

INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTH PERIOD ENDED

**31 MARCH 2018**



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## 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)
Mr. Shahid Hussain Jatoi**	(N.I.T. Nominee)

### Chief Financial Officer:

Mr. Faisal Ahmad Nisar, FCA

### Company Secretary:

Mr. Khurram Babar

### Audit Committee:

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

### Human Resource & Remuneration Committee:

Mr. Saifi Chaudhry	Chairman
Mr. Muneer Nawaz	Member
Mr. M. Naeem	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.

\* Resigned from board w.e.f 31 March 2018

\*\* Co-opted by board w.e.f 25 April 2018



## DIRECTORS' REPORT

**On behalf of the Board of Directors, we are pleased to present interim financial information of the Company for the nine month period ended 31 March 2018.**

The food sector in Pakistan has a lot of potential and room for growth and development because Pakistan is blessed with four climates, where a variety of fruits and vegetables are grown and the raw material for our industry is available in ample quantity.

The fruit juice sector, which is a major portion of our product portfolio, has shown good growth in consumption because consumers have become more aware and started placing emphasis on the consumption of fruit based drinks rather than carbonated drinks for their convenience and quick nourishment.

### FINANCIAL PERFORMANCE

Summarized operating performance of the Company for the nine month ended 31 March 2018 is as follows:

Particulars	2018	2017
	Rupees in thousand	
Sales - net	5,043,814	4,737,196
Profit before taxation	336,173	152,311
Net profit after taxation	238,237	107,745
Earnings per share (Rs.)	29.83	13.49

The Company achieved 6.47% growth in net sales and 121% in profit after taxation. This is an outcome of efficient and economical resource allocation coupled with decrease in sugar prices and consistent reduction in finance costs.

### FUTURE OUTLOOK

Uncertain economy of the country will pose more business challenges in future. Further devaluation of Pak rupee and increase in raw material prices are expected in coming months. It can affect the profitability of the Company in future.

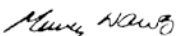
The Company intends to deal with these challenges that lie ahead with its expertise, consumer understanding and powerful brand equity. Our aim is to fulfil growing demand of our juices in the market. Our focus will remain to produce and offer best quality products to maximize our profits in the coming months, as our prime season falls in summer.

### ACKNOWLEDGEMENT

We, for and on behalf of Board of Directors, 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



**Muneer Nawaz**  
Chairman

Lahore.  
25 April 2018.



**Humayun A. Shahnawaz**  
Chief Executive

## ڈائریکٹرز رپورٹ

ہم بورڈ آف ڈائریکٹرز کی جانب سے اختتام شدہ نومبر 31 مارچ 2018ء کے لئے کمپنی کی عبوری مالیاتی معلومات پیش کرتے ہیں۔

پاکستان میں خوراک کے شعبہ میں ترقی اور نمو کے بہت زیادہ مواقع موجود ہیں کیونکہ پاکستان کو قدرت نے چار موسموں سے نوازا ہے جسکی وجہ سے مختلف انواع و اقسام کے پھل اور سبزیاں اگائی جاتی ہیں اور ہماری صنعت میں استعمال ہونے والا خام مال وافر مقدار میں دستیاب ہوتا ہے۔

شیران کی مجموعی مصنوعات میں پھلوں کے جوس کے شعبہ کا بڑا حصہ ہے جس کی کھپت میں اچھا اضافہ نظر آیا ہے کیونکہ صارفین حفظانِ صحت سے بہتر آگاہی، بھرپور غذائیت اور فوری دستیابی کی وجہ سے پھلوں سے تیار کردہ شروبات کو کاربوئیٹڈ مشروبات پر زیادہ ترجیح دینے لگے ہیں۔

### مالیاتی کارکردگی:

اختتام شدہ نومبر 31 مارچ 2018ء کے لئے کمپنی کی عبوری مالیاتی نتائج مختصر ادرج ذیل ہیں۔

2017	2018	
روپے ہزاروں میں		
4,737,196	5,043,814	خالص فروخت
152,311	336,173	منافع قبل از ٹیکس
107,745	238,237	خالص منافع بعد از ٹیکس
13.49	29.83	فی حصص آمدنی - روپوں میں

