

A large, faint, circular watermark of a smiling bunny face is centered on the page. The bunny has long ears and a wide, happy grin.
BUNNY'S[®]

Quality is our Major Ingredient!

VISION AND MISSION STATEMENT

VISION

Make quality food for better life.

MISSION

Product innovation with optimal quality, taste and nutrition. To create value, inspire moments and deliver wellness.

COMPANY PROFILE

Board of Directors	Mr. Yunus Shafiq Chaudhry Mr. Haroon Shafiq Chaudhry Mr. Omar Shafiq Chaudhry Miss Mahnoor Chaudhry Mrs. Saadia Omar Mr. Rafi Uz Zaman Awan Mr. Syed Muhammad Adnan Raza Naqvi Mr. Rehan Mobin	Chairman Chief Executive Director Director Director Director Director Director
Audit Committee	Mr. Rafi Uz Zaman Awan Mr. Yunus Shafiq Chaudhry Mrs. Saadia Omer	Chairman Member Member
Chief Financial Officer	Mr. Muhammad Shafique	
Company Secretary	Mr. Muhammad Zubair	
Auditors	Aslam Malik & Co. Chartered Accountants	
Bankers	Allied Bank Limited Samba Bank Limited Bank Al Habib Limited Meezan Bank Limited Bankislami Pakistan Limited PAIR Investment Bank Limited	
Share Registrar	F.D. Registrar Services (SMC-Pvt.) Limited 17 th Floor, Saima Trade Tower-A, I.I. Chundrigar Road, Karachi-74000 Ph# 9921-35478192-93, Dir# 9221-32271905-6, Fax# 9221-32621233	
Legal Advisor	Ahmed & Qazi	
Head Office	105/A, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	
Email	info@bunnys.com.pk	
Website	www.bunnys.com.pk	

DIRECTORS' REPORT

In the name of Allah the Most Merciful and the Most Benevolent.

The Directors of your Company are pleased to present a brief review of the financial results and operations of the Company for the 1st quarter ended 30th September, 2019. This condensed interim financial information is presented in accordance with the requirements of Companies Act, 2018. The financial results during the 1st quarter are as follows:

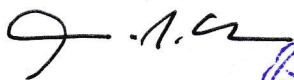
	Rs. (Million)
Sales – net	683.7
Gross profit	182.4
Operating profit	75.7
Profit after tax	42.2
Earnings per share (Rs.)	0.82

The Company recorded net sales of PKR 683.7 million compared to PKR 583.6 million in the same period last year registering 17.15% increase from same period last year. The profit before tax for the 1st quarter is PKR 49.88 million compared to PKR 51.7 million in the same period last year.

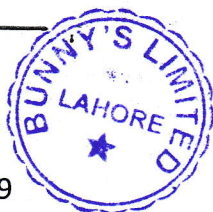
Earnings per share for the period is Rs. 0.82 as compared to Rs. 0.80 for similar period of the last year.

The Board wishes to place on record its gratitude for the co-operation extended by Government of Pakistan and strategic partners including its customers, financial institutions, suppliers, vendors and shareholders.

