

# 2017

**Nine Months Report March 31,**



## Company Information

## Company Information

|  |   |   |
|--|---|---|
| <b>Board of Directors</b>                        | Mrs. Sharmeen Imran<br>Mr. Imran Ghafoor<br>Mr. Ejaz Hussain<br>Mr. Saim Bin Saeed<br>Mr. Waleed Asif<br>Mr. Yasir Ahmed Awan   | <b>(Chairperson)<br/>(CEO)</b>                    |
| <b>Chief Financial Officer</b>                   | Mr. Waqas Ashraf (FCA)  |   |
| <b>Company Secretary</b>                         | Mr. Mazhar Ali Khan   |   |
| <b>Head of Internal Audit</b>                    | Mr. Zia-ul-Mustafa  |   |
| <b>Audit Committee</b>                           | Mr. Saim Bin Saeed<br>Mrs. Sharmeen Imran<br>Mr. Waleed Asif<br>Mr. Zia-ul-Mustafa  | (Chairman)<br>(Member)<br>(Member)<br>(Secretary) |
| <b>Human Resource and Remuneration Committee</b> | Mr. Ejaz Hussain<br>Mr. Saim Bin Saeed<br>Mr. Waleed Asif   | (Chairman)<br>(Member)<br>(Member)                |
| <b>External Auditors</b>                         | M/s. Deloitte Yousuf Adil,<br>Chartered Accountants   |   |
| <b>Legal Advisor</b>                             | Sahibzada Waqar Arif  |   |
| <b>Registered Office</b>                         | 601-602 Business Centre, Mumtaz Hassan Road,<br>Off. I.I. Chundrigar Road, Karachi-74000.<br>Ph: 021 32401373, 32413944   |   |
| <b>Company Website</b>                           | www.sitaraperoxide.com  |   |
| <b>Bankers</b>                                   | Al Baraka Bank (Pakistan) Limited<br>Askari Bank Limited<br>Bank Alfalah Limited<br>Faysal Bank Limited<br>Habib Bank Limited<br>MCB Bank Limited<br>Meezan Bank Limited<br>National Bank Limited<br>Silk Bank Limited<br>Soneri Bank Limited<br>Standard Chartered Bank (Pakistan) Limited<br>Summit Bank Limited<br>United Bank Limited |   |
| <b>Share Registrar</b>                           | <b>THK Associates (Private) Limited</b><br>1st Floor, 40-C, Block-6,<br>P.E.C.H.S, Karachi - 75400.<br>UAN : +92 (21) 111-000-322<br>Ph: +92 (21) 34168270<br>Fax: +92 (21) 34168271  |   |
| <b>Head Office &amp; Project Location</b>        | 26 - KM Sheikhupura Road, Faisalabad.<br>Ph : (92 41) 2400900-2, 2400904-5  |   |

## Directors Review

**DIRECTORS REVIEW**

The directors of your Company have pleasure in presenting you the un-audited condensed interim financial information of Sitara Peroxide Limited for the nine months ended March 31, 2017.

Period under review was really challenging for your Company. We not only have to face challenge of increasing imports of hydrogen peroxide in local market but also of rising cost of inputs; which made it tough for us to compete. Despite challenges, we were still successful in maintaining our share in local market.

During the third quarter, your Company achieved capacity utilization of 77% as compared to 88% in the corresponding quarter of the last financial year. Total net sales in last quarter remained Rs. 293 million against Rs. 337 million. Drop in net turnover is attributed to decrease in sales volume which is result of low capacity utilization. Gross profit during the third quarter remained Rs. 38.9 million against Rs. 73.5 million last year. Net loss after tax remained Rs. 6.9 million.

In first nine months of current financial year, your Company achieved capacity utilization of 66% as compared to 85% in the corresponding period of the previous financial year. Net turnover during the nine month period remained Rs. 758 million against Rs. 1,015 million. Gross profit for the period has been Rs. 7.5 million against Rs. 148.8 million. Operating expenses during first nine months remained Rs. 78 million as against Rs. 82.4 million in corresponding period of previous financial year. Net loss after tax remained Rs. 92.6 million and loss per share has been Rs. 1.68 against net profit after tax of Rs. 25.5 million and earnings per share of Rs. 0.46.

