



ISMAIL
INDUSTRIES
LIMITED

30
YEARS

TOA
LEGACY
& MORE...

HALF YEARLY REPORT
DECEMBER 2019

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COMPANY PROFILE

Board of Directors

Mr. Muhammad M. Ismail	Chairman
Mr. Munsarim Saifullah	Chief Executive Officer
Mr. Ahmed Muhammad	Executive Director
Mr. Hamid Maqsood Ismail	Non-Executive Director
Mr. Maqsood Ismail	Non-Executive Director
Mr. M. Zubair Motiwala	Independent Director
Ms. Tasneem Yusuf	Independent Director

Audit Committee Members

Ms. Tasneem Yusuf	Chairperson
Mr. Muhammad M. Ismail	Member
Mr. Maqsood Ismail	Member

Registered Office

17, Bangalore Town,
Main Shahrah-e-Faisal, Karachi

Factories

Unit-1: C-230, Hub H.I.T.E.,
Balochistan.

Unit -2: B-140, Hub H.I.T.E.,
Balochistan.

Unit-3: G-1, Hub H.I.T.E.,
Balochistan.

Unit-4: G-22, Hub H.I.T.E.,
Balochistan.

Unit-5: 38-C, Sundar Industrial Estate
Raiwind Road, Lahore.

Unit-6: D-91, D-92 & D-94 North Western Zone,
Port Qasim.

Unit-7: E164-168, North Western Zone,
Port Qasim.

Unit-8: E154-157, North Western Zone,
Port Qasim.

Human Resource & Remuneration Committee

Mr. M. Zubair Motiwala	Chairman
Mr. Maqsood Ismail	Member
Ms. Farzana Muhammad	Member

Company Secretary

Mr. Ghulam Farooq

Chief Financial Officer

Mr. Abdul Qadir

Auditor

Grant Thornton Anjum Rahman
Chartered Accountants

Legal Advisor

Mohsin Tayebaly & Co.

Share Registrar

THK Associates (Pvt.) Limited

Bankers / Institutions

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
Bank Islami Pakistan Limited
Dubai Islamic Bank (Pakistan) Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial & Commercial Bank of China Limited
JS Bank Limited
Meezan Bank Limited
MCB Bank Limited
MCB Islamic Bank Limited
National Bank of Pakistan
Pak Brunei Investment Co Ltd
Pak Oman Investment Co. Ltd
Standard Chartered Bank (Pakistan) Limited
Soneri Bank Limited
The Bank of Punjab

DIRECTOR'S REVIEW REPORT ON COMPANY'S AFFAIRS

The Board of Directors of the Company is pleased to present the stand alone and consolidated un-audited condensed interim financial statements of the Company for the quarter and half year ended December 31, 2019. Brief highlights of the Company's performance during the period under review are here under:

Description	Dec-19	Dec-18	Change in
	Rs. in Million		%
Gross Sales	21,441	18,394	17%
Gross Profit	3,783	3,412	11%
Operating Profit	1,231	1,334	-8%
Profit After Tax	612	707	-13%
EPS in Rs.	9.59	11.08	-13%

Though, the period under review was challenging for the country with volatile social, economic and business conditions. Despite all these circumstances, the overall performance of food & plastic segment was quite satisfactory. Our prime focus on innovations and improvements have enabled us to successfully execute strategic decisions. The company registered topline growth of 17% during the period under review which has come through an aggressive and multi-dimensional focus on brand building and brand activation together with customer satisfaction.

The company holds a strong position as market leader in a number of key categories in which we operate, and the strength of our value-added products gives us a strategic advantage. However, sharp economic headwinds particularly steep rise in prices of basic commodities, Pak Rupee devaluation, hike in prices of basic utilities and rising interest rates have put pressure on overall profitability of the company. This has resulted a slight dip in bottom line although we have continued our transformation journey by reinvigorating the business with effective mix of sales push in our quality flagship brands as well as agile and efficient utilization of resources to speed up our return to growth and secure our future ambitions.

We concede that the success and growth in fast moving manufacturing industry always have stiff competition being at the heart of household consumers who not only recognized the developed family relationship with our products but are part of everyday lives for which we have always endeavored to develop brands beyond imaginations and expectations which has always kept us ahead of the competition.

