

# BLEND OF PURITY

CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE THREE MONTH PERIOD ENDED  
**30 SEPTEMBER 2016**

Shezan

The Taste that Lasts!

New Easy  
Peel Cap



حَلَال  
HALAL

## 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 Advisors:

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 MEMBERS

The Directors of the Company are pleased to submit the un-audited condensed interim financial information for the quarter ended 30 September 2016. These results have been in line with your expectations based on the performance in the quarter.

During the quarter, the economy of the country showed an upward trend due to the stable macro-economic environment, political stability and development of China Pakistan Economic Corridor (CPEC).

Due to the above mentioned positive indicators our sales have shown an encouraging healthy growth trend during the quarter. Our sales team has achieved the double digit growth of 14% in overall sales.

For the quarter ended 30 September 2016, total sales were Rs. 1.942 billion against Rs. 1.703 billion in the corresponding period of the last year. The cost of sales was Rs. 1.381 billion against Rs. 1.229 billion in the corresponding period of the last year. Therefore, the Company earned gross profit of Rs. 561.394 million as against Rs. 474.150 million in the corresponding period of the last year. The distribution costs have increased by 16% as compared to the corresponding period of the last year mainly because of the increase in minimum wages and increase in advertisement expenses. Our advertisement activities were increased because the business environment has become very 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. The finance costs were Rs. 10.225 million against Rs. 14.381 million in the corresponding period of the last year. The decrease in finance costs was due to efficient use of borrowed capital and low markup rates. Net profit for the quarter was Rs. 73.560 million as compared to Rs. 56.616 million and earnings per share were Rs. 9.21 versus Rs. 7.09 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 quarter, our export sales showed a continuous downward trend as our exports mainly consist of sales to Angola, a Southern African nation, which were badly affected because of recent financial turmoil in Angola as a result of sharp decline in crude oil prices. The Company does not foresee any positivity in this situation in the near future. Further, our international business team is trying hard to explore new markets to increase export sales.

In the next quarter, we will try to maintain this growth momentum. Although it is a difficult task as the next quarter falls in the winter season but with the sales of non-seasonal products with aggressive marketing and sales efforts, we are confident that we will achieve satisfactory results.

We would like to take this opportunity to express appreciation of the commitment, loyalty and dedication of our workforce.

Further, we 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

Karachi:  
27 October 2016.

## ڈائریکٹرز رپورٹ برائے ممبران

کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ، اختتام شدہ سہ ماہی 30 ستمبر 2016ء کے لئے کمپنی کی غیر آڈٹ شدہ عبوری مالیاتی معلومات پیش کرتے ہیں۔ یہ نتائج آپکی امیدوں کے عین مطابق کمپنی کی سہ ماہی کارکردگی پڑتی ہیں۔

اس سہ ماہی میں سازگار معاشی ماحول، مستحکم سیاسی حالات اور چین کے ساتھ اقتصادی راہداری کے قیام کی بدولت پاکستان کی معاشی صورتحال میں بہتری کا رجحان رہا۔ مندرجہ بالا مثبت معاشی استحکام کی بدولت اس سہ ماہی میں ہماری سٹاکز میں حوصلہ افزا اعتماد ٹوکراجان دیکھنے میں آیا۔ ہماری سٹاکز ٹیم نے دہرے ہندسے یعنی 14 فیصد کی نمو حاصل کی۔