Your management is optimistic about volumetric growth in last quarter of the current financial year. The new imported catalyst has been taken into service in March 2017 which will contribute in achieving high capacity utilization. Shipment of necessary equipment will arrive in last quarter which will help to further improve the operations of plant.

Casual vacancy occurred in Board of Directors of the Company during the third quarter. It will be accordingly filled by the Board within stipulated time. Your Directors take this opportunity to express their deep gratitude to all stakeholders for their continued encouragement and support. We would like to place on record our appreciation for the commitment, dedication and hard work put in by our employees.

On behalf of Board of Directors



## ڈائریکٹر جائزہ

آپ کی کمپنی کے ڈائریکٹرز 31 مارچ 2017 کو ختم ہونے والے نو ماہ کے مالیاتی نتائج آپ کی خدمت میں پیش کرنا چاہیں گے۔

زیر جائزہ عرصہ آپ کی کمپنی کیلئے چیلنجز سے بھرپور رہا۔ ہمیں نہ صرف مقامی منڈی میں آنے والی درآمدات کا سامنا رہا بلکہ پیداواری لاگت میں اضافہ کے بھی سامنا کرنا پڑا۔ تاہم ان مشکلات کے باوجود ہم نے مقامی مارکیٹ میں اپنا حصہ برقرار رکھا۔

تیسری سہ ماہی میں کمپنی نے اپنی پیداواری استعداد کا 77% ہدف حاصل کیا جو گزشتہ سال کی تیسری سہ ماہی میں 88% تھا۔ زیر نظر سہ ماہی میں کمپنی کی فروخت 293 ملین روپے رہی جو گزشتہ مالی سال کے اسی عرصہ میں 337 ملین تھی۔ فروخت میں ہونے والی کمی کی وجہ پیداواری استعداد کا رہیں کمی رہی۔ تیسری سہ ماہی میں گراس نفع 38.9 ملین روپے رہا جو گزشتہ مدت میں 73.5 ملین روپے تھا۔ تیسری سہ ماہی میں خسارہ 6.9 ملین روپے رہا۔

حالیہ مالی سال کی پہلے نو ماہ میں کمپنی نے اپنی پیداواری استعداد کا 66% حاصل کیا جو گزشتہ سال کے اسی عرصے میں 85% تھا۔ پہلے نو ماہ میں فروخت 758 ملین روپے رہی جو گزشتہ سال 1,015 ملین روپے تھی۔ گراس نفع حالیہ نو ماہ میں 7.5 ملین روپے رہا جو گزشتہ مدت میں 148.8 ملین روپے تھا۔ حالیہ نو ماہ میں آپریٹنگ اخراجات 78 ملین روپے رہے جو سال گزشتہ کے اسی عرصہ میں 82.4 ملین روپے تھے۔ کمپنی کا بعد از ٹیکس خسارہ 92.6 ملین روپے اور فی حصص خسارہ 1.6 روپے رہا جبکہ گزشتہ سال پہلے نو ماہ میں بعد از ٹیکس نفع 25.5 ملین روپے اور فی حصص نفع 0.46 روپے رہا۔

آپ کی کمپنی میٹجمنٹ حالیہ مالی سال کی آخری سہ ماہی میں اچھے نتائج کے حوالے سے پُر امید ہے۔ نیا درآمد شدہ کیمیکل کو مارچ میں پیداواری سسٹم میں لے لیا گیا ہے جس سے آنے والے دنوں میں پیداواری استعداد میں نمایاں بہتری آئے گی۔ اس کے علاوہ آئندہ سہ ماہی میں درآمد ہونے والی مشینری پلانٹ کی کارکردگی میں مزید بہتری لائے گی۔

