hudson Pharma (Private) Limited	7.1	605,984,000	605,984,000
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Investment in associated undertakings

Novelty Enterprises (Private) Limited- unquoted shares	7.2	228,737,812	228,737,812
The Bank of Khyber	7.3	2,881,452,805	2,782,115,507
		3,110,190,617	3,010,853,319

Other investment-Available for sale

Bank Islami Pakistan Limited	7.5	324,240,000	308,840,000
		4,040,414,617	3,925,677,319

7.1 Hudson Pharma (Private) Limited

The Company holds 60,598,400 (2017: 60,598,400) shares of Hudson Pharma (Private) Limited, which is equivalent to 71.29% of total paid up capital. The company is incorporated under repealed companies ordinance, 1984 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 company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail, trading and selling of all kinds of pharmaceutical drugs and medicines. However, the company has not commenced commercial operations yet. The shares of Hudson Pharma (Private) Limited are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of Hudson Pharma (Private) Limited is June 30.

7.2 Novelty Enterprises (Private) Limited

The Company holds 33% (2017: 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, 2017 based on un-audited financial statements amounted to Rs. 561.518 million (2017: Rs. 561.518 million based on audited financial statements). However, as per report of an independent valuer, Masud Associates dated March 31, 2015 fair value of fixed assets of NEL amounted to Rs. 1,016.32 million resulting in surplus on fixed assets of Rs. 483.607 million. Revised net assets after the revaluation surplus amounted to Rs.1,045.125 million (2017: Rs. 1,045.125 million). Accordingly, the management is of the view that it would be able to recover carrying values of its investment, NEL has not commenced operations.

7.3 The Bank of Khyber

The total shareholding of the Company in the Bank of Khyber (the Bank) is 241,639,031 shares which represents 24.16% of paid-up capital of the Bank (2017: 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 condensed interim financial information of the Bank for the year ended December 31, 2017 and three-months period ended March 31, 2018. 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 March 31, 2018 was Rs. 3,262.13 million (June 30, 2017: Rs. 3,805.815 million).

7.4 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)	(Audited)	(Un-audited)	(Audited)
	March 31, 2018	June 30, 2017	March 31, 2018	June 30, 2017
Carrying value at beginning of the period	2,782,115,507	3,142,849,649	228,737,812	228,763,991
Share of profit relating to profit and loss account	320,206,982	468,315,392	-	(26,179)
Dividend received	-	(362,458,547)	-	-
Share of other comprehensive loss	(252,422,496)	(539,704,283)	-	-
Related deferred tax on OCI	31,552,812	73,113,296	-	-
	(220,869,684)	(466,590,987)	-	-
	2,881,452,805	2,782,115,507	228,737,812	228,737,812

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. The Company has not received cash dividend from Bank of Khyber during the period (June 30, 2017: Rs. 1.50)

(Un-audited)
March 31,
2018
Rupees

(Audited)
June 30,
2017
Rupees

7.5 Bank Islami Pakistan Limited

Carrying Value	308,840,000	294,840,000
Unrealized appreciation in value of investment	15,400,000	14,000,000
Fair value of investment	324,240,000	308,840,000

8 STORES AND SPARES

Stores and spare parts - gross	209,540,402	176,317,379
Diesel and liquified petroleum gas	1,066,605	1,167,269
Others	-	61,800
Provision for slow moving spare parts	8.1 (8,456,420)	(8,051,420)
Store and spares - net	202,150,587	169,495,028

8.1 Reconciliation of provision for slow moving spare parts

Opening provision	(8,051,420)	(7,511,420)
Charge for the period / year	(405,000)	(540,000)
Closing provision	(8,456,420)	(8,051,420)

9 STOCK-IN-TRADE

Raw materials	9.1	3,116,360,948	3,112,825,860
Packing materials	9.1	344,307,454	351,355,736
Work-in-process		122,643,536	151,165,802
Finished goods		1,226,850,018	1,248,178,407
		4,810,161,956	4,863,525,805

9.1 Raw materials and packing materials are stated at net of provision for slow moving items amounting to Rs.13,404,278 (June 30, 2017: Rs.13,404,278) and Rs.133,928,098 (June 30, 2017: Rs. 118,216,276) respectively.

10 TRADE DEBTS

Considered good		
- secured (export debtors)	90,620,522	124,849,742
- unsecured	1,610,361,891	1,318,003,023
	1,700,982,413	1,442,852,765
Considered doubtful	48,201,994	42,313,694
Trade debts - gross	1,749,184,407	1,485,166,459
Provision for doubtful debts	(48,201,994)	(42,313,694)
Trade debts - net	1,700,982,413	1,442,852,765

11 CASH AND BANK BALANCES

Cash in hand	29,163,821	1,802,402
Cash with banks in:		
- current accounts- conventional	27,972,249	27,087,396
- current accounts- islamic	5,314,151	3,765,957
	62,450,221	32,655,755

12 SPONSORS' LOAN - SUBORDINATED

The Company has obtained interest free loan from its sponsors. The sponsors have entered into agreements with the Company and various banks in which they have undertaken to sub-ordinate their loans and their claims over the Company's assets. These loans will be converted into ordinary shares and management are under advance stage of discussion for conversion to ordinary shares. The required formalities would be completed once final decision and agreement has been reached.