کمپنی نے خالص فروخت میں 6.47 فیصد اور منافع بعد از ٹیکس میں 121 فیصد کا متاثر کن اضافہ حاصل کیا۔ یہ اضافہ چینی کی قیمت میں کمی اور مالیاتی لاگت میں مسلسل کمی کے ساتھ ساتھ انتظامیہ کی مدد برائے پالیسی اور اقتصادی وسائل کے مستحسن استعمال کا نتیجہ ہے۔

### مستقبل کے امکانات:

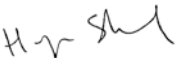
ملکی معیشت کی غیر یقینی صورتحال مستقبل میں کاروبار کے لئے بڑا چیلنج ہے۔ آئیو اے لمیٹڈ میں پاکستانی روپے کی قدر میں مزید کمی اور خام مال کی قیمتوں میں اضافہ متوقع ہے جو کہ مستقبل میں کمپنی کے منافع پر اثر انداز ہو سکتا ہے۔

کمپنی اپنی مہارت، صارفین کی بہتر سمجھ بوجھ اور مضبوط برانڈ کی مدد سے مستقبل کے ان چیلنجز کا مقابلہ کرنے کا ارادہ رکھتی ہے۔ ہمارا مقصد مارکیٹ میں اپنے جوس کی بڑھتی ہوئی طلب کو پورا کرنا ہے، چونکہ ہماری فروخت کا بہترین موسم موسم گرما ہوتا ہے ہم اپنی تمام تر توجہ اعلیٰ معیاری مصنوعات تیار کرنے پر مرکوز رکھیں گے تاکہ ہم موجودہ سال میں زیادہ سے زیادہ منافع حاصل کر سکیں۔

### اظہار تشکر:

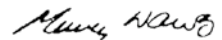
ہم بورڈ آف ڈائریکٹرز کی جانب سے اپنے ادارے کے تمام ملازمین کی لگن، وفاداری اور عزم کی تعریف کرتے ہیں۔ مزید برآں ہم پیشروانہ سرپرستی اور تعاون کا بھی شکریہ ادا کرنا چاہیں گے جو ہمیں تمام صارفین، ویٹرز، جینکوز، حصص داران اور سٹیک ہولڈرز کی جانب سے ملا۔

بورڈ آف ڈائریکٹرز کی ایما پر



ہمایوں اے شاہ نواز

چیف ایگزیکٹو



منیر نواز

چیرمین

لاہور

25 اپریل 2018ء۔

## CONDENSED INTERIM BALANCE SHEET

### AS AT 31 MARCH 2018

	Note	(Un-Audited) 31 March 2018	(Audited) 30 June 2017
Rupees in thousand			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	6	1,158,236	1,175,946
Long term investment	7	2,440	2,877
Long term deposits		4,758	5,183
		<b>1,165,434</b>	<b>1,184,006</b>
<b>CURRENT ASSETS</b>			
Stores and spares		97,291	71,178
Stock in trade		1,351,852	1,358,515
Trade debts		281,414	259,853
Loans and advances		37,405	185,138
Trade deposits and short-term prepayments		28,163	19,920
Interest accrued		-	338
Income tax recoverable		486,419	371,221
Cash and bank balances		195,728	73,227
		<b>2,478,272</b>	<b>2,339,390</b>
<b>TOTAL ASSETS</b>		<b>3,643,706</b>	<b>3,523,396</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		79,860	79,860
Reserves		1,805,065	1,605,502
Unappropriated profits		267,769	337,343
<b>TOTAL EQUITY</b>		<b>2,152,694</b>	<b>2,022,705</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term loan	8	-	-
Deferred taxation		53,186	62,038
		<b>53,186</b>	<b>62,038</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		564,641	680,750
Interest accrued on borrowings		6,509	1,584
Current portion of long-term loan	8	-	90,000
Short-term borrowings	9	386,094	292,525
Provision for taxation		480,582	373,794
		<b>1,437,826</b>	<b>1,438,653</b>
<b>TOTAL LIABILITIES</b>		<b>1,491,012</b>	<b>1,500,691</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>3,643,706</b>	<b>3,523,396</b>