ایک ڈائریکٹر کے استعفیٰ کی وجہ سے کمپنی بورڈ میں ہونے والی Casval Vacancy کو بورڈ ممبران مقرر کردہ مدت میں نیا ڈائریکٹر منتخب کر کے پورا کر لیں گے۔ اس موقع پر ڈائریکٹر صاحبان تمام سٹیک ہولڈرز کی مسلسل حوصلہ افزائی اور حمایت کے تہہ دل سے شکریہ ادا کرنا چاہیں گے۔ علاوہ ازیں کمپنی بورڈ اپنے تمام ملازمین کے عزم، لگن اور سخت محنت کو تحسین کی نظر سے دیکھتا ہے۔

بورڈ ممبران کی جانب سے



عمران غفور  
چیف ایگزیکٹو آفیسر

فیصل آباد

24 اپریل 2017ء

## Balance Sheet

## Condensed Interim Balance Sheet (Un-audited) As At March 31, 2017

|   | Note | March 31,<br>2017<br>(Un-Audited) | June 30,<br>2016<br>(Audited) |
|---|------|-----------------------------------|-------------------------------|
|   |      | Rupees                            |                               |
| <b>NON-CURRENT ASSETS</b>                               |      |                                   |                               |
| Property, plant and equipment                           | 4    | 2,015,672,459                     | 2,146,156,501                 |
| Long term deposits                                      |      | 3,705,000                         | 3,705,000                     |
|   |      | <u>2,019,377,459</u>              | <u>2,149,861,501</u>          |
| <b>CURRENT ASSETS</b>                                   |      |                                   |                               |
| Stores, spare parts and loose tools                     |      | 82,627,660                        | 86,619,713                    |
| Stock-in-trade  |      | 462,650,191                       | 430,789,976                   |
| Trade debts   |      | 88,730,590                        | 47,636,412                    |
| Advances  |      | 171,810,579                       | 161,045,552                   |
| Deposits and short term prepayments                     |      | 54,090,393                        | 55,463,500                    |
| Other receivable  |      | -                                 | 21,520,274                    |
| Sales tax refundable                                    |      | 81,855,437                        | 167,998,496                   |
| Cash and bank balances                                  |      | 15,156,624                        | 35,860,754                    |
|   |      | <u>956,921,474</u>                | <u>1,006,934,677</u>          |
|   |      | <u>2,976,298,933</u>              | <u>3,156,796,178</u>          |
| <b>SHARE CAPITAL AND RESERVES</b>                       |      |                                   |                               |
| Share capital   |      | 551,000,000                       | 551,000,000                   |
| Accumulated losses                                      |      | (232,720,238)                     | (181,156,913)                 |
|   |      | <u>318,279,762</u>                | <u>369,843,087</u>            |
| Surplus on revaluation of property, plant and equipment |      | 833,716,424                       | 874,735,751                   |
| <b>NON-CURRENT LIABILITIES</b>                          |      |                                   |                               |
| Long-term financing                                     | 5    | 223,577,939                       | 416,307,440                   |
| Deferred liabilities                                    |      | 254,956,688                       | 291,065,230                   |
| Deferred mark-up  |      | 241,507,223                       | 222,664,458                   |
|   |      | <u>720,041,850</u>                | <u>930,037,128</u>            |
| <b>CURRENT LIABILITIES</b>                              |      |                                   |                               |
| Trade and other payables                                |      | 378,224,545                       | 388,312,573                   |
| Accrued markup  |      | 11,570,881                        | 12,650,909                    |
| Running finance under markup arrangement                |      | 327,951,951                       | 272,102,937                   |
| Current portion of long term financing                  | 5    | 378,767,892                       | 295,829,966                   |
| Provision for income tax                                |      | 7,745,628                         | 13,283,827                    |
|   |      | <u>1,104,260,897</u>              | <u>982,180,212</u>            |
| <b>CONTINGENCIES AND COMMITMENTS</b>                    |      |                                   |                               |
|   | 6    | -                                 | -                             |
|   |      | <u>2,976,298,933</u>              | <u>3,156,796,178</u>          |