For and on behalf of the Board of Directors



Director
Lahore
October 30, 2019




BUNNY'S LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2019

	Note	September 30, 2019	Audited June 30, 2018
		----- Rupees -----	
ASSETS			Audited
Non-current assets			
Operating fixed assets	4.1	1,746,216,545	1,705,776,143
Capital work in progress	4.2	80,866,195	80,866,195
Property, plant and equipment	4	1,827,082,740	1,786,642,338
Intangible assets	5	70,270,771	70,275,902
Long term security deposits		6,697,338	6,697,338
		1,904,050,850	1,863,615,578
Current assets			
Stores, spares and loose tools		15,558,750	15,248,961
Stock-in-trade	6	266,201,982	265,660,671
Trade debts - unsecured		241,753,047	246,307,071
Advances, deposits and prepayments		96,484,876	98,077,047
Cash and bank balances	7	20,301,952	15,581,185
		640,300,607	640,874,935
Total assets		2,544,351,456	2,504,490,513
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized share capital		540,000,000	540,000,000
54,000,000 Ordinary shares of Rs.10/- each .			
Issued, subscribed and paid up share capital	8	513,886,690	513,886,690
Capital reserves	9	461,850,397	461,850,397
General reserves		542,484,425	500,304,643
		1,518,221,512	1,476,041,730
Non-current liabilities			
Long term finances - secured	10	249,133,114	263,333,350
Liabilities against assets subject to finance lease - secured	11	60,450,294	30,837,975
Deferred income		4,575,867	5,229,562
Long term advances - unsecured		13,202,465	13,351,765
Deferred liabilities	12	204,689,665	207,243,093
		532,051,405	519,995,745
Current liabilities			
Trade and other payables	13	204,716,045	227,563,298
Unclaimed dividend		765,699	765,699
Accrued mark-up on secured loans		13,763,787	12,968,046
Short term borrowings	14	139,651,350	143,407,340
Current portion of long term finances and leases - secured		119,505,380	117,764,916
Provision for taxation - net		15,676,278	5,983,738
		494,078,539	508,453,038
Contingencies and commitments	15		
Total equity and liabilities		2,544,351,456	2,504,490,513

The annexed notes form an integral part of these financial statements.


Chief Executive


Director



Chief Financial Officer

BUNNY'S LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT SEPTEMBER 30, 2019

	Note	September 30, 2019	Audited June 30, 2018
		----- Rupees -----	
ASSETS			Audited
Non-current assets			
Operating fixed assets	4.1	1,746,216,545	1,705,776,143
Capital work in progress	4.2	80,866,195	80,866,195
Property, plant and equipment	4	1,827,082,740	1,786,642,338
Intangible assets	5	70,270,771	70,275,902
Long term security deposits		6,697,338	6,697,338
		1,904,050,850	1,863,615,578
Current assets			
Stores, spares and loose tools		15,558,750	15,248,961
Stock-in-trade	6	266,201,982	265,660,671
Trade debts - unsecured		241,753,047	246,307,071
Advances, deposits and prepayments		96,484,876	98,077,047
Cash and bank balances	7	20,301,952	15,581,185
		640,300,607	640,874,935
Total assets		2,544,351,456	2,504,490,513
EQUITY AND LIABILITIES			
Capital and reserves			
Authorized share capital		540,000,000	540,000,000
54,000,000 Ordinary shares of Rs.10/- each .			
Issued, subscribed and paid up share capital	8	513,886,690	513,886,690
Capital reserves	9	461,850,397	461,850,397
General reserves		542,484,425	500,304,643
		1,518,221,512	1,476,041,730
Non-current liabilities			
Long term finances - secured	10	249,133,114	263,333,350
Liabilities against assets subject to finance lease - secured	11	60,450,294	30,837,975
Deferred income		4,575,867	5,229,562
Long term advances - unsecured		13,202,465	13,351,765
Deferred liabilities	12	204,689,665	207,243,093
		532,051,405	519,995,745
Current liabilities			
Trade and other payables	13	204,716,045	227,563,298
Unclaimed dividend		765,699	765,699
Accrued mark-up on secured loans		13,763,787	12,968,046
Short term borrowings	14	139,651,350	143,407,340
Current portion of long term finances and leases - secured		119,505,380	117,764,916
Provision for taxation - net		15,676,278	5,983,738
		494,078,539	508,453,038
Contingencies and commitments	15		
Total equity and liabilities		2,544,351,456	2,504,490,513

The annexed notes form an integral part of these financial statements.