13 LONG TERM FINANCES - secured

	(Un-audited)			(Audited)		
	March 31, 2018			June 30, 2017		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	5,921,235,635	2,681,666,659	8,602,902,294	4,740,612,260	1,679,166,659	6,419,778,919
Transfer from conventional to islamic	(766,666,667)	766,666,667	-	-	-	-
Obtained during the period / year	912,709,000	-	912,709,000	3,782,089,466	1,350,000,000	5,132,089,466
Repaid during the period / year	(873,414,712)	(584,999,999)	(1,458,414,711)	(2,601,466,091)	(347,500,000)	(2,948,966,091)
	5,193,863,256	2,863,333,327	8,057,196,583	5,921,235,635	2,681,666,659	8,602,902,294
Less: Current maturity	(1,400,973,400)	(1,234,166,648)	(2,635,140,048)	(1,441,857,599)	(636,249,986)	(2,078,107,585)
	3,792,889,856	1,629,166,679	5,422,056,535	4,479,378,036	2,045,416,673	6,524,794,709

13.1 These represent term finance facilities obtained for property, plant, and equipments. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu charge over property, plant and equipments of the company and personal guarantees of the directors. These facilities carry mark-up at the rate ranging from 1 month KIBOR + 0.20% to 3 month KIBOR + 0.50% and from 0.25% to 0.75 % above the State Bank of Pakistan rate for L.T.F.F.

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
14 TRADE AND OTHER PAYABLES			
Trade creditors		1,171,670,053	660,782,576
Other liabilities		978,494,307	377,331,086
		2,150,164,360	1,038,113,662

15 SHORT TERM FINANCES - Secured

Term finances-conventional	15.1	939,675,126	1,096,074,976
Term finances-islamic	15.2	455,912,744	1,430,002,161
Export refinances	15.3	434,350,000	451,000,000
Running finance utilized under mark-up arrangement	15.4	1,242,605,628	806,216,390
		3,072,543,498	3,783,293,527

15.1 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 1,400 million (2017: Rs. 2,100 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 5.98% to 6.26% per annum (2017: 5.98% to 7.05% per annum).

15.2 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 2,100 million (2017: Rs. 2,400 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 6.26% to 6.52% per annum (2017: 6.22% to 6.31% per annum).

15.3 These represented facilities for export refinance arranged from various banks aggregating to Rs. 614.35 million (2017: Rs. 631 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 ranging from 0.25% to 0.50% above the State Bank of Pakistan (SBP) rate per annum (2017: 0.25% to 0.50% above SBP rate per annum).

15.4 These facilities for running finances available from various banks aggregated to Rs. 3,525.65 million (2017: Rs. 3,509 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 6.27% to 6.75% per annum (2017: 6.27% to 7.30% per annum).

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There are no material changes in the status of contingencies as same reported in the annual audited financial statements of the Company from note 24.1.1 to 24.1.8 except the following:

The Company filed a Constitutional Petition before the Sindh High Court challenging the vires of Section 5A of the Income Tax Ordinance, 2001 which was amended through Finance Act 2017 that every public company shall pay tax @ 7.5% of its accounting profit before tax for the year in which such company does not distribute at least 40% of its after tax profits within six (6) months of the end of the tax year through cash or bonus shares. The Sindh High Court has accepted the Constitutional Petition and granted stay against the newly amended section 5A. Further, the Board of Directors of the Company in their meeting dated September 22, 2017 has proposed cash dividend in respect of the year ended June 30, 2017 of Rs. 2.75/- per share which amounts to Rs. 175.463 million (i.e. 15.05% of after tax profits) for the financial and tax year 2017, which is lower than the minimum prescribed distribution rate. In case the Sindh High Court's decision is not in favor of the Company; the Company will either be required to declare dividend to the extent of 40% of after tax profits or it will be liable to pay additional tax at the rate of 7.5% of the accounting profit before tax of the Company for the financial year ended June 30, 2017.

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
16.2 Commitments			
Outstanding letter of guarantees		701,848,298	481,662,420
Outstanding letter of credit for:			
- capital expenditures		871,702,836	313,270,182
- others		564,750,610	653,704,383

	Note	(Un-audited) March 31, 2018 Rupees	(Un-audited) March 31, 2017 Rupees
17 EARNINGS PER SHARE-Basic and Diluted			
There is no dilutive effect on the basic earnings per share of the company which is based on:			
Basic earnings per share			
Profit for the period		1,081,176,643	861,051,355
		------(Number)-----	
Weighted average number of ordinary shares during the period		63,804,750	63,804,750
		------(Rupees)-----	
Basic earnings per share		16.95	13.50

18 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES

Profit before income tax

Adjustments for non-cash and other items:

Depreciation	711,993,484	546,399,285
Gain on disposal of property, plant and equipments - net	(23,534,243)	(3,783,808)
Loss on sale of investment	-	131,967
Provision for staff retirement gratuity	75,907,687	65,347,972
Share of profit from associated undertaking	(320,206,982)	(327,985,315)
Dividend Receivable		275,829,627
Finance cost	466,392,667	504,660,271
Net (Decrease)/Increase in working capital	(348,886,610)	1,605,517,294
	1,922,403,024	3,712,226,873

18.1 Working capital changes

Current assets

Decrease / (Increase) in current assets

Stores and spares	(32,655,559)	(15,707,961)
Stock-in-trade	53,363,849	86,761,345
Trade debts	(258,129,648)	265,225,311
Advances - considered good	(45,145,434)	(52,155,127)
Trade deposits and short-term prepayments	(102,872,414)	(15,479,203)
Other receivables	70,237,038	(71,235,543)
	(315,202,168)	197,408,822

Current liabilities

(Decrease) / Increase in current liabilities

Trade and other payables	1,112,289,529	(289,877,072)
Short-term finances	(1,147,139,267)	1,671,935,897
Advance from customers	1,165,296	26,049,647
	(33,684,442)	1,408,108,472
Net (Decrease)/Increase in working capital	(348,886,610)	1,605,517,294

19 CASH AND CASH EQUIVALENTS

Cash and bank balances	11	62,450,221	77,889,726
Running finances under mark-up arrangement	15	(1,242,605,628)	(397,969,439)
		(1,180,155,407)	(320,079,713)

20 SEGMENT INFORMATION

A segment is a distinguishable component of the Company that is engaged in business activities from which the Company earns revenues and incurs expenses 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:

	Nine Months ended					
	Quarter ended			Total		
	Food Processing			Plastic Film		
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	Rupees					
Sales						
Local	6,172,396,765	4,965,033,353	1,839,211,203	1,261,120,425	8,011,607,968	6,226,153,778
Export	298,668,893	290,085,631	7,850,662	78,030,022	306,519,555	278,116,253
Export rebates	3,268,167	3,301,049	-	-	3,268,167	3,301,049
	6,474,333,825	5,168,420,033	1,847,061,865	1,339,151,447	8,321,395,690	6,507,571,080
Less:						
Sales return and discount	(536,608,633)	(556,327,149)	(8,687,843)	(3,148,057)	(545,296,476)	(559,475,216)
Sales tax	(915,990,019)	(714,050,827)	(278,955,330)	(188,788,098)	(1,194,945,049)	(902,838,925)
	(1,452,598,652)	(1,270,377,976)	(287,643,173)	(191,936,155)	(1,740,242,425)	(1,462,314,131)
Net sales	5,021,735,173	3,898,042,057	1,559,418,692	1,147,214,892	6,581,153,265	5,045,256,949
Cost of sales	(393,362,596)	(3,246,075,515)	(1,430,078,014)	(1,057,929,238)	(5,360,440,600)	(4,284,005,253)
Selling and distribution	(750,354,935)	(543,844,312)	(16,281,716)	(21,766,018)	(766,317,209)	(571,610,330)
Administrative expenses	(25,423,489)	(64,700,400)	(67,164,029)	(11,448,633)	(92,587,518)	(76,149,033)
	(470,532,579)	(3,854,620,027)	(1,513,523,759)	(1,077,144,889)	(6,219,345,337)	(4,913,764,616)
Segment result	315,912,995	43,422,030	45,894,933	70,070,303	361,807,928	113,492,333
Unallocated income and expenses						
Finance cost						
Other operating expenses						
Share of profit from associated undertakings						
Profit before taxation						
Income tax expense						
Profit for the period						
20.2 Segment assets						
20.3 Unallocated assets						
20.4 Segment liabilities						
20.5 Unallocated liabilities						
20.6 Inter-segment pricing						
Transactions among the business segments are recorded at estimated cost.						
20.7 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.						
20.8 There were no major customers of the company which formed 10 percent or more of the Company's revenue.						

20.9 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES

Assets

Total assets for reportable segments	20.2	18,761,580,737	18,152,096,943
Administrative capital assets		156,635,713	160,953,862
Long term investment	7	4,040,414,617	3,925,677,319
Total assets		22,958,631,067	22,238,728,124

Liabilities

Total liabilities for reportable segments	20.4	5,377,297,791	5,175,998,864
Sponsors' loan - subordinated		902,151,770	902,151,770
Deferred liabilities		1,369,444,714	1,037,472,576
Long term finance	13	8,057,196,583	8,602,902,294
Liabilities against assets subject to finance lease		286,177,400	248,553,707
Total liabilities		15,992,268,258	15,967,079,211

21 TRANSACTIONS WITH RELATED PARTIES

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

Transactions

Plasitflex Films (Private) Limited

- Close family relationship
- Payment against purchases
- Purchases
- Processing charges
- Raw Material sale

(Un-audited) March 31, 2018 Rupees	(Un-audited) March 31, 2017 Rupees
37,849,407	34,922,317
35,865,078	22,919,013
1,633,357	-
1,570,839	-

Others

Remuneration to directors and other key management personnel:

- Chief Executive Officer
- Directors
- Executives

4,500,000	3,250,000
7,200,000	7,724,997
203,182,931	96,189,367
214,882,931	107,164,364

Creditors - associated company

- Payable to associate

March 31, 2018 Rupees	June 30, 2017 Rupees
9,904,130	15,092,655

Sponsors' subordinated - loan

- Payable to director's

902,151,770	902,151,770
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22 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on 25th April, 2018 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 STATEMENT
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2018

CONSOLIDATED CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2018

		(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
	Note		
ASSETS			
Non-current assets			
Property, plant and equipments	6	11,767,561,500	11,362,732,876
Goodwill		11,959,187	11,959,187
Long-term investments	7	3,434,430,617	3,319,693,319
Long-term deposits		44,051,449	35,635,973
Total non-current assets		15,258,002,753	14,730,021,355
Current assets			
Stores and spares	8	202,150,587	169,495,028
Stock-in-trade	9	4,852,321,744	4,863,525,805
Trade debts	10	1,704,219,134	1,442,852,765
Advances - considered good		419,161,274	376,350,875
Trade deposits and short-term prepayments		125,019,803	21,688,637
Other receivables		147,295,919	217,475,557
Taxation - net		808,548,832	774,157,713
Cash and bank balances	11	86,943,320	34,125,833
Total current assets		8,345,660,613	7,899,672,213
Total assets		23,603,663,366	22,629,693,568
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorised share capital			
250,000,000 (June 30, 2017: 250,000,000) ordinary share of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up capital			
63,804,750 (June 30, 2017: 63,804,750) ordinary shares of Rs.10 each full paid in cash		638,047,500	638,047,500
Reserves		6,288,039,077	5,613,640,729
Non-controlling interest		222,981,983	231,091,188
Total shareholders' equity		7,149,068,560	6,482,779,417
Non-current liabilities			
Sponsors' loan - subordinated	12	902,151,770	902,151,770
Long-term finances - secured	13	5,534,556,535	6,674,794,709
Liabilities against assets subject to finance lease		185,044,910	168,176,412
Deferred liabilities		1,373,673,852	1,215,829,176
Total non-current liabilities		7,995,427,067	8,960,952,067
Current liabilities			
Trade and other payables	14	2,457,448,935	1,065,505,368
Accrued mark-up		69,157,878	93,598,715
Short-term finance - secured	15	3,072,543,498	3,783,293,527
Current portion of:			
- long-term finances - secured	13	2,672,640,048	2,078,107,585
- liabilities against assets subject to finance lease		101,132,490	80,377,295
Advances from customers		86,244,890	85,079,594
Total current liabilities		8,459,167,739	7,185,962,084
Total liabilities		16,454,594,806	16,146,914,151
Contingencies and commitments	16		
Total equity and liabilities		23,603,663,366	22,629,693,568

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Note	Nine-month Period ended		Quarter ended	
		March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
		Rupees	Rupees	Rupees	Rupees
Sales	20.1	21,150,010,962	17,026,716,993	7,776,099,214	5,948,095,874
Sales tax		(3,163,733,399)	(2,572,307,126)	(1,194,945,949)	(902,838,925)
Net sales		17,986,277,563	14,454,409,867	6,581,153,265	5,045,256,949
Cost of sales	20.1	(14,161,204,922)	(11,692,872,993)	(5,360,440,610)	(4,284,005,253)
Gross profit		3,825,072,641	2,761,536,874	1,220,712,655	761,251,696
Selling and distribution expenses		(2,024,857,970)	(1,381,650,115)	(766,317,209)	(571,610,330)
Administrative expenses		(309,783,079)	(239,455,574)	(106,814,903)	(81,245,708)
		(2,334,641,049)	(1,621,105,689)	(873,132,112)	(652,856,038)
Operating profit		1,490,431,592	1,140,431,185	347,580,543	108,395,658
Other expenses		(184,396,627)	(94,461,493)	(66,650,253)	(20,810,517)
		1,306,034,965	1,045,969,692	280,930,290	87,585,141
Other income		172,462,988	156,997,062	63,211,055	79,730,736
		1,478,497,953	1,202,966,754	344,141,345	167,315,877
Finance cost		(466,392,667)	(504,660,271)	(159,072,805)	(135,794,499)
		1,012,105,286	698,306,483	185,068,540	31,521,378
Share of profit from associate		320,206,982	327,985,315	214,820,933	219,517,492
Profit before income tax		1,332,312,268	1,026,291,798	399,889,473	251,038,870
Income tax expense		(279,560,378)	(185,058,225)	(17,118,706)	(3,419,409)
Profit for the period		1,052,751,890	841,233,573	382,770,767	247,619,461
Profit for the period attributable to:					
Shareholders of the Holding Company		1,060,861,095	846,923,258	384,253,317	249,095,653
Non-controlling interest		(8,109,205)	(5,689,685)	(1,482,550)	(1,476,192)
		1,052,751,890	841,233,573	382,770,767	247,619,461
Earnings per share - basic and diluted	17	16.50	13.18	6.00	3.88

