



BLEND OF  
NATURE

INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTH PERIOD ENDED  
**31 MARCH 2017**



شمرقند تازگی اور فرحت ایک ساتھ



حَلَال  
HALAL



اس Summer میں صرف شمرقند

## COMPANY INFORMATION

### Board of Directors:

Mr. Muneer Nawaz	Chairman
Mr. Humayun A. Shahnawaz	Chief Executive
Mr. Mahmood Nawaz	
Mr. M. Naeem	
Mr. Rashed Amjad Khalid	
Ms. Manahil Shahnawaz	
Mr. Saifi Chaudhry	(Independent Director)
Mr. Syed Etrat Hussain Rizvi	(N.I.T. Nominee)

### Chief Financial Officer & Company Secretary:

Mr. Faisal Ahmad Nisar, FCA

### Audit Committee:

Mr. M. Naeem	Chairman
Mr. Muneer Nawaz	Member
Mr. Rashed Amjad Khalid	Member
Mr. Saifi Chaudhry	Member

### Human Resource and Remuneration Committee:

Mr. M. Naeem	Chairman
Mr. Muneer Nawaz	Member
Mr. Humayun A. Shahnawaz	Member

### Registered Office / Head Office:

56 - Bund Road, Lahore-54500.  
 Phones: (042) 37466900-04.  
 Faxes: (042) 37466899 & 37466895.  
 E-mail: shezan@brain.net.pk

### Factories:

- 56 - Bund Road, Lahore - 54500.  
 Phones: (042) 37466900-04.  
 Faxes: (042) 37466899 & 37466895.  
 E-mail: shezan@brain.net.pk
- Plot No. L-9, Block No. 22,  
 Federal "B", Industrial Area, Karachi-75950.  
 Phones: (021) 36344722-23.  
 Fax: (021) 36313790.  
 E-mail: shezan@cyber.net.pk
- Plot No. 33-34, Phase III,  
 Hattar Industrial Estate, Hattar.  
 Phones: (0995) 617158 & 617343.  
 Fax: (0995) 617342.  
 E-mail: sil-htr@shezan.com

### Website:

www.shezan.com

### Auditors:

EY Ford Rhodes,  
 Chartered Accountants,  
 96-B-1, 4<sup>th</sup> Floor, Pace Mall Building,  
 M.M. Alam Road, Gulberg II, Lahore.

### Share Registrar:

Corplink (Private) Limited,  
 Wings Arcade, 1-K, Commercial,  
 Model Town, Lahore.

### Legal Advisor:

Cornelius, Lane & Mufti,  
 Nawa-e-Waqt Building,  
 Shahrah-e-Fatima Jinnah, Lahore.

### Bankers:

United Bank Limited.  
 MCB Bank Limited.  
 National Bank of Pakistan.  
 The Bank of Khyber.  
 Bank Al-Habib Limited.  
 Habib Bank Limited.  
 Bank Alfalah Limited.  
 JS Bank Limited.  
 NIB Bank Limited.



## DIRECTORS' REPORT TO THE SHAREHOLDERS

On behalf of the Board of Directors, I am pleased to present to you the interim financial information of Shezan International Limited (the Company) for the nine month period ended 31 March 2017.

The economy of the country has sustained its positive momentum during the first quarter of 2017 as well and has been appreciated by international agencies and financial institutions, despite broader challenges. Progress on the China Pakistan Economic Corridor (CPEC) remains the key to sustainable economic development in the country over the medium to long term coupled with continued low inflation and political stability.