Chief Executive


Director



Chief Financial Officer

BUNNY'S LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Note	September 30, 2019	September 30, 2018
		----- Rupees -----	
Sales - net		683,747,518	583,638,134
Cost of sales	16	(501,320,635)	(404,832,708)
Gross profit		182,426,883	178,805,426
Operating expenses			
Administrative and general	17	34,214,889	29,167,300
Selling and distribution	18	72,480,251	74,265,394
		(106,695,140)	(103,432,694)
Operating profit		75,731,744	75,372,732
Other operating expenses	19	(2,807,990)	(3,582,330)
Finance cost	20	(23,041,187)	(20,045,523)
		(25,849,177)	(23,627,853)
Profit before taxation		49,882,567	51,744,879
Taxation		(7,702,785)	(10,758,047)
Profit for the period		42,179,782	40,986,832
Earning per share - basic & diluted	21	0.82	0.80

The annexed notes form an integral part of these financial statements.


 Chief Executive



 Director


 Chief Financial Officer

BUNNY'S LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	Note	September 30, 2019	September 30, 2018
		----- Rupees -----	
CASH FLOW FROM OPERATING ACTIVITIES			
Cash generated from operations	22	81,514,955	54,655,306
Financial charges paid		(22,245,446)	(18,791,183)
Income tax paid		(563,673)	(2,990,748)
Staff gratuity paid		(758,466)	(2,823,970)
Workers' (profit) participation fund paid		(7,913,652)	(8,293,137)
Net increase in long term advances		(149,300)	-
Net increase in security deposits		-	-
		(31,630,537)	(32,899,038)
Net cash generated from operating activities		49,884,418	21,756,268
CASH FLOW FROM INVESTING ACTIVITIES			
Sale proceeds from disposal of fixed assets		-	-
Fixed capital expenditure		(58,560,208)	(2,219,620)
Net cash used in investing activities		(58,560,208)	(2,219,620)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds less repayment of long term loans		(16,128,114)	(12,499,998)
Proceeds less repayment of lease liabilities		33,280,661	(6,531,701)
Net decrease in short term finances		(3,755,990)	1,042,976
Net cash generated from / (used in) financing activities		13,396,557	(17,988,723)
Net Increase in cash and cash equivalents		4,720,767	1,547,925
Cash and cash equivalents at the beginning of the period		15,581,185	5,023,651
Cash and cash equivalents at end of the period	23	20,301,952	6,571,576

The annexed notes form an integral part of these financial statements.


Chief Executive


Director


Chief Financial Officer

1 STATUS AND NATURE OF BUSINESS

Bunny's Limited (the Company) was incorporated in Pakistan as a private limited Company on October 22, 1980 under the repealed Companies Act 1913 (now Companies Ordinance, 1984) and was later on converted into a Public Company. The Company is principally engaged in manufacturing of bakery and other food products. The registered office and manufacturing facility of the Company is situated at 105/A Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore.

2 BASIS OF PREPARATION

- 2.1 This condensed interim financial information are unaudited and have 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 34, 'Interim Financial Reporting', issued by 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 The preparation of this condensed interim financial information in conformity with the approved accounting and reporting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended June 30, 2018.

3 ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements for the year ended June 30, 2018.
- 3.2 There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on January 1, 2019. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.
- 3.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

4 PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets
Capital work in progress

Note
September 30, 2019 Audited
June 30, 2019
Rupees

4.1 1,746,216,545 1,705,776,143
80,866,195 80,866,195
4.2 1,827,082,740 1,786,642,338

4.1 Operating fixed assets

(Amounts in Rupees)

Cost

Balance as at July 01, 2019
Additions during the quarter
Transfer during the quarter
Balance as at September 30, 2019

Balance as at July 01, 2018
Additions during the year
Disposals during the year

Depreciation

Balance as at July 01, 2019
Change for the quarter

Depreciation on Disposals

Balance as at September 30, 2019

Balance as at July 01, 2018
Change for the year

Disposals during the year

Balance as at June 30, 2019

Rate of depreciation

Net book value as at September 30, 2019

Net book value as at June 30, 2019 (Audited)