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

Note	Nine-month period ended		Quarter ended		
	March 31,	March 31,	March 31,	March 31,	
	2018	2017	2018	2017	
	Rupees	Rupees	Rupees	Rupees	
Profit for the period	1,060,861,095	846,923,258	384,253,317	249,095,653	
<i>Item to be reclassified to profit and loss account in subsequent period</i>					
Unrealized (diminution)/ appreciation on available for sale investment - net of tax	7.4	9,870,000	69,160,000	56,105,000	(10,080,000)
Share of other comprehensive loss from associated undertaking - net of tax	7.3	(220,869,684)	(367,972,119)	(95,013,556)	(422,229,131)
Other comprehensive loss for the period - net of tax		(210,999,684)	(298,812,119)	(38,908,556)	(432,309,131)
Total comprehensive income/(loss) for the period		849,861,411	548,111,139	345,344,761	(183,213,478)

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
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DIRECTOR

ABDUL QADIR
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CONSOLIDATED CONDENSED INTERIM CASH FLOWS STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

Note	March 31, 2018 Rupees	March 31, 2017 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash generated from operations after working capital changes	18 2,159,975,619	3,819,970,729
Gratuity paid	(28,449,756)	(21,172,808)
Taxes paid	(211,109,557)	(317,590,391)
Long-term deposits (paid)/ received	(8,415,476)	13,755,513
Net cash generated from operating activities	1,912,000,830	3,494,963,043
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure (including CWIP)	(1,186,223,174)	(2,323,938,252)
Proceeds from sale of investment	-	37,316,032
Proceeds from disposal of property, plant and equipments	65,268,009	6,494,672
Net cash used in investing activities	(1,120,955,165)	(2,280,127,548)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease obtained / (Rental paid)	37,623,693	(4,868,502)
Dividends paid	(175,701,894)	(413,974,303)
Long-term finance less repayments	(545,705,711)	1,020,749,139
Financial charges paid	(490,833,504)	(483,784,478)
Net cash (used in) / generated from financing activities	(1,174,617,416)	118,121,856
Net increase in cash and cash equivalents	(383,571,751)	1,332,957,351
Cash and cash equivalents at the beginning of the period	(772,090,557)	(1,646,925,147)
Cash and cash equivalents at the end of the period	(1,155,662,308)	(313,967,796)

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

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CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Issued, subscribed and paid-up capital	Capital to be issued pursuant to amalgamation	Share premium	Amalgamation reserves	Capital reserve	Share of AFS remeasurement from associate	Revenue reserve	Unappropriated profit	Total reserves	Non-controlling interest	Total Shareholders' equity
Balance as at June 30, 2016	505,207,500	132,840,000	579,265,000	916,862,067	916,862,067	382,805,697	13,074,013	3,468,829,978	5,360,837,355	239,221,433	6,238,111,288
Capital issued pursuant to amalgamation	132,840,000	(132,840,000)	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-
Profit for the nine month period ended March 31, 2017	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income/(loss) for the nine month period ended March 31, 2017	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Transaction with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid for the year ended June 30, 2017 @ Rs. 6.50 per share	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	638,047,500	-	579,265,000	916,862,067	916,862,067	382,805,697	13,074,013	4,177,829,339	5,613,640,729	231,091,188	6,482,779,417
Balance as at June 30, 2018	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	-	-	-	-	-
Profit for the nine month period ended March 31, 2018	-	-	-	-	-	-	-	-	-	-	-
Total other comprehensive income/(loss) for the nine month period ended March 31, 2018	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income	-	-	-	-	-	-	-	-	-	-	-
Transaction with owners, recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid for the year ended June 30, 2017 @ Rs. 2.75 per share	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	638,047,500	-	579,265,000	916,862,067	916,862,067	382,805,697	13,074,013	5,063,227,371	6,288,039,077	222,981,983	7,149,068,560

The annexed selected notes from 1 to 22 form an integral part of this condensed interim financial information.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER

SELECTED NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

1 LEGAL STATUS AND OPERATIONS

1.1 The Group consist of:

Holding company : Ismail Industries Limited

Subsidiary companies : 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 Company was converted into a public limited company. The registered office of the Holding Company is situated at 17 - Bangalore Town, Shahr-e-Faisal, Karachi, Pakistan. Previously the shares of the Holding Company were listed on the Karachi and Lahore Stock Exchanges. However, due to integration of these Stock Exchanges into Pakistan Stock Exchange effective January 11, 2016 the shares of the holding company are now quoted on Pakistan Stock Exchange. 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 is incorporated in Pakistan under the Companies Ordinance, 1984 (the Ordinance) as a private company limited by shares. The registered office of the subsidiary company is located at 17, Bangalore Town, Main Shahr-e-Faisal, Karachi. Principal activities of the subsidiary company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail, trading and selling of all kinds of pharmaceutical drugs and medicines.