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Profit and Loss Account

## Condensed Interim Profit And Loss Account (Un-audited) For The Nine Months Ended March 31, 2017

|   | Note | Nine months ended |                  | Quarter ended    |                  |
|---|------|-------------------|------------------|------------------|------------------|
|   |      | March 31<br>2017  | March 31<br>2016 | March 31<br>2017 | March 31<br>2016 |
| ----- Rupees -----                                    |      |                   |                  |                  |                  |
| Sales - net   | 7    | 757,960,585       | 1,014,667,534    | 293,286,043      | 337,481,559      |
| Cost of sales   | 8    | 750,466,230       | 865,803,916      | 254,418,041      | 264,016,922      |
| Gross profit  |      | 7,494,355         | 148,863,618      | 38,868,002       | 73,464,637       |
| Other operating income                                |      | 1,176,746         | 36,018,440       | 700,117          | 211,340          |
|   |      | 8,671,101         | 184,882,058      | 39,568,119       | 73,675,977       |
| Distribution expenses                                 |      | 19,473,465        | 23,481,337       | 7,422,181        | 7,619,117        |
| Administrative expenses                               |      | 57,192,054        | 58,103,468       | 19,326,465       | 18,458,838       |
| Other operating expenses                              |      | 1,347,300         | 868,185          | -                | -                |
| Finance cost  |      | 53,863,221        | 69,500,646       | 16,719,902       | 21,416,849       |
|   |      | 131,876,040       | 151,953,636      | 43,468,548       | 47,494,804       |
| (Loss) / profit before taxation                       |      | (123,204,939)     | 32,928,422       | (3,900,429)      | 26,181,173       |
| Provision for income tax                              |      | (30,622,288)      | 7,397,312        | 3,005,498        | 3,448,606        |
| (Loss) / profit for the period                        |      | (92,582,651)      | 25,531,110       | (6,905,927)      | 22,732,567       |
| Other comprehensive income                            |      | -                 | -                | -                | -                |
| Total comprehensive (loss) /<br>income for the period |      | (92,582,651)      | 25,531,110       | (6,905,927)      | 22,732,567       |
| (Loss) / earning per share -<br>basic and diluted     |      | (1.68)            | 0.46             | (0.13)           | 0.41             |

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Cash Flow Statement

## Condensed Interim Cash Flow Statement (Un-audited) For The Nine Months Ended March 31, 2017

| Note   | Nine months ended  |                   |
|--|--------------------|-------------------|
|  | March 31,<br>2017  | March 31,<br>2016 |
|  | ----- Rupees ----- |                   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>                |                    |                   |
| (Loss) / profit before taxation                            | (123,204,939)      | 32,928,422        |
| Adjustments for:   |                    |                   |
| Depreciation of property, plant and equipment              | 135,381,224        | 136,712,821       |
| Loss / (gain) on disposal of property, plant and equipment | 1,347,300          | (450,000)         |
| Profit on bank deposits                                    | (726,296)          | (726,405)         |
| Provision for deferred employee benefits                   | 4,345,320          | 3,870,633         |
| Finance cost   | 53,863,221         | 69,500,646        |
|  | 194,210,769        | 208,907,695       |
|  | 71,005,830         | 241,836,117       |
| Working capital changes                                    |                    |                   |
| (Increase) / decrease in current assets:                   |                    |                   |
| Stores, spare parts and loose tools                        | 3,992,053          | 2,995,641         |
| Stock-in-trade   | (31,860,215)       | 56,429,080        |
| Trade debts  | (41,094,178)       | (15,926,851)      |
| Advances   | (2,926,711)        | (36,142,737)      |
| Deposits and prepayments                                   | 1,373,107          | (11,817,581)      |
| Other receivables  | 21,520,274         | -                 |
| Increase / (decrease) in current liabilities:              |                    |                   |
| Trade and other payables                                   | (10,088,028)       | 42,508,618        |
|  | (59,083,698)       | 38,046,170        |
| Cash generated from operations                             | 11,922,132         | 279,882,287       |
| Finance cost paid  | (36,100,484)       | (56,405,913)      |
| Mark-up paid on finance lease                              | -                  | (15,515)          |
| Sales tax refunded   | 86,143,059         | 12,311,285        |
| Employee benefits paid                                     | (2,085,946)        | (1,203,119)       |
| Income tax paid  | (21,122,143)       | (34,275,827)      |
|  | 26,834,486         | (79,589,089)      |
| Net cash generated from operating activities               | 38,756,618         | 200,293,198       |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>                |                    |                   |
| Purchase of property, plant and equipment                  | (13,744,483)       | (966,491)         |
| Proceeds from sale of property, plant and equipment        | 7,500,000          | 450,000           |
| Profit received on bank deposits                           | 726,296            | 726,405           |
| Decrease in long term deposits                             | -                  | 200,000           |
| Net cash (used in) / generated from investing activities   | (5,518,187)        | 409,914           |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>                |                    |                   |
| Repayment of long-term financing                           | (109,791,575)      | (165,851,878)     |
| Net increase / (decrease) in short-term borrowings         | 55,849,014         | (39,149,111)      |
| Lease rental paid  | -                  | (605,351)         |
| Net cash used in financing activities                      | (53,942,561)       | (205,606,340)     |
| Decrease in cash and cash equivalents                      | (20,704,130)       | (4,903,228)       |
| <b>Cash and cash equivalents at beginning of period</b>    | <b>35,860,754</b>  | <b>6,378,894</b>  |
| <b>Cash and cash equivalents at end of period</b>          | <b>15,156,624</b>  | <b>1,475,666</b>  |