Our domestic sales team has shown an encouraging healthy growth trend during the period. Our juices are the key players of healthy sales growth. For the nine month period ended 31 March 2017, total sales were Rs. 4.737 billion against Rs. 4.407 billion in the corresponding period of the last year. The Company earned gross profit of Rs. 1.309 billion as against Rs. 1.154 billion in the corresponding period of the last year. The gross profit margin has increased by 1.45%. The main reason for this increase was cost control over factory overheads. The distribution cost has increased by 14% as compared to the corresponding period of the last year mainly because of increase in salaries and wages and advertisement expenses. Our advertisement expenses have increased by 21% because the business environment has become competitive and we had to increase our publicity campaign to boost our sales and brand in order to get a handsome share in the market. However, the management is closely monitoring these expenses and trying to control them in an efficient manner to maximize our profits without effecting our sales growth. The finance costs were Rs. 29.192 million against Rs. 43.212 million in the corresponding period of the last year. The 32% decrease in finance costs was due to the efficient use of borrowed capital and low markup rates. Net profit for the period was Rs. 107.745 million as compared to Rs. 78.845 million and earnings per share were Rs. 13.49 versus Rs. 9.87 in the corresponding period of the last year. The increase in net profit and earnings per share shows that the Company has capitalized its brand equity.

During the period, our overall export sales showed a continuous downward trend due to economic recession in Angola, a Southern African country, that was one of our main export market. However, the exports to other countries have shown a satisfactory trend. Further, our international business team is trying hard to explore new markets to increase export sales.

The Company has an ambitious growth strategy. With our strong local footprint, resilient brand portfolio, market leadership and excellent understanding of the consumers, we will continue to expand the scope of our products in order to deliver a more comprehensive product mix to consumers in the last quarter.

I, for and on behalf of Directors, would like to take this opportunity to express appreciation of the commitment, loyalty and dedication of our workforce.

Further, I would like to acknowledge the professional support and cooperation received from our esteemed customers, vendors, bankers, equity holders and other stakeholders.

For and on behalf of the Board



**Humayun A. Shahnawaz**

Chief Executive

## ڈائریکٹرز رپورٹ برائے حصص داران

شیران انٹرنیشنل لمیٹڈ کے بورڈ آف ڈائریکٹرز کی جانب سے میں انتہائی مسرت کے ساتھ، اختتام شدہ نومبر 31 مارچ 2017ء کے لئے کمپنی کی غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش کرتا ہوں۔

ملک کی معیشت نے 2017ء کی پہلی سہ ماہی میں وسیع تر مشکلات کے باوجود مثبت رجحان کو برقرار رکھا، جسکی تعریف بین الاقوامی ایجنسیوں اور مالیاتی اداروں نے بھی کی ہے۔ چین پاکستان اقتصادی راہداری پر جاری پیش رفت، افراط زر میں مسلسل کمی اور منظم سیاسی صورتحال درمیانی اور طویل مدتی اقتصادی ترقی کو برقرار رکھنے کیلئے کلیدی حیثیت کے حامل ہیں۔

اس مدت کے دوران ہماری مقامی سیلز ٹیم نے حوصلہ افزا نمو کے رجحان کو برقرار رکھا۔ جو سز ہماری سیلز کی بڑھوتری میں بنیادی حیثیت رکھتے ہیں۔ 31 مارچ 2017ء کو اختتام شدہ نومبر کے دوران مجموعی فروخت 4.737 ارب روپے رہی جبکہ گزشتہ برس اسی مدت میں یہ رقم 4.407 ارب روپے تھی۔ کمپنی نے خام منافع 1.309 ارب روپے کمایا، جبکہ گزشتہ برس اسی مدت میں یہ منافع 1.154 ارب روپے تھا۔ خام منافع کا تناسب 1.45 فیصد سے بڑھ گیا۔ اس اضافہ کی بنیادی وجہ فیڈری اخراجات پر موثر تاؤ پانا تھا۔ ڈسٹری بیوشن اخراجات میں گزشتہ برس ان نومبر کے مقابلے میں 14 فیصد اضافہ ہوا، جسکی بڑی وجہ تنخواہوں اور تھیٹری اخراجات میں اضافہ تھا۔ ہمارے تھیٹری اخراجات میں 21 فیصد اضافہ ہوا کیوں کہ سخت مقابلے اور شدید مسابقت کی وجہ سے سیلز اور براؤنڈ کو فروغ دینے اور مارکیٹ میں خاطر خواہ حصہ لینے کیلئے تھیٹری مہم میں اضافہ کرنا پڑا۔ تاہم کمپنی کی انتظامیہ سیلز کی نمو کو متاثر کرنے بغیر اور کمپنی کے منافع کو زیادہ سے زیادہ کرنے کیلئے ان اخراجات کی موثر انداز میں نہایت باریک بینی سے نگرانی اور کنٹرول کرنے کی بھرپور کوشش کر رہی ہے۔ مالیاتی لاگت 29.192 ملین روپے رہی، جبکہ گزشتہ برس اسی مدت میں یہ رقم 43.212 ملین روپے تھی۔ مالیاتی لاگت میں 32 فیصد کمی کی بڑی وجہ قرضوں کی رقم کا موثر استعمال اور شرح سود میں کمی ہے۔ خالص منافع بعد از ٹیکس 107.745 ملین روپے رہا، جو کہ گزشتہ برس اسی مدت میں 78.845 ملین روپے تھا اور فی حصص آمدنی 13.49 روپے رہی جو کہ گزشتہ برس اسی مدت میں 9.87 روپے تھی۔ خالص منافع اور فی حصص آمدنی میں اضافہ ظاہر کرتا ہے کہ کمپنی نے اپنے براؤنڈ جو کہ ایک سرمایہ کی حیثیت رکھتا ہے کا صحیح استعمال کیا۔