Land - freehold	Building on freehold land	Owned Assets					Leased Assets		Total Assets	
		Plant and machinery	Electric installation and appliances	Office equipment	Furniture and fixtures	Motor vehicles	Total Owned	Plant and machinery		Motor vehicles
530,000,000	625,339,847	963,273,250	16,892,528	17,795,836	9,964,225	49,490,347	2,212,756,033	50,000,000	67,840,908	2,330,596,941
-	-	53,682,383	888,909	902,079	16,000	152,837	55,652,208	-	2,908,000	58,560,208
-	-	(50,000,000)	-	-	-	-	(50,000,000)	50,000,000	-	50,000,000
530,000,000	625,339,847	966,955,633	17,791,437	18,697,915	9,980,225	49,643,184	2,218,408,241	100,000,000	70,748,908	2,389,157,149
530,000,000	620,240,768	856,478,912	15,158,280	13,347,359	9,673,530	47,025,319	2,091,923,968	50,000,000	51,129,846	2,193,053,814
-	5,099,079	106,794,338	1,734,248	4,448,477	290,895	2,465,028	120,832,065	-	11,481,500	132,313,565
-	-	-	-	-	-	-	-	-	5,229,562	5,229,562
530,000,000	625,339,847	963,273,250	16,892,528	17,795,836	9,964,225	49,490,347	2,212,756,033	50,000,000	67,840,908	2,330,596,941
-	178,386,318	365,355,004	6,056,562	11,340,641	4,584,230	36,420,502	602,143,257	4,677,581	17,999,961	624,823,218
-	5,586,919	7,809,493	282,136	517,968	134,700	657,313	14,988,528	566,530	2,564,747	18,111,265
-	-	-	-	-	-	-	-	-	-	-
-	183,973,237	373,164,497	6,338,698	11,858,609	4,718,930	37,077,815	617,131,785	5,244,111	20,564,708	642,940,593
-	155,027,737	338,853,399	4,983,922	10,111,357	4,001,612	29,219,306	542,197,334	2,292,191	12,494,350	556,983,885
-	23,358,581	26,501,605	1,072,640	1,229,284	582,618	4,012,456	56,757,184	2,385,390	8,694,351	67,833,925
-	-	-	-	-	-	3,188,740	3,188,740	-	(3,188,740)	-
-	178,386,318	365,355,004	6,056,562	11,340,641	4,584,230	36,420,502	602,143,258	4,677,581	17,999,961	624,823,219
530,000,000	441,366,610	593,791,136	11,452,739	6,839,306	5,261,295	12,565,369	1,601,276,456	94,755,889	50,184,200	1,746,216,545
530,000,000	446,953,529	597,918,246	10,835,966	6,455,195	5,379,995	13,069,845	1,610,612,777	45,322,419	49,840,947	1,705,776,143

September 30, 2019
Rupees

4.2 Depreciation charged for the year has been allocated as under:

Cost of sales
Administrative and general expenses
Selling and distribution

4.3 Capital work in progress

Opening balance
Additions during the year
Transfers (Plant and machinery)
Closing balance

4.4 Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Total Area (in Kanal)
85,86,87 & 105 Quid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	Production unit	21.4

Appro. Covered Area
(in sq. ft.)
50,510

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

4. PROPERTY, PLANT AND EQUIPMENT

Note	Audited	
	September 30, 2019	June 30, 2019
	Rupees -----	
Operating fixed assets	4.1	1,746,216,545
Capital work in progress	4.2	80,866,195
		1,827,082,740
		1,786,642,338

4.1. Operating fixed assets

(Amounts in Rupees)

Land - freehold	Building on freehold land	Plant and machinery	Owned Assets				Leased Assets		Total Assets
			Electric installation and appliances	Office equipment	Furniture and fixtures	Motor vehicles	Total Owned	Plant and machinery	Motor vehicles