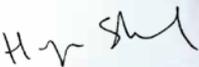
اختتامی سہ ماہی ستمبر 2016ء میں مجموعی فروخت 1.942 ارب روپے رہی جبکہ گزشتہ برس اسی سہ ماہی میں یہ رقم 1.703 ارب روپے تھی۔ لاگت فروخت 1.381 ارب روپے رہی جبکہ گزشتہ برس اسی سہ ماہی میں یہ لاگت 1.229 ارب روپے تھی، اس طرح کمپنی نے مجموعی منافع 561.394 ملین روپے کمایا، جبکہ گزشتہ برس اسی سہ ماہی میں یہ منافع 474.150 ملین روپے تھا۔ ڈسٹری بیوشن اخراجات میں گزشتہ برس اسی سہ ماہی کے مقابلے میں 16 فیصد اضافہ ہوا، جسکی بڑی وجہ کم از کم اجرت اور اشتہاری اخراجات میں اضافہ تھا۔ سخت مقابلے، شدید مسابقت، سٹاکز اور برانڈ کو فروغ دینے اور مارکیٹ میں ایک خاطر خواہ حصہ بنانے کیلئے ہمارے اشتہاری اخراجات میں اضافہ ہوا۔ مالیاتی لاگت 10.225 ملین روپے رہی، جبکہ گزشتہ برس اسی سہ ماہی میں یہ رقم 14.381 ملین روپے تھی۔ مالیاتی لاگت میں کمی کی بڑی وجہ قرضوں کی رقم کا موثر استعمال اور شرح سود میں کمی ہے۔ خالص منافع بعد از ٹیکس 73.560 ملین روپے رہا، جو کہ گزشتہ برس اسی سہ ماہی میں 56.616 ملین روپے تھا اور فی حصص آمدنی 9.21 روپے رہی جو کہ گزشتہ برس اسی سہ ماہی میں 7.09 روپے فی حصص تھی۔ خالص منافع اور فی حصص آمدنی میں اضافہ ظاہر کرتا ہے کہ کمپنی نے اپنے برانڈ جو کہ ایک سرمایہ کی حیثیت رکھتا ہے کا صحیح استعمال کیا۔

اس سہ ماہی میں ہماری برآمدات میں مسلسل تنزلی کا رجحان رہا کیونکہ ہماری برآمدات زیادہ تر افریقہ کے جنوب میں واقع ملک ”انگولا“ میں کی جاتی تھیں جو انگولا میں حالیہ مالیاتی بحران کی وجہ سے انتہائی متاثر ہوئیں ہیں جو سبب خام تیل کی قیمتوں میں تیزی سے تنزلی تھا۔ کمپنی کو اس صورتحال میں مستقبل قریب میں کوئی پیش رفت نظر نہیں آ رہی۔ اسکے علاوہ ہماری برآمدی ٹیم کمپنی کی برآمدات کو بڑھانے کیلئے نئی منڈیاں تلاش کرنے کیلئے انتھک محنت کر رہی ہے۔

اگلی سہ ماہی میں ہم تنزلی کی رفتار کو برقرار رکھنے کی بھرپور کوشش کریں گے، اگرچہ یہ ایک مشکل ہدف ہے کیونکہ اگلی سہ ماہی میں موسم سرما ہے لیکن ہمیں یقین ہے کہ جارحانہ مارکیٹنگ اور سٹاکز کی کوششوں کی مدد سے موسم سرما کی مصنوعات کی فروخت میں اضافہ کر کے ہم تلی بخش نتائج حاصل کرنے کی کوشش کریں گے۔

ہم اپنے ادارے کے تمام ملازمین کی لگن، وفاداری اور عزم کی تعریف کرتے ہیں۔ مزید برآں ہم اس پیشہ ورانہ سرپرستی اور تعاون کا بھی شکر یہ ادا کرنا چاہیں گے جو ہمیں تمام صارفین، ویئنڈرز، حصص داران اور سٹیک ہولڈرز کی جانب سے ملا۔

مخانب یورڈ آف ڈائریکٹرز

  
ماہیوں اے شاہنواز  
چیف ایگزیکٹو

کراچی:

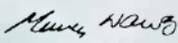
27 اکتوبر 2016ء -

## CONDENSED INTERIM BALANCE SHEET

### AS AT 30 SEPTEMBER 2016

	Note	(Un-audited) 30 September 2016	(Audited) 30 June 2016
Rupees in thousand			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	5	1,193,912	1,187,011
Long-term investment	6	2,208	2,121
Long-term deposits and prepayments		4,467	4,253
		1,200,587	1,193,385
<b>CURRENT ASSETS</b>			
Stores and spares		72,744	66,718
Stock-in-trade		1,304,992	1,238,081
Trade debts		292,791	269,494
Loans and advances		33,707	75,312
Trade deposits and short-term prepayments		18,709	15,131
Interest accrued		-	268
Income tax recoverable		322,115	306,463
Cash and bank balances		168,756	102,906
		2,213,814	2,074,373
<b>TOTAL ASSETS</b>		<b>3,414,401</b>	<b>3,267,758</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		79,860	79,860
Reserves		1,454,693	1,454,606
Unappropriated profits		373,459	299,899
<b>TOTAL EQUITY</b>		<b>1,908,012</b>	<b>1,834,365</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term loan - secured	7	60,000	90,000
Deferred taxation		69,374	69,374
		129,374	159,374
<b>CURRENT LIABILITIES</b>			
Trade and other payables		692,156	668,625
Interest accrued on borrowings		4,717	1,454
Current portion of long-term loan- secured	7	120,000	120,000
Short-term borrowings - secured	8	260,479	226,277
Provision for taxation		299,663	257,663
		1,377,015	1,274,019
<b>TOTAL LIABILITIES</b>		<b>1,506,389</b>	<b>1,433,393</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	9		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,414,401</b>	<b>3,267,758</b>

The annexed notes from 1 to 15, form an integral part of this interim financial information.