اس مدت کے دوران مجموعی طور پر ہماری برآمدات میں مسلسل تنزلی کا رجحان رہا جسکی بنیادی وجہ اقتصادی بحران کا شکار افریقہ کے جنوب میں واقع ملک انگولا ہے، جو کہ ہماری ایک اہم برآمدی منڈی تھی۔ تاہم دیگر ممالک کو کی جانے والی برآمدات میں تسلی بخش رجحان رہا۔ اسکے علاوہ ہماری برآمدی ٹیم کمپنی کی برآمدات کو بڑھانے کی غرض سے نئی منڈیاں تلاش کرنے کے لئے آنکھ کھلت کر رہی ہے۔

کمپنی تیزی سے نمو کی پالیسی پر عمل پیرا ہے۔ آخری سہ ماہی میں مقامی منڈی میں مستحکم پوزیشن، مضبوط براؤنڈ، مارکیٹ میں قائدانہ حیثیت اور صارفین کی ضروریات کی بہترین سمجھ کی بدولت ہم اپنے معزز صارفین کو ایک جامع پراڈکٹس مکس مہیا کرنے کیلئے کوشاں رہیں گے۔

میں بورڈ آف ڈائریکٹرز کی جانب سے اپنے ادارے کے تمام ملازمین کی لگن، وفاداری اور عزم کی تعریف کرتا ہوں۔

مزید برآں میں پیشہ ورانہ سرپرستی اور تعاون کا بھی شکر یہ ادا کرنا چاہوں گا جو ہمیں تمام صارفین، ویبڈرز، مالیاتی اداروں، حصص داران اور سٹیک ہولڈرز کی جانب سے ملا۔

منجانب بورڈ آف ڈائریکٹرز

H. S. Shah

ہمایوں اے شاہنواز

چیف ایگزیکٹو

لاہور:

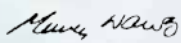
25 اپریل 2017ء

## CONDENSED INTERIM BALANCE SHEET

### AS AT 31 MARCH 2017

	Note	(Un-Audited) 31 March 2017	(Audited) 30 June 2016
		Rupees in thousand	
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,196,957	1,187,011
Long term investment	7	2,852	2,121
Long term deposits and prepayments		5,182	4,253
		<b>1,204,991</b>	<b>1,193,385</b>
<b>CURRENT ASSETS</b>			
Stores and spares		71,186	66,718
Stock in trade		1,163,386	1,238,081
Trade debts		408,393	269,494
Loans and advances		27,729	75,312
Trade deposits and short-term prepayments		18,244	15,131
Interest accrued		-	268
Income tax recoverable		351,227	306,463
Cash and bank balances		118,464	102,906
		<b>2,158,629</b>	<b>2,074,373</b>
<b>TOTAL ASSETS</b>		<b>3,363,620</b>	<b>3,267,758</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		79,860	79,860
Reserves		1,605,337	1,454,606
Unappropriated profits		185,770	299,899
<b>TOTAL EQUITY</b>		<b>1,870,967</b>	<b>1,834,365</b>
<b>NON-CURRENT LIABILITIES</b>			
Long term loan - secured	8	-	90,000
Deferred taxation		65,111	69,374
		<b>65,111</b>	<b>159,374</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		594,196	668,625
Interest accrued on borrowings		4,906	1,454
Current portion of long term loan - secured	8	120,000	120,000
Short term borrowings - secured	9	401,948	226,277
Provision for taxation		306,492	257,663
		<b>1,427,542</b>	<b>1,274,019</b>
<b>TOTAL LIABILITIES</b>		<b>1,492,653</b>	<b>1,433,393</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,363,620</b>	<b>3,267,758</b>