Cost

Balance as at July 01, 2019	530,000,000	625,339,847	963,273,250	16,892,528	17,795,836	9,964,225	49,490,347	2,212,756,033	50,000,000	67,840,908	2,330,596,941
Additions during the quarter	-	-	53,682,383	898,909	902,079	16,000	152,837	55,652,208	-	2,908,000	58,560,208
Transfer during the quarter	-	-	(50,000,000)	-	-	-	-	(50,000,000)	50,000,000	-	-
Balance as at September 30, 2019	530,000,000	625,339,847	966,955,633	17,791,437	18,697,915	9,980,225	49,643,184	2,218,408,241	100,000,000	70,748,908	2,389,157,149
Balance as at July 01, 2018	530,000,000	620,240,768	856,478,912	15,158,280	13,347,359	9,673,330	47,025,319	2,091,923,968	50,000,000	51,129,846	2,193,053,814
Additions during the year	-	5,099,079	106,794,338	1,734,248	4,448,477	290,895	2,465,028	120,832,065	-	11,481,500	132,313,565
Disposals during the year	-	-	-	-	-	-	-	-	-	5,229,562	5,229,562

Balance as at June 30, 2019	530,000,000	625,339,847	963,273,250	16,892,528	17,795,836	9,964,225	49,490,347	2,212,756,033	50,000,000	67,840,908	2,330,596,941
-----------------------------	-------------	-------------	-------------	------------	------------	-----------	------------	---------------	------------	------------	---------------

Depreciation

Balance as at July 01, 2019	-	178,386,318	365,355,004	6,056,562	11,340,641	4,584,230	36,420,502	602,143,257	4,677,581	17,999,961	624,820,798
Charge for the quarter	-	5,586,919	7,809,493	282,136	517,968	134,700	657,313	14,988,528	566,530	2,564,747	18,119,806

Depreciation on Disposals

Balance as at September 30, 2019	-	183,973,237	373,164,497	6,338,698	11,858,609	4,718,930	37,077,815	617,131,785	5,244,111	20,564,708	642,940,604
Balance as at July 01, 2018	-	155,027,737	338,853,399	4,983,922	10,111,357	4,001,612	29,219,306	542,197,334	2,292,191	12,494,350	556,983,875
Charge for the year	-	23,358,581	26,501,605	1,072,640	1,229,284	582,618	4,012,456	56,757,184	2,385,390	8,694,351	67,836,924

Disposals during the year

Balance as at June 30, 2019	-	178,386,318	365,355,004	6,056,562	11,340,641	4,584,230	36,420,502	602,143,258	4,677,581	17,999,961	624,820,798
-----------------------------	---	-------------	-------------	-----------	------------	-----------	------------	-------------	-----------	------------	-------------

Rate of depreciation

Net book value as at September 30, 2019	530,000,000	441,366,610	593,791,136	11,452,739	6,839,306	5,261,295	12,565,369	1,601,276,456	94,755,889	50,184,200	1,746,216,545
---	-------------	-------------	-------------	------------	-----------	-----------	------------	---------------	------------	------------	---------------

Net book value as at June 30, 2019 (Audited)	530,000,000	446,953,529	597,918,246	10,835,966	6,455,195	5,379,995	13,063,845	1,610,612,777	45,322,419	49,840,947	1,705,776,143
--	-------------	-------------	-------------	------------	-----------	-----------	------------	---------------	------------	------------	---------------

4.2. Depreciation charged for the year has been allocated as under:

Cost of sales	14,245,078	53,318,215
Administrative and general expenses	3,874,728	14,518,708
Selling and distribution	-	-
	18,119,806	67,836,924

4.3. Capital work in progress

Opening balance	80,866,195	89,405,305
Additions during the year	-	86,154,973
Transfers (Plant and machinery)	-	(94,694,083)
Closing balance	80,866,195	80,866,195

4.4. Particulars of immovable property (i.e. land and building) in the name of Company are as follows:

Location / Address	Usage of immovable property	Total Area (in Kanal)	Appro. Covered Area (in sq. ft.)
85,86,87 & 105 Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore	Production unit	21.4	50,510