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR

## Statement of Changes In Equity

## Condensed Interim Statement of Changes In Equity (Un-audited) For The Nine Months Ended March 31, 2017

|  | Share<br>capital   | Accumulated<br>losses | Total        |
|--|--------------------|-----------------------|--------------|
|  | ..... Rupees ..... |                       |              |
| Balance as at July 01, 2015  | 551,000,000        | (253,678,095)         | 297,321,905  |
| Total comprehensive income for the<br>period ended March 31, 2016              |                    |                       |              |
| Profit for the period  | -                  | 25,531,110            | 25,531,110   |
| Other comprehensive income   | -                  | -                     | -            |
|  | -                  | 25,531,110            | 25,531,110   |
| Incremental depreciation for the period<br>on surplus on revaluation           | -                  | 59,448,300            | 59,448,300   |
| Deferred tax relating to incremental<br>depreciation on surplus on revaluation | -                  | 19,023,456            | 19,023,456   |
|  | -                  | 40,424,844            | 40,424,844   |
| Balance as at March 31, 2016   | 551,000,000        | (187,722,141)         | 363,277,859  |
| Balance as at July 01, 2016  | 551,000,000        | (181,156,914)         | 369,843,086  |
| Total comprehensive income for the<br>period ended March 31, 2017              |                    |                       |              |
| Loss for the period  | -                  | (92,582,651)          | (92,582,651) |
| Other comprehensive income   | -                  | -                     | -            |
|  | -                  | (92,582,651)          | (92,582,651) |
| Incremental depreciation for the period on<br>surplus on revaluation           | -                  | 59,448,300            | 59,448,300   |
| Deferred tax relating to incremental<br>depreciation on surplus on revaluation | -                  | 18,428,973            | 18,428,973   |
|  | -                  | 41,019,327            | 41,019,327   |
| Balance as at March 31, 2017   | 551,000,000        | (232,720,238)         | 318,279,762  |

The annexed notes from 1 to 11 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE OFFICER



DIRECTOR



## Notes to the Financial Information

### **Selected Explanatory Notes to the Condensed Interim Financial Information (Un-audited) For The Nine Months Ended March 31, 2017**

#### **1. GENERAL INFORMATION**

Sitara Peroxide Limited (the Company) is limited by shares, incorporated in Pakistan on March 08, 2004 as a public limited company under the Companies Ordinance, 1984. The Company is listed on Pakistan Stock Exchange. Registered office of the Company is situated at 601-602, Business Centre, Mumtaz Hassan Road, Karachi in the province of Sindh and the manufacturing facilities are located at 26 KM Sheikhpura Road, Faisalabad in the province of Punjab. The principal activity of the Company is manufacturing and sale of hydrogen peroxide.