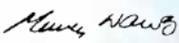
  
Director

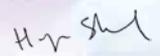
  
Chief Executive

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

	Note	30 September 2016	2015
Rupees in thousand			
Sales - net		1,941,895	1,702,726
Cost of sales		1,380,501	1,228,576
<b>Gross profit</b>		561,394	474,150
Distribution costs		339,111	291,699
Administrative expenses		63,985	54,342
Other operating expenses		47,471	50,562
Other income		(14,958)	(14,050)
		435,609	382,553
Operating profit		125,785	91,597
Finance costs		10,225	14,381
Profit before taxation		115,560	77,216
Taxation		42,000	20,600
<b>Net profit for the period</b>		73,560	56,616
<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		87	(177)
<b>Total comprehensive income</b>		73,647	56,439
<b>Earnings per share - basic and diluted (Rupees)</b>	10	9.21	7.09

The annexed notes from 1 to 15, form an integral part of this interim financial information.

  
Director

  
Chief Executive

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

30 September  
2016                      2015  
Rupees in thousand

### CASH FLOW FROM OPERATING ACTIVITIES

#### Cash generated from operations

Profit before taxation	115,560	77,216
Adjustments to reconcile profit before tax to net cash:		
Depreciation	49,742	50,070
Interest expense	9,268	13,680
Profit on bank deposits	(310)	(396)
Loss on disposal of property, plant and equipment	1,396	3,114
	60,096	66,468
Operating profit before working capital changes	175,656	143,684

#### (Increase)/decrease in current assets

Stores and spares	(6,026)	(11,679)
Stock-in-trade	(66,911)	78,089
Trade debts	(23,297)	41,659
Loans and advances	41,605	3,748
Trade deposits and short-term prepayments	(3,578)	(2,699)
	(58,207)	109,118

#### Increase/(decrease) in current liabilities

Trade and other payables	23,531	(269,738)
Short-term borrowings - secured	34,202	133,553
	57,733	(136,185)

#### Cash generated from operations

	175,182	116,617
Interest expense paid	(6,005)	(10,677)
Profit on bank deposits - received	578	688
Income tax paid	(15,652)	(27,795)
Long-term deposits paid	(214)	(1,505)

#### Net cash generated from operating activities

153,889                      77,328

### CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(61,725)	(64,194)
Sale proceeds from disposal of property, plant and equipment	3,686	353

#### Net cash used in investing activities

(58,039)                      (63,841)

### CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long-term loan	(30,000)	-
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#### Net cash used in financing activities

(30,000)                      -

#### Net increase in cash and cash equivalents

65,850                      13,487

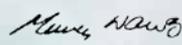
#### Cash and cash equivalents at the beginning of the period

102,906                      143,255

#### CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD

168,756                      156,742

The annexed notes from 1 to 15, form an integral part of this interim financial information.