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

		Audited	
		September 30, 2019	June 30, 2019
Note		----- Rupees -----	
5	INTANGIBLE ASSETS		
	Goodwill on acquisition	70,173,290	70,173,290
	ERP Software	97,481	102,612
		<u>70,270,771</u>	<u>70,275,902</u>
6	STOCK-IN-TRADE		
	Raw materials	198,423,812	199,632,986
	Packing materials	56,966,753	58,772,013
	Work-in-process	2,253,090	1,713,183
	Finished goods	8,558,327	5,542,489
		<u>266,201,982</u>	<u>265,660,671</u>
7	CASH AND BANK BALANCES		
	Cash in hand	6,019,228	8,093,324
	Cash at bank (current accounts)	14,282,724	7,487,861
		<u>20,301,952</u>	<u>15,581,185</u>
8	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
	September 30, 2019	September 30, 2019	June 30, 2019
	Number of shares	----- Rupees -----	
	2,159,586	21,595,860	21,595,860
	49,229,083	492,290,830	492,290,830

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

10 LONG TERM FINANCES - SECURED

		September 30, 2019	Audited June 30, 2019
	Note	Rupees	
Orix Leasing Pakistan Limited		347,500	347,500
Samba Bank Limited - Term Finance - I	10.1	166,649,674	179,166,678
Samba Bank Limited - Term Finance - II	10.1	21,666,668	22,500,000
PAIR Investment Company Limited		147,222,222	150,000,000
		335,886,064	352,014,178
Less: current portion shown under current liabilities		(86,752,950)	(88,680,828)
		249,133,114	263,333,350

- 10.1** The term finance facility carries markup at the rate of 3 month KIBOR + 2.5%. The principal is payable on monthly basis while markup is payable on quarterly basis with the last installment payable on September 30, 2022. The facility is secured against charges on fixed assets of the company.

11 LIABILITIES AGAINST ASSETS SUBJECT TO FINANCE LEASE - SECURED

The amount of future minimum lease payments along with their present value and the period during which they fall due are as under:

Future minimum lease payment	103,659,316	68,106,300
Less: Unamortized financial charges	(10,456,592)	(8,184,237)
Present value of minimum lease payments	93,202,724	59,922,063
Less: Current portion shown under current liabilities	(32,752,430)	(29,084,088)
	60,450,294	30,837,975
Payable within one year	32,752,430	29,084,088
Payable after one year	60,450,294	30,837,975
	93,202,724	59,922,063

- 11.1** The Company entered into lease agreements with financial institutions to acquire vehicles. The liabilities under the lease agreements are payable in equal monthly installments and are subject to finance charges at the rates ranging from 6 months KIBOR + 2.5% to 3.95% and 22% per annum (June 30, 2017 : 6 months KIBOR + 2.5% to 3.95% and 22% per annum). The lease liabilities are secured against security deposits, post dated cheques, personal guarantee of all the directors of the Company and also secured against financed vehicles.

12 DEFERRED LIABILITIES

Deferred taxation	12.1	171,194,186	173,747,614
Staff retirement benefits - gratuity	12.2	33,495,479	33,495,479
		204,689,665	207,243,093

12.1 Deferred taxation

Opening deferred tax liability	173,747,614	164,799,914
Deferred tax reversed to profit or loss	(2,553,428)	8,947,700
Closing deferred tax liability	171,194,186	173,747,614

12.2 STAFF RETIREMENT BENEFITS - GRATUITY

Present value of defined benefit obligation at beginning	33,495,479	23,856,226
Current service cost	-	19,721,553
Benefits paid	-	(10,082,300)
Present value of defined benefit obligation at beginning	33,495,479	33,495,479