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

  
Chief Executive


  
Director

  
Chief Financial Officer

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

	Note	Nine month period ended 31 March		Three month period ended 31 March	
		2018 Rupees in thousand	2017	2018 Rupees in thousand	2017
Sales - net		5,043,814	4,737,196	1,706,820	1,575,529
Cost of sales		3,619,538	3,427,453	1,238,788	1,139,284
<b>Gross profit</b>		<b>1,424,276</b>	<b>1,309,743</b>	<b>468,032</b>	<b>436,245</b>
Distribution costs		717,454	858,731	249,749	291,660
Administrative expenses		221,626	175,975	77,666	57,567
Other operating expenses		162,417	128,115	58,663	44,699
Other income		(32,428)	(34,581)	(11,206)	(11,290)
		<b>1,069,069</b>	<b>1,128,240</b>	<b>374,872</b>	<b>382,636</b>
Operating profit		355,207	181,503	93,160	53,609
Finance costs		19,034	29,192	7,105	9,572
Profit before taxation		336,173	152,311	86,055	44,037
Taxation		97,936	44,566	17,538	15,987
Net profit for the period		238,237	107,745	68,517	28,050
<b>Other comprehensive income</b>					
Other comprehensive income to be reclassified					
- to profit or loss in subsequent periods (net of tax):					
Unrealized (loss)/ gain on remeasurement					
- of investment available for sale		(437)	731	(31)	350
<b>Total comprehensive income</b>		<b>237,800</b>	<b>108,476</b>	<b>68,486</b>	<b>28,400</b>
<b>Earnings per share - basic and diluted (Rupees)</b>	11	<b>29.83</b>	13.49	<b>8.58</b>	3.51

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

  
Chief Executive

  
Director

  
Chief Financial Officer

## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2018

Nine month period ended  
31 March  
2018                      2017  
Rupees in thousand

### CASH FLOWS FROM OPERATING ACTIVITIES

#### Cash generated from operations

Profit before taxation	336,173	152,311
Adjustments to reconcile profit before tax to net cash:		
- Depreciation	148,574	157,615
- Interest / markup expense	17,152	27,174
- Profit on bank deposits	(1,659)	(1,184)
- Provision for doubtful debts	21,161	-
- Loss on disposal of property, plant and equipment	11,618	3,133
	196,846	186,738

Operating profit before working capital changes                      533,019                      339,049

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

Stores and spares	(26,113)	(4,468)
Stock in trade	6,663	74,695
Trade debts	(42,722)	(138,899)
Loans and advances	147,733	47,583
Trade deposits and short term prepayments	(8,243)	(3,113)
	77,318	(24,202)

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

Trade and other payables                      (116,785)                      (74,783)

Cash generated from operations                      493,552                      240,064

Interest / markup paid	(12,227)	(23,722)
Profit on bank deposits received	1,997	1,452
Income tax paid	(115,198)	(44,764)
Long term deposits paid	425	(929)

Net cash generated from operating activities                      368,549                      172,101

### CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(162,495)	(199,759)
Sale proceeds from disposal of property, plant and equipment	20,013	29,065
Net cash used in investing activities	(142,482)	(170,694)

### CASH FLOWS FROM FINANCING ACTIVITIES

Long-term loan repaid	(90,000)	(90,000)
Short term borrowings obtained - net	93,569	175,671
Dividends paid	(107,135)	(71,520)
Net cash (used in) / generated from financing activities	(103,566)	14,151

Net increase in cash and cash equivalents                      122,501                      15,558

Cash and cash equivalents at the beginning of the period                      73,227                      102,906

Cash and cash equivalents at the end of the period                      195,728                      118,464

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

  
Chief Executive

  
Director

  
Chief Financial Officer



## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2018

	Capital Reserve		Revenue Reserve			Total
	Share Capital	Merger Reserve	General Reserve	Unrealized gain / (loss) on remeasurement of Investment available for sale	Unappropriated Profits	
Rupees in thousand						
<b>Balance as at 01 July 2016</b>	<b>79,860</b>	<b>5,000</b>	<b>1,450,000</b>	<b>(394)</b>	<b>299,899</b>	<b>1,834,365</b>
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
<b>Balance as at 31 March 2017</b>	<b>79,860</b>	<b>5,000</b>	<b>1,600,000</b>	<b>337</b>	<b>185,770</b>	<b>1,870,967</b>
<b>Balance as at 01 July 2017</b>	<b>79,860</b>	<b>5,000</b>	<b>1,600,000</b>	<b>502</b>	<b>337,343</b>	<b>2,022,705</b>
Transfer to General Reserve	-	-	200,000	-	(200,000)	-
Final dividend @ Rs. 13.50/- per share for the year ended 30 June 2017	-	-	-	-	(107,811)	(107,811)
Profit for the nine month period ended 31 March 2018	-	-	-	-	238,237	238,237
Other comprehensive loss	-	-	-	(437)	-	(437)
Total comprehensive income	-	-	-	(437)	238,237	237,800
<b>Balance as at 31 March 2018</b>	<b>79,860</b>	<b>5,000</b>	<b>1,800,000</b>	<b>65</b>	<b>267,769</b>	<b>2,152,694</b>