2 STATEMENT OF COMPLIANCE

- 2.1 This consolidated condensed interim financial information of the Group for the nine months period ended 31 March 2018 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 'Interim Financial Reporting' and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been
- 2.2 The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the Securities and Exchange Commission of Pakistan (SECP) vide its circular no 23/2017 dated 04 October 2017, this consolidated condensed interim financial information has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984. Furthermore, the Institute of Chartered Accountants of Pakistan also issued clarification vide its circular dated 06 October 2017 which states that the interim financial information of the companies for the periods ending on or before December 31, 2017 shall also be prepared in accordance with the provisions of the repealed Companies Ordinance 1984.
- 2.3 This consolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements as at and for the year ended 30 June 2017.
- 2.4 The comparative Balance Sheet presented in this consolidated condensed interim financial information has been extracted from the consolidated audited annual financial statements of the Group for the year ended June 30 2017, whereas the comparative consolidated condensed interim Profit and Loss account, consolidated condensed Interim Statement of Comprehensive Income, consolidated condensed interim Cash Flow Statement and consolidated condensed Interim Statement of Changes in Equity are extracted from the unaudited consolidated condensed interim financial information for the period ended March 31, 2018.

3 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

- 3.1 The accounting policies and methods of computation adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the financial statements of the Group for the year ended June 30, 2017.
- 3.2 Certain amendments and interpretation to approved accounting standards become effective during period were not relevant to the Group's operation and do not have any impact on the accounting policies of the Group.

4 USE OF JUDGEMENTS AND ESTIMATES

The estimates / judgments and associated assumptions used in the preparation of this consolidated condensed interim financial information are consistent with those applied in the preparation of the financial statements of the Group for the year ended June 30, 2017.

5 FUNCTIONAL AND PRESENTATION CURRENCY

This consolidated condensed interim financial information is presented in Pakistani Rupees which is also group's functional currency.

6 PROPERTY, PLANT AND EQUIPMENTS

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
Operating fixed assets	6.1	11,353,951,536	9,254,678,590
Capital work in progress	6.2	413,609,964	2,108,054,286
		11,767,561,500	11,362,732,876

6.1 Details of additions and deletions to operating fixed assets during the nine-months period are as follows:

		(Un-audited)	
		Additions	Transfers
		-----At cost-----	-----At net book value-----
		March 31, 2018	March 31, 2017
		Rupees	
Owned assets			
Leasehold land	85,277,359	123,244,641	-
Buildig on leasehold land	992,831,745	154,192,765	-
Plant and machinery	1,399,726,413	678,945,112	-
Furniture and fittings	15,168,192	657,715	-
Equipment	168,066,505	3,790,839	-
Computers	8,258,347	1,702,653	43,396
Vehicles	73,928,248	101,724,873	41,402,629
	2,743,256,809	1,064,258,598	41,402,629
Leased assets			
Vehicles	137,410,688	37,447,285	-
	137,410,688	37,447,285	-
	2,880,667,497	1,101,705,883	41,402,629

6.2 Details of additions in and transfers from capital work-in-progress during the nine-months period are as follows:

		(Un-audited)	
		Additions	Transfers
		-----At cost-----	-----At net book value-----
		March 31, 2018	March 31, 2017
		Rupees	
Civil works	298,054,701	531,632,040	992,831,745
Plant and machinery	305,893,418	1,467,033,284	1,279,544,749
Electric insallation	20,206,611	33,267,268	120,181,664
Equipments and fixtures	221,116,985	21,808,485	183,234,697
Software development	36,076,818	5,662,440	-
	881,348,533	2,059,403,517	2,575,792,855

7 LONG-TERM INVESTMENTS

Investment in associated undertakings

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
Novelty Enterprises (Private) Limited- unquoted shares	7.1	228,737,812	228,737,812
The Bank of Khyber	7.2	2,881,452,805	2,782,115,507
		3,110,190,617	3,010,853,319

Other investment-Available for sale

Bank Islami Pakistan Limited	7.4	324,240,000	308,840,000
		3,434,430,617	3,319,693,319

7.1 Novelty Enterprises (Private) Limited

The Holding Company holds 33% (2017: 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, 2017 based on un-audited financial statements amounted to Rs. 561.518 million (2017: Rs. 561.518 million based on audited financial statements). However, as per report of an independent valuer, Masud Associates dated March 31, 2015 fair value of fixed assets of NEL amounted to Rs. 1,016.32 million resulting in surplus on fixed assets of Rs. 483.607 million. Revised net assets after the revaluation surplus amounted to Rs.1,045.125 million (2017: Rs. 1,045.125 million). Accordingly, the management is of the view that it would be able to recover carrying values of its investment, NEL has not commenced operations.

7.2 The Bank of Khyber

The total shareholding of the Holding Company in the Bank of Khyber (the Bank) is 241,639,031 shares which represents 24.16% of paid-up capital of the Bank (2017: 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 condensed interim financial information of the Bank for the year ended December 31, 2017 and three-months period ended March 31, 2018. 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 March 31, 2018 was Rs. 3,262.13 million (June 30, 2017: Rs. 3,805.815 million).