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

			September 30, 2019	Audited June 30, 2019
	Note		Rupees	
13 TRADE AND OTHER PAYABLES				
Trade Creditors - unsecured			118,811,016	138,425,294
Accrued expenses			67,426,627	57,876,697
Workers' welfare fund			827,157	2,065,630
Workers' (profit) participation fund	13.2		2,634,528	7,913,652
Advances from debtors - unsecured			15,016,717	21,282,026
			<u>204,716,045</u>	<u>227,563,298</u>
13.2 Workers' (profit) participation fund				
Opening balance			7,913,652	8,293,137
Allocation for the period			2,634,528	7,913,652
			<u>10,548,180</u>	<u>16,206,789</u>
Less: Payment made during the period			<u>(7,913,652)</u>	<u>(8,293,137)</u>
			<u>2,634,528</u>	<u>7,913,652</u>
14 SHORT TERM BORROWINGS				
Allied Bank Limited - secured			59,962,666	59,962,666
Bankislami Pakistan Limited			2,000,000	6,000,000
Samba Bank Limited			74,472,009	69,452,841
Book overdraft			3,216,675	7,991,833
			<u>139,651,350</u>	<u>143,407,340</u>

15 CONTINGENCIES AND COMMITMENTS

- 15.1** Letter of guarantee amounting to Rs 2.552 million (2017: Rs.2.552 million) has been issued in favor of Sui Northern Gas Pipeline Limited. There are no other known contingencies as at balance sheet date.
- 15.2** There are no major commitments outstanding as at balance sheet date.

			September 30, 2019	September 30, 2018
			Rupees	
16 COST OF SALES				
Raw materials consumed				
Opening Inventory			199,632,986	163,562,535
Purchases - net			316,655,199	242,817,724
Closing Inventory			<u>(198,423,812)</u>	<u>(155,743,850)</u>
			317,864,373	250,636,409
Wages and salaries			69,505,775	62,075,263
Fuel and power			28,386,460	26,608,595
Repair and maintenance			5,680,672	5,202,293
Packing material consumed	16.1		48,712,885	38,934,225
Other indirect expenses			3,109,988	1,449,455
Insurance			1,557,201	1,449,389
Depreciation	4.2		14,245,078	13,146,201
			<u>101,692,284</u>	<u>86,790,158</u>
Manufacturing cost			489,062,432	399,501,830
Work-in-process				
Opening balance			2,146,870	2,146,870
Closing balance			<u>(2,253,090)</u>	<u>(2,049,632)</u>
			<u>(106,220)</u>	<u>97,238</u>
Finished goods				
Opening balance			20,922,750	20,922,750
Closing balance			<u>(8,558,327)</u>	<u>(15,689,110)</u>
			<u>12,364,423</u>	<u>5,233,640</u>
Cost of sales			<u>501,320,635</u>	<u>404,832,708</u>

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

		September 30, 2019	September 30, 2018
		----- Rupees -----	
16.1 Packing material consumed			
Opening inventory		58,772,013	55,119,025
Purchases - net		46,907,625	34,243,950
Closing Inventory		(56,966,753)	(50,428,750)
Packing material consumed		<u>48,712,885</u>	<u>38,934,225</u>
17 ADMINISTRATIVE AND GENERAL			
Directors' remuneration		6,152,307	-
Salaries and benefits		9,726,069	14,093,478
Printing and stationery		1,100,040	876,044
Traveling and conveyance		1,099,468	229,311
Telephone, postage and telegram		1,349,072	1,212,156
Fee and subscription		2,467,954	505,090
Vehicle running, maintenance and insurance		4,669,041	4,271,647
Rent, rates and taxes		328,655	156,700
Insurance		519,046	1,234,473
Entertainment		1,698,719	1,000,461
Repair and maintenance		551,003	643,713
Charity and donation	17.1	269,340	93,686
Legal and professional		-	990,000
Newspaper and periodicals		4,850	4,482
Depreciation	4.2	3,874,728	3,229,577
Amortization of intangible assets		5,131	6,413
Miscellaneous expenses		399,466	620,069
		<u>34,214,889</u>	<u>29,167,300</u>
17.1	None of the directors or their spouses have any interest in the donee.		
18 SELLING AND DISTRIBUTION			
Salaries and benefits		7,150,909	9,539,656
Vehicle running and maintenance		37,352,843	35,407,515
Discounts and salesmen commission		23,590,591	26,824,064
Advertisement		1,466,580	1,207,345
Sales promotion expenses		2,919,328	1,286,814
		<u>72,480,251</u>	<u>74,265,394</u>
19 OTHER OPERATING EXPENSES			
Deferred income		(653,695)	-
Workers' welfare fund		827,157	815,970
Workers' profit participation fund		2,634,528	2,766,360
		<u>2,807,990</u>	<u>3,582,330</u>
20 FINANCE COST			
Mark up on:			
-Long term finances		13,681,279	14,056,850
-Short term finances		5,174,711	3,645,825
Lease financial charges		2,457,501	1,526,955
Bank charges and commission		1,727,696	815,893
		<u>23,041,187</u>	<u>20,045,523</u>
21 EARNING PER SHARE - BASIC & DILUTED			
Net profit after taxation	Rupees	42,179,782	40,986,832
Weighted average number of shares outstanding during the quarter	Numbers	51,388,669	51,388,669
Earning per share	Rupees	<u>0.82</u>	<u>0.80</u>