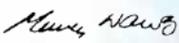
  
Director

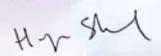
  
Chief Executive

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

	Capital Reserve			Revenue Reserve			Total
	Share Capital	Merger Reserve	Reserve for issue of Bonus Shares	General Reserve	Unrealized (loss) / gain on remeasurement of Investments- available for sale	Unappropriated Profits	
Rupees in thousand							
<b>Balance as at 01 July 2015</b>	<b>79,860</b>	<b>5,000</b>	<b>-</b>	<b>1,250,000</b>	<b>(157)</b>	<b>393,459</b>	<b>1,728,162</b>
Profit for the three month period ended 30 September 2015	-	-	-	-	-	56,616	56,616
Other comprehensive income	-	-	-	-	(177)	-	(177)
Total comprehensive income	-	-	-	-	(177)	56,616	56,439
<b>Balance as at 30 September 2015</b>	<b>79,860</b>	<b>5,000</b>	<b>-</b>	<b>1,250,000</b>	<b>(334)</b>	<b>450,075</b>	<b>1,784,601</b>
Transfer to general reserve	-	-	-	200,000	-	(200,000)	-
Dividend @ Rs.11/- per share for the year ended 30 June 2015	-	-	-	-	-	(87,846)	(87,846)
Profit for the nine month period ended 30 June 2016	-	-	-	-	-	137,670	137,670
Other comprehensive income	-	-	-	-	(60)	-	(60)
Total comprehensive income	-	-	-	-	(60)	137,670	137,610
<b>Balance as at 30 June 2016</b>	<b>79,860</b>	<b>5,000</b>	<b>-</b>	<b>1,450,000</b>	<b>(394)</b>	<b>299,899</b>	<b>1,834,365</b>
Profit for the three month period ended 30 September 2016	-	-	-	-	-	73,560	73,560
Other comprehensive income	-	-	-	-	87	-	87
Total comprehensive income	-	-	-	-	87	73,560	73,647
<b>Balance as at 30 September 2016</b>	<b>79,860</b>	<b>5,000</b>	<b>-</b>	<b>1,450,000</b>	<b>(307)</b>	<b>373,459</b>	<b>1,908,012</b>

The annexed notes from 1 to 15, form an integral part of this interim financial information.

  
Director

  
Chief Executive

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

### 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. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

**2.1** This interim financial information of the Company for the three month period ended 30 September 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - "Interim Financial Reporting", and provision of and directive 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 audited 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. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES, ASSUMPTIONS AND POLICIES

The significant accounting judgments, estimates, assumptions and accounting policies adopted and applied by the Company for the preparation of this interim condensed financial information are the same as were adopted and applied in the preparation of the preceding annual audited 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 and these are subject to final adjustments in the annual audited financial statements.

### 5. PROPERTY, PLANT AND EQUIPMENT

The additions / (deletions)/ transfers (at cost), made during the three month period ended 30 September 2016 are as follows:

	Additions	Deletions/ Transfers
	Rupees in thousand	
<b>Owned assets</b>		
Plant and machinery	4,122	(1,540)
Furniture and fixtures	675	-
Motor vehicles	1,124	(1,901)
Electric fittings and tools	109	-
Electric equipment	17,219	-
Computers and accessories	520	-
Empty bottles, shells, pallets and barrels	35,223	(14,168)
	58,992	(17,609)
<b>Capital work in progress</b>		
Motor vehicles	1,124	(1,124)
Buildings	2,733	-
Total	3,857	(1,124)

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

	Note	(Un-audited) 30 September 2016	(Audited) 30 June 2016
Rupees in thousand			
<b>6. LONG-TERM INVESTMENT - AVAILABLE-FOR-SALE</b>			
<b>Quoted Modaraba</b>			
BRR Guardian Modaraba - Credit rating 'A'			
305,000 (30 June 2016: 305,000) certificates of Rs. 10/- each	6.1	2,375	2,375
Loss on remeasurement		(167)	(254)
		<b>2,208</b>	<b>2,121</b>

**6.1** The above investment represents 0.39% (30 June 2016: 0.39%) of the issued certificate capital of the Modaraba.

**6.2** This investment is placed under a shariah permissible agreement.

	(Un-audited) 30 September 2016	(Audited) 30 June 2016
Rupees in thousand		
<b>7. LONG-TERM LOAN - SECURED</b>		
Long-term loan	180,000	210,000
Less: current portion	(120,000)	(120,000)
	<b>60,000</b>	<b>90,000</b>

In 2015, the Company had acquired a long-term loan from a commercial bank amounting to Rs. (thousand) 300,000, payable in 10 equal quarterly installments 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.

### 8. SHORT-TERM BORROWINGS - SECURED

The aggregate short-term borrowings available from commercial banks under the mark-up arrangement 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 + 0.02% to 1 month KIBOR/ 3 months KIBOR + 0.25% (30 June 2016: 1 month KIBOR + 0.02% to 1 month KIBOR/ 3 months KIBOR + 0.25%), payable monthly/quarterly.

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 as at 30 September 2016 amounts to Rs. (thousand) 202,315 (30 June 2016: Rs. (thousand) 202,930) and Rs. (thousand) 75,898 (30 June 2016: Rs. (thousand) 77,977), respectively.