7.3 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) March 31, 2018	(Audited) June 30, 2017	(Un-audited) March 31, 2018	(Audited) June 30, 2017
Carrying value at beginning of the period	2,782,115,507	3,142,849,649	228,737,812	228,763,991
Share of profit relating to profit and loss account	320,206,982	468,315,392	-	(26,179)
Dividend received	-	(362,458,547)	-	-
Share of other comprehensive loss	(252,422,496)	(539,704,283)	-	-
Related deferred tax on OCI	31,552,812	73,113,296	-	-
	(220,869,684)	(466,590,987)	-	-
	2,881,452,805	2,782,115,507	228,737,812	228,737,812

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 Company has not received cash dividend from Bank of Khyber during the period (June 30, 2017: Rs. 1.50)

7.4 Bank Islami Pakistan Limited

Carrying Value	308,840,000	294,840,000
Unrealized appreciation in value of investment	15,400,000	14,000,000
Fair value of investment	324,240,000	308,840,000

8 STORES AND SPARES

Stores and spare parts - gross	209,540,402	176,317,379
Diesel and liquified petroleum gas	1,066,605	1,167,269
Others	-	61,800
Provision for slow moving spare parts	(8,456,420)	(8,051,420)
Store and spares - net	202,150,587	169,495,028

8.1 Reconciliation of provision for slow moving spare parts

Opening provision	(8,051,420)	(7,511,420)
Charge for the period / year	(405,000)	(540,000)
Closing provision	(8,456,420)	(8,051,420)

9 STOCK-IN-TRADE

Raw materials	3,128,176,715	3,112,825,860
Packing materials	369,337,580	351,355,736
Work-in-process	127,604,354	151,165,802
Finished goods	1,227,203,095	1,248,178,407
	4,852,321,744	4,863,525,805

9.1 Raw materials and packing materials are stated at net of provision for slow moving items amounting to Rs.13,404,278 (June 30, 2017: Rs.13,404,278) and Rs.133,928,098 (June 30, 2017: Rs. 118,216,276) respectively.

	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
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10 TRADE DEBTS

Considered good	90,620,522	124,849,742
- secured (export debtors)	1,613,598,612	1,318,003,023
- unsecured	1,704,219,134	1,442,852,765
Considered doubtful	48,201,994	42,313,694
Trade debts - gross	1,752,421,128	1,485,166,459
Provision for doubtful debts	(48,201,994)	(42,313,694)
Trade debts - net	1,704,219,134	1,442,852,765

11 CASH AND BANK BALANCES

Cash in hand	29,380,823	1,928,660
Cash with banks in:		
- current accounts- conventional	52,238,541	28,431,216
- current accounts- islamic	5,323,956	3,765,957
	86,943,320	34,125,833

12 SPONSORS' LOAN - SUBORDINATED

The Holding Company has obtained interest free loan from its sponsors. The sponsors have entered into agreements with the Group and various banks in which they have undertaken to sub-ordinate their loans and their claims over the Group's assets. These loans will be converted into ordinary shares and management are under advance stage of discussion for conversion to ordinary shares. The required formalities would be completed once final decision and agreement has been reached.

13 LONG TERM FINANCES - secured

	(Un-audited)			(Audited)		
	March 31, 2018			June 30, 2017		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	6,071,235,635	2,681,666,659	8,752,902,294	4,740,612,260	1,679,166,659	6,419,778,919
Transfer from conventional to Islamic	(766,666,667)	766,666,667	-	-	-	-
Obtained during the period / year	912,709,000	-	912,709,000	3,932,089,466	1,350,000,000	5,282,089,466
Repaid during the period / year	(873,414,712)	(584,999,999)	(1,458,414,711)	(2,601,466,091)	(347,500,000)	(2,948,966,091)
	5,343,863,256	2,863,333,327	8,207,196,583	6,071,235,635	2,681,666,659	8,752,902,294
Less: Current maturity	(1,438,473,400)	(1,234,166,648)	(2,672,640,048)	(1,441,857,599)	(636,249,986)	(2,078,107,585)
	3,905,389,856	1,629,166,679	5,534,556,535	4,629,378,036	2,045,416,673	6,674,794,709

- 13.1 These represent term finance facilities obtained for property, plant, and equipments. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu charge over property, plant and equipments of the holding company and personal guarantees of the directors. These facilities carry mark-up at the rate ranging from 1 month KIBOR + 0.20% to 3 month KIBOR + 0.50% and from 0.25% to 0.75 % above the State Bank of Pakistan rate for LTF.