BUNNY'S LIMITED
CONDENSED INTERIM NOTES TO THE FINANCIAL INFORMATION (UNAUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2019

	September 30, 2019	September 30, 2018
	----- Rupees -----	
22 CASH GENERATED FROM OPERATIONS		
Profit before taxation and workers' welfare fund	49,882,567	51,744,879
Adjustments for:		
Depreciation	18,119,806	16,375,778
Financial charges	23,041,187	20,045,523
Provision for workers' (profit) participation fund	2,634,528	2,766,360
Provision for workers' welfare fund	827,157	815,970
Deferred income	(653,695)	-
Amortization of intangible assets	5,131	6,413
	43,974,113	40,010,044
Operating profit before working capital changes	93,856,680	91,754,923
Effect on cash flows due to working capital changes		
(Increase)/ decrease in current assets:		
Stores, spares and loose tools	(309,789)	(1,469,359)
Stock-in-trade	(541,311)	17,839,838
Trade debts - unsecured	4,554,024	917,477
Advances, deposits and prepayments	1,592,171	(5,806,391)
(Decrease)/ increase in trade and other payables	(17,636,820)	(48,581,182)
	(12,341,725)	(37,099,617)
Cash generated from operations	81,514,955	54,655,306
23 CASH AND CASH EQUIVALENTS		
Cash and bank balances	20,301,952	15,581,185
	20,301,952	15,581,185
24 FINANCIAL RISK MANAGEMENT		

24.1 Financial risk factors

The Company's activities expose it to a variety of financial risk including capital risk, credit risk, liquidity risk and market risk.

There have been no changes in the risk management policies during the period, consequently this condensed interim financial information does not include all the financial risk management information and disclosures required in the annual financial statements.

24.2 Fair value of financial assets and liabilities

The carrying value of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair values.

25 TRANSACTION WITH ASSOCIATED UNDERTAKINGS


The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carried out transactions with related parties. There are no other significant related party transactions.


26 DATE OF AUTHORIZATION FOR ISSUE

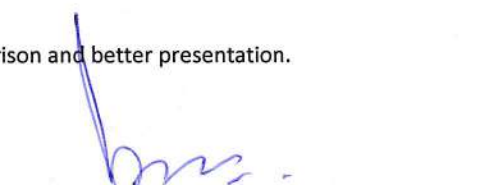
This condensed financial information was authorized for issue by the board of directors of the Company on **October 30, 2019**.

27 GENERAL

- The figures have been rounded off to the nearest rupee.
- Corresponding figures have been re-classified / re-arranged for the purpose of comparison and better presentation.


 Chief Executive


 Director


 Chief Financial Officer