### 9. CONTINGENCIES AND COMMITMENTS

#### a) Contingencies

- i) 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 Lahore High Court for additional demand of Rs. (thousand) 11,563 (30 June 2016: Rs. (thousand) 11,563), which was dismissed by the Lahore High Court.

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

### b) Commitments

- i) Commitments in respect of letters of credit established for the import of raw and packing materials amounts to Rs. (thousand) 47,685 (30 June 2016: Rs. (thousand) 47,070).
- ii) Counter guarantees in favour of banks in the ordinary course of business amounts to Rs. (thousand) 34,102 (30 June 2016: Rs. (thousand) 32,023).

(Un-audited)  
Three month period ended  
30 September  
2016                      2015  
Rupees in thousand

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

Net profit after tax	73,560	56,616
	Number of shares in thousand	
Weighted average number of ordinary shares at the end of the period	7,986	7,986
	Rupees per share	
Earnings per share - (basic/diluted)	9.21	7.09

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

### 11. 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 Honorable Sindh High Court, challenging the levy of tax under the above referred section. Since the matter is subjudice before the Honorable Sindh High Court, accordingly the Company has retained 5% of the bonus shares issued to plaintiff shareholders.

### 12. 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 transactions with them are as follows:

(Un-audited)  
Three month period ended  
30 September  
2016                      2015  
Rupees in thousand

Transactions during the period		
Associated companies		
Purchases of raw materials	75,079	195,065
Sales of finished goods	2	180
Royalty charged	20,964	19,120
Purchases/repairs of electric equipment/vehicles	144	40
Services rendered	-	171
Remuneration and benefits of Directors, Chief Executive and key management personnel		
	15,114	16,100
Contributions to staff provident fund		
	1,245	1,146

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

(Un-audited) (Audited)  
30 September 30 June  
2016 2016  
Rupees in thousand

### Period / year end balances

Due to related parties	45,611	26,661
Due from related parties	2	-
Due to staff provident fund	832	963

### 13. 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 30 September 2016, the Company is organized into two operating segments based on their products.

#### Juice drinks activities

Juice drinks activities include bottled as well as juices in tetra pak packings.

#### Other operating activities

Other operating activities include pickles, ketchup, sauces, jams etc.

#### Segment analysis of profit and loss account for the three month period ended 30 September 2016:

	Juices and Drinks	Others	Total
	Rupees in thousand		
Sales - net	1,724,981	216,914	1,941,895
Cost of sales	1,191,647	188,854	1,380,501
Gross profit	533,334	28,060	561,394

#### Unallocated expenses and income

Corporate expenses			(403,096)
Finance costs			(10,225)
Other operating expenses			(47,471)
Other income			14,958
Taxation			(42,000)
Profit after taxation			73,560

#### Segment analysis of assets and liabilities as at 30 September 2016:

	Juices and Drinks	Others	Total
	Rupees in thousand		
Segment assets	2,347,654	501,339	2,848,993
Unallocated assets			565,408
Total			3,414,401
Segment liabilities	605,761	171,380	777,141
Unallocated liabilities			729,248
Total			1,506,389

## NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE THREE MONTH PERIOD ENDED 30 SEPTEMBER 2016

Segment analysis of profit and loss account for the three month period ended 30 September 2015:

	Juices and Drinks	Others Rupees in thousand	Total
Sales - net	1,483,199	219,527	1,702,726
Cost of sales	1,042,035	186,541	1,228,576
Gross profit	441,164	32,986	474,150
<b>Unallocated expenses and income</b>			
Corporate expenses			(346,041)
Finance costs			(14,381)
Other operating expenses			(50,562)
Other operating income			14,050
Taxation			(20,600)
Profit after taxation			56,616

Segment analysis of assets and liabilities as at 30 June 2016:

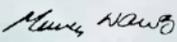
	Juices and Drinks	Others Rupees in thousand	Total
Segment assets	2,265,572	504,129	2,769,701
Unallocated assets			498,057
Total			3,267,758
Segment liabilities	588,565	193,981	782,546
Unallocated liabilities			650,847
Total			1,433,393

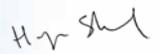
#### 14. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue by the Board of Directors on 27 October 2016.