The annexed notes from 1 to 16 form an integral part of this interim financial information.

  
Director

  
Chief Executive

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

### FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

	Note	Nine month period ended 31 March		Three month period ended 31 March	
		2017	2016	2017	2016
		Rupees in thousand		Rupees in thousand	
Sales - net		4,737,196	4,406,725	1,575,529	1,519,506
Cost of sales		3,427,453	3,252,160	1,139,284	1,138,651
Gross profit		1,309,743	1,154,565	436,245	380,855
Distribution costs		858,731	752,873	291,660	255,258
Administrative expenses		175,975	165,713	57,567	60,305
Other operating expenses		128,115	121,344	44,699	34,058
Other income		(34,581)	(34,705)	(11,290)	(10,462)
		1,128,240	1,005,225	382,636	339,159
Operating profit		181,503	149,340	53,609	41,696
Finance costs		29,192	43,212	9,572	15,132
Profit before taxation		152,311	106,128	44,037	26,564
Taxation		44,566	27,283	15,987	7,216
<b>Net profit for the period</b>		107,745	78,845	28,050	19,348
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent periods (net of tax):					
Unrealized gain/ (loss) on remeasurement of investments - available for sale		731	(368)	350	(231)
<b>Total comprehensive income</b>		108,476	78,477	28,400	19,117
<b>Earnings per share - basic and diluted (Rupees)</b>	11	13.49	9.87	3.51	2.42

The annexed notes from 1 to 16 form an integral part of this interim financial information.

  
Director

  
Chief Executive

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

Nine month period ended  
31 March

2017                      2016  
Rupees in thousand

### CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations:

Profit before taxation	152,311	106,128
Adjustments to reconcile profit before tax to net cash:		
Depreciation	157,615	155,301
Interest expense	27,174	41,033
Profit on bank deposits	(1,184)	(1,400)
Loss on disposal of property, plant and equipment	3,133	3,332
	186,738	198,266

Operating profit before working capital changes	339,049	304,394
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(Increase)/decrease in current assets:

Stores and spares	(4,468)	(7,237)
Stock in trade	74,695	164,733
Trade debts	(138,899)	46,071
Loans and advances	47,583	(15,932)
Trade deposits and short term prepayments	(3,113)	(4,882)
	(24,202)	182,753

Increase/(decrease) in current liabilities:

Trade and other payables	(74,783)	(307,030)
Short term borrowings - secured	175,671	169,228
	100,888	(137,802)

Cash generated from operations	415,735	349,345
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Interest expense paid	(23,722)	(47,442)
Profit on bank deposits - received	1,452	1,692
Income tax paid	(44,764)	(60,913)
Long term deposits paid	(929)	(1,042)

Net cash generated from operating activities	347,772	241,640
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### CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(199,759)	(132,321)
Sale proceeds from disposal of property, plant and equipment	29,065	9,404

Net cash used in investing activities	(170,694)	(122,917)
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### CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long term loan	(90,000)	(60,000)
Dividends paid	(71,520)	(87,317)

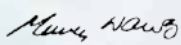
Net cash used in financing activities	(161,520)	(147,317)
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Net increase/ (decrease) in cash and cash equivalents	15,558	(28,594)
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Cash and cash equivalents at the beginning of the period	102,906	143,255
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<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>118,464</b>	<b>114,661</b>
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The annexed notes from 1 to 16 form an integral part of this interim financial information.