This condensed interim financial information is presented in Pak Rupee, which is the Company's functional and presentation currency.

#### **2. STATEMENT OF COMPLIANCE**

**2.1** This condensed interim financial information of the Company for the nine month period ended March 31, 2017 has been prepared in accordance with the International Accounting Standard - 34 "Interim Financial Reporting" provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

**2.2** This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2016. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2016 whereas comparative profit and loss account, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited condensed interim financial information for the nine months ended on March 31, 2016.

**2.3** This condensed interim financial information is un-audited.

#### **3. SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information and the significant judgements made by the management in applying the accounting policies and the key sources of estimation uncertainty are the same as those applied in the preparation of the financial statements as at and for the year ended 30 June 2016. Certain new IFRSs and amendments to existing IFRSs are effective for periods beginning on or after July 1, 2015, which do not have any impact on this condensed interim financial information except for IFRS 13 "Fair Value Measurement".

IFRS 13 establishes a single source of guidance for fair value measurements and disclosures about fair value measurements. However, it does not change the requirements regarding which items should be measured or disclosed at fair value. The scope of IFRS 13 is broad; it applies to both financial instrument items and non-financial instrument items for which other IFRSs require or permit fair value measurements and disclosures about fair value measurements, except in specified circumstances.

## Notes to the Financial Information

(Un-Audited)                      (Audited)  
**March 31,**                      **June 30,**  
**2017**                              **2016**  
 ----- Rupees -----

**4 PROPERTY PLANT AND EQUIPMENT**

|  |                      |                      |
|--|----------------------|----------------------|
| Operating assets                                     |                      |                      |
| Written down value at beginning of the period / year | 2,146,156,501        | 2,327,432,515        |
| Additions during the period / year                   | 11,318,003           | 1,013,991            |
|  | <u>2,157,474,504</u> | <u>2,328,446,506</u> |
| Deletions at WDV during the period / year            | 8,847,300            | -                    |
| Less: depreciation charge during the period / year   | 135,381,224          | 182,290,005          |
|  | <u>2,013,245,980</u> | <u>2,146,156,501</u> |
| Capital work-in-progress                             | 2,426,480            | -                    |
| Written down value at the end of the period / year   | <u>2,015,672,460</u> | <u>2,146,156,501</u> |

**5. LONG TERM FINANCING**

|  |                    |                    |
|--|--------------------|--------------------|
| Secured - from financial institutions    |                    |                    |
| Sukuk arrangement - syndicated           | 549,456,939        | 634,359,626        |
| Term finance loan                        | 52,888,892         | 77,777,780         |
|  | <u>602,345,831</u> | <u>712,137,406</u> |
| Less: Current maturity of long term loan | 378,767,892        | 295,829,966        |
|  | <u>223,577,939</u> | <u>416,307,440</u> |

**6. CONTINGENCIES AND COMMITMENTS****6.1 Contingencies**

**6.1.1** Bank guarantee issued by a bank in favour of SNGPL

|            |            |
|------------|------------|
| 53,538,000 | 53,538,000 |
|------------|------------|

**6.2 Commitments**

Irrevocable letters of credit

|            |            |
|------------|------------|
| 26,164,194 | 33,160,760 |
|------------|------------|