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

  
Chief Executive

  
Director

  
Chief Financial Officer

## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2018

### 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 fruits and vegetables.

### 2. STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

**2.1** This interim financial information of the Company for the nine month period ended 31 March 2018 has been prepared in accordance with the Accounting and Reporting Standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

**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 2017.

**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 annual audited financial statements for the year ended 30 June 2017.

### 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 / (disposals) / transfers (at cost), made during the nine month period ended 31 March 2018 are as follows:

	Additions	Disposals/ Transfers
	Rupees in thousand	
<b>Owned assets</b>		
Plant and machinery	55,040	(400)
Laboratory equipment	17	-
Motor vehicles	1,804	(1,273)
Electric equipment	19,350	(515)
Furniture and fixtures	623	-
Computers and accessories	1,417	-
Empty bottles, shells, pallets and barrels	54,587	(85,446)
	132,838	(87,634)

	Additions Rupees in thousand	Disposals/ Transfers
<b>Capital work in progress</b>		
Motor vehicles	541	(1,804)
Furniture and fixtures	5,502	-
Plant and machinery	57,740	(50,370)
Buildings	18,048	-
	81,831	(52,174)
	214,669	(139,808)
Additions / (disposals) / transfers (at cost), made during the year ended 30 June 2017.	239,616	(109,042)
	(Un-Audited) 31 March 2018	(Audited) 30 June 2017
Note	Rupees in thousand	

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

Quoted - Modaraba		
BRR Guardian Modaraba - Credit rating 'A'		
305,000 (30 June 2017: 305,000) certificates of Rs. 10/- each	7.1	
Gain / (loss) on remeasurement	2,375	2,375
	65	502
	2,440	2,877

7.1 The above investment represents 0.39% (30 June 2017: 0.39%) of the issued certificate capital of the Modaraba.

#### 8. LONG TERM LOAN - SECURED

Long term loan	8.1	-	90,000
Less: Current portion		-	(90,000)
		-	-

8.1 This represented long term loan obtained from a commercial bank which originally amounted to Rs. (thousand) 300,000 payable in 10 equal quarterly installments with a grace period of six months. The rate of mark-up / interest was 3 months KIBOR + 0.30%, payable quarterly. The facility was 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) 1,625,000 (30 June 2017: Rs. (thousand) 1,625,000). The un-utilised portion of these facilities is Rs. (thousand) 1,238,906 (30 June 2017: Rs. (thousand) 1,332,475).

The rate of mark-up / interest on short-term borrowings ranges between 1 month KIBOR plus 0.08% to 1 month KIBOR / 3 months KIBOR plus 0.25% (30 June 2017: 1 month KIBOR minus 0.05% to 1 month KIBOR / 3 months KIBOR plus 0.25%), payable monthly / quarterly.

These facilities are secured against a first registered joint pari passu hypothecation and ranking charge on current assets of the Company up to Rs. (thousand) 2,314,000 (30 June 2017: Rs. (thousand) 2,314,000) and Rs. Nil (30 June 2017: Rs. (thousand) 334,000) respectively.

The un-utilised facility for opening letters of credit and for guarantees amounts to Rs. (thousand) 221,402 (30 June 2017: Rs. (thousand) 190,430) and Rs. (thousand) 77,112 (30 June 2017: Rs. (thousand) 72,881), respectively.

## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2018

### 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 of the Company for the year ended 30 June 2017 except for the following:

- i. The Company has filed a reference application before the Honourable Lahore High Court against the decision of Appellate Tribunal Inland Revenue for the tax year 2003, which is pending adjudication. The exposure of the Company with respect to this tax year amounts to Rs. (thousand) 3,465 (30 June 2017: Rs. (thousand) 3,465).
- ii. The Company has filed appeals for the tax years 2010 and 2012 while the department has filed appeals for the tax years 2012 and 2013 before Appellate Tribunal Inland Revenue against the orders passed under section 161 of the Income Tax Ordinance, 2001 by Commissioner Inland Revenue (Appeals), which is pending adjudication. The exposure of the Company with respect to these tax years amounts to Rs. (thousand) 3,135 (30 June 2017: Rs. (thousand) 3,135).
- iii. The Company has received orders under section 122(5A) of the Income Tax Ordinance, 2001 for the tax year 2012 and 2016 passed by the Additional Commissioner Inland Revenue, wherein the income of the Company has been reassessed and certain expenses have been disallowed and added in the income resulting in tax impact of Rs. (thousand) 28,129 (30 June 2017: Rs. Nil) and Rs. (thousand) 20,889 (30 June 2017: Rs. Nil), respectively. The Company has filed appeals before the Commissioner Inland Revenue (Appeals), which are pending adjudication.

The Company, based on legal advice and its assessment of facts of the cases, expects a favorable outcome in the matters described above. Accordingly, no provision has been recognized in respect of these.

#### 10.2 COMMITMENTS

- i. Commitments in respect of letter of credit established for the import of plant and machinery, raw and packing materials amounts to Rs. (thousand) 28,598 (30 June 2017: Rs. (thousand) 59,570).
- ii. Counter guarantees in favor of banks in the ordinary course of business amounts to Rs. (thousand) 32,888 (30 June 2017: Rs. (thousand) 37,119).

	(Un-Audited)			
	Nine month period ended		Three month period ended	
	2018	2017	2018	2017
Profit after taxation attributable to ordinary shareholders (Rupees in thousand)	238,237	107,745	68,517	28,050
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)	29.83	13.49	8.58	3.51

**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:

	(Un-Audited) Nine month period ended 31 March	
	2018	2017
	Rupees in thousand	
<b>Transactions during the period</b>		
<b>Associated companies</b>		
Purchases of raw materials	462,651	292,509
Sales of finished goods	61	35
Royalty charged	55,473	53,104
Purchases/repairs of electric equipment/vehicles	133	271
Contributions to staff provident fund	4,412	3,736
Remuneration and benefits of directors, Chief Executive and key management personnel	42,931	37,474
	(Un-Audited) 31 March 2018	(Audited) 30 June 2017
	Rupees in thousand	

#### Period / year end balances:

Due to associated undertakings	80,570	57,511
Due from related parties	4	2
Due to staff provident fund	951	1,469

### 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 office of the Chief Executive. The Chief Executive considers the business from the product perspective and evaluates performance on the basis of their gross profit or gross loss. As at 31 March 2018, 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.

#### Profit and loss account for the nine month period ended 31 March 2018: (Un-Audited)

	Juices and Drinks	Others	Total
	Rupees in thousand		
Sales - net	4,305,855	737,959	5,043,814
Cost of sales	(2,994,679)	(624,859)	(3,619,538)
Gross profit	1,311,176	113,100	1,424,276
<b>Unallocated expenses and income</b>			
Distribution costs			(717,454)
Administrative expenses			(221,626)
Other operating expenses			(162,417)
Other income			32,428
Finance costs			(19,034)
Taxation			(97,936)
Profit after taxation			238,237



## CONDENSED NOTES TO THE INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE NINE MONTH PERIOD ENDED 31 MARCH 2018

### Assets and liabilities as at 31 March 2018: (Un-Audited)

	Juices and Drinks	Others Rupees in thousand	Total
Segment assets	2,359,208	537,038	2,896,246
Unallocated assets			747,460
<b>Total</b>			<b>3,643,706</b>
Segment liabilities	411,889	75,603	487,492
Unallocated liabilities			1,003,520
<b>Total</b>			<b>1,491,012</b>

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

	Juices and Drinks	Others Rupees in thousand	Total
Sales - net	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)
Profit after taxation			107,745

### Assets and liabilities as at 30 June 2017: (Audited)

Segment assets	2,486,147	538,742	3,024,889
Unallocated assets			498,507
<b>Total</b>			<b>3,523,396</b>
Segment liabilities	562,067	180,381	742,448
Unallocated liabilities			758,243
<b>Total</b>			<b>1,500,691</b>

#### 15. DATE OF AUTHORIZATION FOR ISSUE

This interim financial information was authorized for issue by the Board of Directors on 25 April 2018.

#### 16. GENERAL

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

  
Chief Executive

  
Director

  
Chief Financial Officer



# Chaska Ka Double Dose



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