  
Director

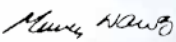
  
Chief Executive



## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

	Capital Reserve		Revenue Reserve			Total
	Share Capital	Merger Reserve	General Reserve	Unrealized gain / (loss) on remeasurement of Investments- available for sale	Unappropriated Profits	
Rupees in thousand						
Balance as at 01 July 2015	79,860	5,000	1,250,000	(157)	393,459	1,728,162
Transfer to General Reserve	-	-	200,000	-	(200,000)	-
Final dividend @ Rs. 11/- per share for the year ended 30 June 2015	-	-	-	-	(87,846)	(87,846)
Profit for the nine month period ended 31 March 2016	-	-	-	-	78,845	78,845
Other comprehensive loss	-	-	-	(368)	-	(368)
Total comprehensive income	-	-	-	(368)	78,845	78,477
Balance as at 31 March 2016	79,860	5,000	1,450,000	(525)	184,458	1,718,793
Balance as at 01 July 2016	79,860	5,000	1,450,000	(394)	299,899	1,834,365
Transfer to General Reserve	-	-	150,000	-	(150,000)	-
Final dividend @ Rs. 9/- per share for the year ended 30 June 2016	-	-	-	-	(71,874)	(71,874)
Profit for the nine month period ended 31 March 2017	-	-	-	-	107,745	107,745
Other comprehensive income	-	-	-	731	-	731
Total comprehensive income	-	-	-	731	107,745	108,476
Balance as at 31 March 2017	79,860	5,000	1,600,000	337	185,770	1,870,967

The annexed notes from 1 to 16 form an integral part of this interim financial information.

  
Director

  
Chief Executive

## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

### 1. THE COMPANY AND ITS OPERATIONS

The Company is a Public Limited Company incorporated in Pakistan and is listed on the Pakistan Stock Exchange. The registered office of the Company is situated at 56 - Bund Road, Lahore, Pakistan. It is engaged in the manufacturing, trading and sale of juices, pickles, jams, ketchups etc., based upon or derived from fresh fruits and vegetables.

### 2. BASIS OF PRESENTATION AND MEASUREMENT

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

**2.2** This interim financial information does not include all the information and the disclosures required in the annual financial statements and should be read in conjunction with annual audited financial statements of the Company for the year ended 30 June 2016.

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

### 3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this interim financial information are the same as those applied in the preparation of financial statements for the year ended 30 June 2016.

### 4. TAXATION, WORKERS' WELFARE FUND AND WORKERS' PROFIT PARTICIPATION FUND

Provisions in respect of Workers' Welfare Fund, Workers' Profit Participation Fund and Taxation are estimated based on management judgment and prevailing laws, these are subject to final adjustments in the annual audited financial statements.

### 5. SEASONALITY OF OPERATIONS

The quarterly results of the Company are subject to seasonal fluctuations due to variation in demand of the main products (juices, squashes and syrups).

### 6. PROPERTY, PLANT AND EQUIPMENT

The additions / (deletions) / transfers (at cost), made during the nine month period ended 31 March 2017 are as follows:

	Additions	Deletions/ Transfers
	Rupees in thousand	
<b>Owned assets</b>		
Plant and machinery	23,241	(4,079)
Buildings on freehold land	8,822	-
Motor vehicles	15,086	(3,567)
Electric equipment	38,371	-
Electric fittings and tools	109	-
Furniture and fixture	822	-
Forklifts	2,495	-
Computers and accessories	1,662	(49)
Empty bottles, shells, pallets and barrels	79,445	(75,625)
	170,053	(83,320)

## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

	Additions Rupees in thousand	Deletions/ Transfers
<b>Capital work in progress</b>		
Motor vehicles	37,035	(15,086)
Plant and machinery	4,733	(4,733)
Buildings	16,578	(8,821)
	58,346	(28,640)
<b>Total</b>	<b>228,399</b>	<b>(111,960)</b>
	(Un-Audited) 31 March 2017	(Audited) 30 June 2016
Note	Rupees in thousand	

### 7. LONG TERM INVESTMENT - AVAILABLE FOR SALE

Quoted - Modaraba

BRR Guardian Modaraba - Credit rating 'A'

305,000 (30 June 2016: 305,000)

certificates of Rs. 10/- each	7.1	2,375	2,375
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Gain/ (loss) on remeasurement		477	(254)
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		2,852	2,121
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**7.1** The above investment represents 0.39% (30 June 2016: 0.39%) of the issued certificate capital of the Modaraba.