## Notes to the Financial Information

|   | Nine months ended |                   | Three months ended |                   |
|---|-------------------|-------------------|--------------------|-------------------|
|   | March 31,<br>2017 | March 31,<br>2016 | March 31,<br>2017  | March 31,<br>2016 |
| ----- Rupees -----                              |                   |                   |                    |                   |
| <b>7. SALES - NET</b>                           |                   |                   |                    |                   |
| Local sales                                     | 775,898,472       | 1,031,373,111     | 301,127,247        | 345,329,940       |
| Export sales                                    | -                 | 9,766,120         | -                  | -                 |
|   | 775,898,472       | 1,041,139,231     | 301,127,247        | 345,329,940       |
| Less: Commission<br>and discount                | 17,937,887        | 26,471,697        | 7,841,204          | 7,848,381         |
|   | 757,960,585       | 1,014,667,534     | 293,286,043        | 337,481,559       |
| <b>8. COST OF SALES</b>                         |                   |                   |                    |                   |
| Raw material consumed                           | 171,860,166       | 124,332,780       | 105,458,238        | 39,713,255        |
| Fuel and power                                  | 282,297,507       | 285,694,879       | 100,015,832        | 99,548,792        |
| Packing material consumed                       | 107,622,149       | 153,081,291       | 38,489,908         | 45,641,872        |
| Stores, spare parts and<br>loose tools consumed | 10,229,358        | 10,727,878        | 2,633,730          | 3,488,515         |
| Salaries wages and benefits                     | 55,959,674        | 50,304,222        | 18,082,478         | 15,648,942        |
| Repairs and maintenance                         | 26,069,470        | 18,828,182        | 8,143,859          | 4,366,184         |
| Insurance                                       | 4,264,423         | 3,791,592         | 1,475,775          | 1,263,864         |
| Depreciation                                    | 133,414,324       | 133,060,620       | 44,505,424         | 44,362,159        |
| Traveling and conveyance                        | 1,693,271         | 575,793           | 707,467            | 6,214             |
| Vehicle running and<br>maintenance              | 271,015           | 358,295           | 101,193            | 63,783            |
| Entertainment                                   | 1,223,406         | 1,424,375         | 293,338            | 161,733           |
|   | 794,904,763       | 782,179,907       | 319,907,242        | 254,265,313       |
| Work-in-process                                 |                   |                   |                    |                   |
| Balance at beginning<br>of period               | 389,563,786       | 433,639,504       | 365,935,414        | 418,451,304       |
| Balance at end of period                        | 425,109,328       | 410,602,796       | 425,109,328        | 410,602,796       |
|   | (35,545,542)      | 23,036,708        | (59,173,914)       | 7,848,508         |
| Cost of goods manufactured                      | 759,359,221       | 805,216,615       | 260,733,328        | 262,113,821       |
| Finished goods                                  |                   |                   |                    |                   |
| Balance at beginning<br>of period               | 817,024           | 6,120,813         | 3,394,728          | 6,431,613         |
| Balance at end of period                        | 9,710,015         | 4,528,512         | 9,710,015          | 4,528,512         |
|   | (8,892,991)       | 1,592,301         | (6,315,287)        | 1,903,101         |
| Cost of goods sold - own<br>manufactured goods  | 750,466,230       | 806,808,916       | 254,418,041        | 264,016,922       |
| Finished goods purchased                        | -                 | 58,995,000        | -                  | -                 |
| Cost of goods sold                              | 750,466,230       | 865,803,916       | 254,418,041        | 264,016,922       |

## Notes to the Financial Information

**9. TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties are as follows:

| Relationship                    | Nature of transaction                      | Nine months ended                 |                                   |
|---------------------------------|--|-----------------------------------|-----------------------------------|
|                                 |  | March 31,<br>2017<br>(Un-audited) | March 31,<br>2016<br>(Un-audited) |
|                                 |  | ----- Rupees -----                |                                   |
| <b>Associated companies</b>     |  |                                   |                                   |
|                                 | Organizational expenses charged            | 422,691                           | 637,487                           |
|                                 | Purchases                                  | 5,407,370                         | 12,173,898                        |
|                                 | Sales                                      | -                                 | 211,266                           |
| <b>Key management personnel</b> |  |                                   |                                   |
|                                 | Loan obtained from chief executive officer | 80,000,000                        | -                                 |
|                                 | Loan repaid to chief executive officer     | 80,000,000                        | -                                 |
|                                 | Remuneration and other benefits            | 29,595,417                        | 25,735,145                        |
| <b>Employee benefit plan</b>    |  |                                   |                                   |
|                                 | Provision for the period                   | 4,345,320                         | 3,870,633                         |
|                                 | Payment during the period                  | 2,085,946                         | 1,203,119                         |

**10. DATE OF AUTHORISATION FOR ISSUE**

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on April 24, 2017.

**11. GENERAL**

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR





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Ph: 021 32401373, 32413944