#### 15. APPROPRIATIONS

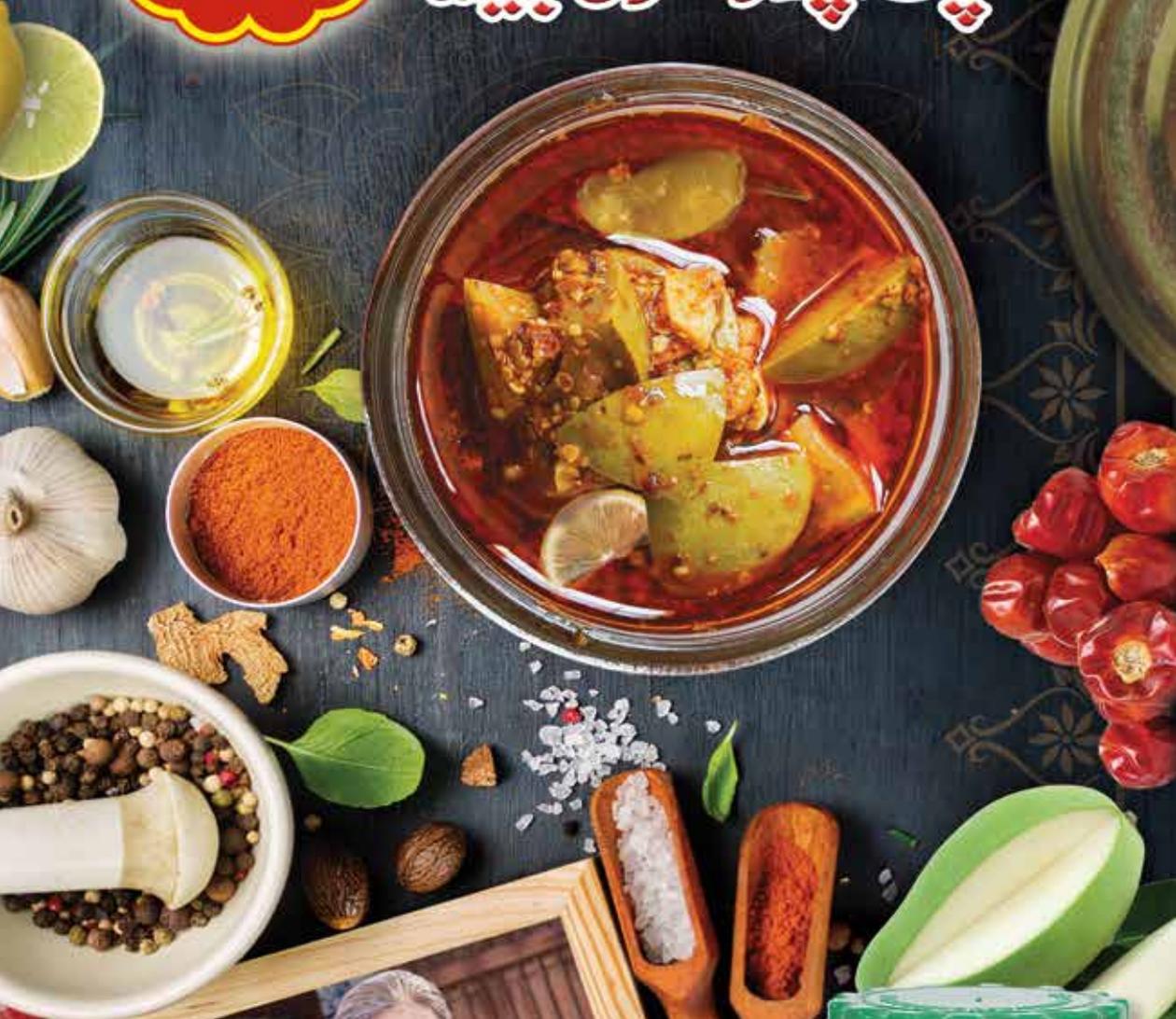
The Board of Directors have proposed a final dividend of Rs. 9/- per share, amounting to Rs. (thousand) 71,874 for the year ended 30 June 2016 (2015: Rs. (thousand) 87,846) along with transfer to general reserve amounting to Rs. (thousand) 150,000 (2015: Rs. (thousand) 200,000) at their meeting held on 28 September 2016 for approval of the members at the Annual General Meeting to be held on 29 October 2016.

  
Director

  
Chief Executive

Shezan

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