	(Un-Audited) 31 March 2017	(Audited) 30 June 2016
Note	Rupees in thousand	
<b>8. LONG TERM LOAN - SECURED</b>		
Long term loan	120,000	210,000
Less: Current portion	(120,000)	(120,000)
	-	90,000

**8.1** In 2015, the Company obtained a long-term loan from a commercial bank amounting to Rs. (thousand) 300,000 payable in 10 equal quarterly instalments with a grace period of six months. The rate of mark-up / interest is 3 months KIBOR + 0.30%, payable quarterly. The facility is secured against a first exclusive registered charge on the plant and machinery up to Rs. (thousand) 430,000.

### 9. SHORT TERM BORROWINGS - SECURED

The aggregate short-term borrowings available from commercial banks under mark-up arrangements are Rs. (thousand) 1,875,000 (30 June 2016: Rs. (thousand) 1,875,000).

The rate of mark-up / interest on short-term borrowings ranges between 1 month KIBOR minus 0.02% to 1 month KIBOR / 3 months KIBOR plus 0.25% (30 June 2016: 1 month KIBOR plus 0.02% to 1 month KIBOR / 3 months KIBOR plus 0.25%), payable monthly / quarterly.

## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

The facilities are secured against first registered joint pari passu hypothecation and ranking charge on current assets of the Company up to Rs. (thousand) 2,314,000 (30 June 2016: Rs. (thousand) 2,314,000) and Rs. (thousand) 848,000 (30 June 2016: Rs. (thousand) 848,000) respectively.

The un-utilized facility for opening letters of credit and for guarantees amounts to Rs. (thousand) 188,806 (30 June 2016: Rs. (thousand) 202,930) and Rs. (thousand) 73,205 (30 June 2016: Rs. (thousand) 77,977), respectively.

### 10. CONTINGENCIES AND COMMITMENTS

#### 10.1 Contingencies

There has been no change in the status of the contingencies reported in the annual audited financial statements for the year ended 30 June 2016 except for an Excise Tax Reference (ETR) filed by the Collector of Sales Tax and Federal Excise, before the Honourable Lahore High Court for additional demand of Rs. (thousand) 11,563 (30 June 2016: Rs. (thousand) 11,563), which was dismissed by the Honourable Lahore High Court during the period.

#### 10.2 Commitments

- i) Commitments in respect of letters of credit established for the import of raw and packing materials amounted to Rs. (thousand) 61,194 (30 June 2016: Rs. (thousand) 47,070).
- ii) Counter guarantees in favour of banks in the ordinary course of business amounted to Rs. (thousand) 36,795 (30 June 2016: Rs. (thousand) 32,023).

(Un-Audited)

	Nine month period ended 31 March		Three month period ended 31 March	
	2017	2016	2017	2016

### 11. EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation attributable to ordinary shareholders (Rupees in thousand)	107,745	78,845	28,050	19,348
Weighted average number of ordinary shares at the end of the period (in thousand)	7,986	7,986	7,986	7,986
Earnings per share - basic and diluted (Rupees)	13.49	9.87	3.51	2.42

- 11.1 No fully diluted earnings per share has been disclosed as the Company has not issued any instrument which would have an impact on earnings per share, when exercised.

### 12. NON TRANSFER OF BONUS SHARES TO INDIVIDUAL SHAREHOLDERS

During the year ended 30 June 2015, the Company issued 726,000 bonus shares @ 10% of its paid-up capital on the book closure date of 23 October 2014. In accordance with the provisions of section 236M of the Income Tax Ordinance, 2001, the Company was required to collect tax from its shareholders @5% on the value of bonus shares, determined on the basis of the end price of the first day of book closure.