14 TRADE AND OTHER PAYABLES

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
Trade creditors		1,184,290,525	660,782,576
Other liabilities		1,273,158,410	404,722,792
		2,457,448,935	1,065,505,368

15 SHORT TERM FINANCES - Secured

		(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
Term finances-conventional	15.1	939,675,126	1,096,074,976
Term finances-Islamic	15.2	455,912,744	1,430,002,161
Export refinances	15.3	434,350,000	451,000,000
Running finance utilized under mark-up arrangement	15.4	1,242,605,628	806,216,390
		3,072,543,498	3,783,293,527

- 15.1 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 1,400 million (2017: Rs. 2,100 million). These are secured against pari-passu hypothecation over stocks and book debts of the Holding Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 5.98% to 6.26% per annum (2017: 5.98% to 7.05% per annum).
- 15.2 These represent facilities for term finances arranged from various banks/financial institutions aggregating to Rs. 2,100 million (2017: Rs. 2,400 million). These are secured against pari-passu hypothecation over stocks and book debts of the Holding Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 6.26% to 6.52% per annum (2017: 6.22% to 6.31% per annum).
- 15.3 These represented facilities for export refinance arranged from various banks aggregating to Rs. 614.35 million (2017: Rs. 631 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 ranging from 0.25% to 0.50% above the State Bank of Pakistan (SBP) rate per annum (2017: 0.25% to 0.50% above SBP rate per annum).
- 15.4 These facilities for running finances available from various banks aggregated to Rs. 3,525.65 million (2017: Rs. 3,509 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 6.27% to 6.75% per annum (2017: 6.27% to 7.30% per annum).

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

There are no material changes in the status of contingencies as same reported in the annual audited financial statements of the Group from note 24.1.1 to 24.1.8 except the following:

The Holding Company filed a Constitutional Petition before the Sindh High Court challenging the vires of Section 5A of the Income Tax Ordinance, 2001 which was amended through Finance Act 2017 that every public company shall pay tax @ 7.5% of its accounting profit before tax for the year in which such company does not distribute at least 40% of its after tax profits within six (6) months of the end of the tax year through cash or bonus shares. The Sindh High Court has accepted the Constitutional Petition and granted stay against the newly amended section 5A. Further, the Board of Directors of the Holding Company in their meeting dated September 22, 2017 has proposed cash dividend in respect of the year ended June 30, 2017 of Rs. 2.75/- per share which amounts to Rs. 175.463 million (i.e. 15.05% of after tax profits) for the financial and tax year 2017, which is lower than the minimum prescribed distribution rate. In case the Sindh High Court's decision is not in favor of the Holding Company; the Holding Company will either be required to declare dividend to the extent of 40% of after tax profits or it will be liable to pay additional tax at the rate of 7.5% of the accounting profit before tax of the Holding Company for the financial year ended June 30, 2017.

	Note	(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
16.2 Commitments			
Outstanding letter of guarantees		701,848,298	481,662,420
Outstanding letter of credit for:			
- capital expenditures		871,702,836	313,270,182
- others		564,750,610	653,704,383

17 EARNINGS PER SHARE-Basic and Diluted

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

	(Un-audited) March 31, 2018 Rupees	(Un-audited) March 31, 2017 Rupees
Basic earnings per share		
Profit for the period	1,052,751,890	841,233,573
Weighted average number of ordinary shares during the period	63,804,750	63,804,750
Basic earnings per share	16.50	13.18

20 SEGMENT INFORMATION

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.

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.

management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and/or assessing performance.

Quarter ended	(Un-audited)
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Z1 Inter-segment pricing
Transactions among the business segments are recorded at estimated cost.

21 The Group'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. Transactions among the business segments are recorded at estimated cost.

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

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

		(Un-audited) March 31, 2018 Rupees	(Audited) June 30, 2017 Rupees
20.9 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES			
Assets			
Total assets for reportable segments	20.2	20,000,637,849	19,137,087,200
Administrative capital assets		156,635,713	160,953,862
Goodwill		11,959,187	11,959,187
Long term investment	7	3,434,430,617	3,319,693,319
Total assets		23,603,663,366	22,629,693,568
Liabilities			
Total liabilities for reportable segments	20.4	5,839,624,339	5,355,833,804
Sponsors' loan - subordinated		902,151,770	902,151,770
Deferred liabilities		1,369,444,714	1,037,472,576
Long term finance	13	8,057,196,583	8,602,902,294
Liabilities against assets subject to finance lease		286,177,400	248,553,707
Total liabilities		16,454,594,806	16,146,914,151

21 TRANSACTIONS WITH RELATED PARTIES

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

		(Un-audited) March 31, 2018 Rupees	(Un-audited) March 31, 2017 Rupees
Transactions			
Plasitflex Films (Private) Limited			
Close family relationship			
- Payment against purchases		37,849,407	34,922,317
- Purchases		35,865,078	22,919,013
- Processing charges		1,633,357	-
- Raw Material sale		1,570,839	-
Others			
Remuneration to directors and other key management personnel:			
Chief Executive Officer		9,000,000	3,250,000
Directors		7,200,000	7,724,997
Executives		232,666,931	96,189,367
		248,866,931	107,164,364
Creditors - associated company			
-Payable to associate		9,904,130	15,092,655
Sponsors' subordinated - loan			
Payable to director's		902,151,770	902,151,770

22 DATE OF AUTHORIZATION FOR ISSUE

This consolidated condensed interim financial information was authorized for issue on 25th April, 2018 by the Board of Directors of the Group.

MUNSARIM SAIFULLAH
CHIEF EXECUTIVE OFFICER

MAQSOOD ISMAIL
DIRECTOR

ABDUL QADIR
CHIEF FINANCIAL OFFICER