However, a number of shareholders of the Company have filed a suit against the Federation of Pakistan, competent authorities and the Company, before the Honourable Sindh High Court, challenging the levy of tax under the above referred section. Since the matter is subjudice before the Honourable Sindh High Court, accordingly the Company has retained 5% of the bonus shares issued to plaintiff shareholders.

### 13. TRANSACTIONS WITH RELATED PARTIES

The related parties and associated undertakings comprise related group companies, associates, staff provident fund, directors and key management personnel. Details of significant transactions with related parties are as follows:

## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

(Un-Audited)  
Nine month period ended  
31 March  
2017      2016  
Rupees in thousand

### Transactions during the period:

#### Associated undertakings

Purchases of raw materials	292,509	516,963
Sales of finished goods	35	653
Royalty charged	53,104	45,321
Purchases/repairs of electric equipment/vehicles	271	222
Services received	-	500
<b>Contributions to staff provident fund</b>	<b>3,736</b>	<b>3,877</b>
<b>Remuneration and benefits of directors, Chief Executive and key management personnel</b>	<b>37,474</b>	<b>38,103</b>

(Un-Audited)      (Audited)  
31 March      30 June  
2017      2016  
Rupees in thousand

#### Period / year end balances:

Due to associated undertakings	78,187	26,661
Due from related parties	8	-
Payable to provident fund	22	963

## 14. SEGMENTAL ANALYSIS

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive. The Chief Executive considers the business from the product perspective and evaluate performance on the basis of their gross profit or gross loss. As at 31 March 2017, the Company is organized into following two operating segments based on their products.

#### Juice drinks

Juice drinks segment includes bottled as well as juices in tetra pack packing.

#### Others

Others include pickles, ketchup, sauces, jams etc.

Juices and Drinks      Others  
Rupees in thousand

#### Profit and loss account for the nine month period ended 31 March 2017 (Un-Audited):

Sales	4,000,337	736,859	4,737,196
Cost of sales	(2,839,805)	(587,648)	(3,427,453)
Gross profit	1,160,532	149,211	1,309,743
<b>Unallocated expenses and income</b>			
Distribution costs			(858,731)
Administrative expenses			(175,975)
Other operating expenses			(128,115)
Other income			34,581
Finance costs			(29,192)
Taxation			(44,566)
<b>Profit after taxation</b>			<b>107,745</b>



## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2017

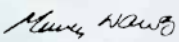
	Juices and Drinks	Others Rupees in thousand	Total
<b>Assets and liabilities as at 31 March 2017 (Un-Audited):</b>			
<b>Segment assets</b>	2,357,531	436,996	2,794,527
Unallocated assets			569,093
<b>Total</b>			<b>3,363,620</b>
<b>Segment liabilities</b>	460,233	144,599	604,832
Unallocated liabilities			887,821
<b>Total</b>			<b>1,492,653</b>
<b>Profit and loss account for the nine month period ended 31 March 2016 (Un-Audited):</b>			
Sales	3,702,089	704,636	4,406,725
Cost of sales	(2,678,423)	(573,737)	(3,252,160)
<b>Gross profit</b>	<b>1,023,666</b>	<b>130,899</b>	<b>1,154,565</b>
<b>Unallocated expenses and income</b>			
Distribution costs			(752,873)
Administrative expenses			(165,713)
Other operating expenses			(121,344)
Other income			34,705
Finance costs			(43,212)
Taxation			(27,283)
<b>Profit after taxation</b>			<b>78,845</b>
<b>Assets and liabilities as at 30 June 2016 (Audited):</b>			
<b>Segment assets</b>	2,265,572	504,129	2,769,701
Unallocated assets			498,057
<b>Total</b>			<b>3,267,758</b>
<b>Segment liabilities</b>	588,565	193,981	782,546
Unallocated liabilities			650,847
<b>Total</b>			<b>1,433,393</b>

### 15. DATE OF AUTHORIZATION FOR ISSUE

This interim financial information was authorized for issue by the Board of Directors on 25 April 2017.

### 16. GENERAL

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

  
Director

  
Chief Executive



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