FUTURE OUTLOOK

Despite challenging economic and operating environments which is expected to continue in periods ahead, the business will continue to deliver positive results. We aim to carry out the operations with efficient utilization of resources to achieve sustained and long-term growth and committed to deal with the challenges that lie ahead with our expertise, superior consumer understanding and powerful innovations. We believe that our dedicated and focused efforts will allow us to provide better value to meet consumers' everyday needs and deliver profitable growth for the benefit of all stakeholders.

ACKNOWLEDGEMENT

We acknowledge the trust and continued support of valuable customers, financial institutions and shareholders towards the Company. The Directors would also like to place on record their appreciation to all workforce of the Company for their dedication, diligence, commitment and hard work.

On behalf of the Board of Directors

Munsarim Saifullah
Chief Executive Officer

Karachi: February 21, 2020

ڈائریکٹران کی جائزہ رپورٹ

ہم جانتے ہیں گھر بلو صارفین کے دل میں FMCG انڈسٹری کو کامیاب بنانا ہمیشہ ایک سخت مشکل امر ہوتا ہے، اس مشکل میں ہماری جیت ہمارے صارفین کا ہماری مصنوعات سے ذاتی لگاؤ، پسندیدگی اور ہماری انتہائی محنت برائے ان کی توقعات سے زیادہ بہتر مصنوعات تیار کرنا ہے۔

کمپنی کے بورڈ آف ڈائریکٹرز 31 دسمبر 2019 کو ختم ہونے والی سرمایہ و ششماہی کے لیے کمپنی کے انفرادی اور اجتماعی (بغیر آڈٹ) وسط مدتی مالیاتی گوشوارے پیش کرنے میں انتہائی خوش محسوس کرتے ہیں۔ مذکورہ دورانیہ کمپنی کی مالیاتی کارکردگی مندرجہ ذیل رہی:

تفصیل	31 دسمبر 2019	31 دسمبر 2018	تبدیلی
	ملین پاکستانی روپے	ملین پاکستانی روپے	فیصد
مجموعی فروخت	21,441	18,394	17%
مجموعی منافع	3,783	3,412	11%
نام منافع	1,231	1,334	-8%
بعد از حصول منافع	612	707	-13%
فی ص آمدن - روپے	9.59	11.08	-13%

مستقبل کی پیش بینی
تمام مشکل معاشی و آپریشنل حالات جو کہ آئندہ دور میں بھی جاری رہنے کے امکان ہیں، کاروبار مثبت نتائج مہیا کرے گا۔ ہم عزم کرتے ہیں کہ مستحکم نتائج کے حصول کی خاطر ہم اپنے وسائل کے موثر استعمال، صارفین کے فہم اور جدت کے اصولوں کو بروئے کار لائیں گے۔ ہمیں یقین ہے کہ ہماری لگن اور خصوصی توجہ کی مدد سے ہم نہ صرف صارفین کی روزمرہ ضروریات کو پورا کریں گے بلکہ تمام متعلقین کے لیے فائدہ بھی حاصل کریں گے۔

اگرچہ زیر جائزہ مدت ملک کے لئے غیر مستحکم معاشرتی، معاشی اور کاروباری حالات کی بنا پر ایک مشکل دور رہا۔ مذکورہ تمام حالات کے باوجود خدائی و بلا سٹک شعبہ کے نتائج اطمینان بخش رہے۔ جدت و بہتر سے بہتر کی جانب بنیادی توجہ نے ہمیں موثر حکمت عملی کے فیصلوں پر عمل پیرا ہونے میں مدد دی ہے۔ خریداروں کے اطمینان کے ساتھ برانڈ کے قیام و دوام پر کمپنی کے جارحانہ و کثیر جہتی توجہ کی بنا پر کمپنی نے زیر جائزہ مدت میں 17% کی اضافی فروخت کا بڑا ہدف حاصل کیا ہے۔

اعتراف

ہم اپنے قابل قدر صارفین، مالی اداروں اور حصص یافتگان کے کمپنی پر اعتماد کے معترف ہیں۔ ڈائریکٹرز کمپنی کے تمام ملازمین کی محنت، لگن اور استقامت پر ان کی ستائش کرتے ہیں۔

منجانب

منصرم سیف اللہ
چیف ایگزیکٹو آفیسر

کراچی: 21 فروری 2020

کاروبار کے جن شعبوں میں ہم کام کر رہے ہیں ان کے کئی حصوں میں ہم مارکیٹ لیڈر کے طور پر مضبوط حیثیت رکھتے ہیں، اور ہماری غیر معمولی مصنوعات ہمیں غیر معمولی شعبہ جاتی فوائد مہیا کرتی ہیں۔ البتہ، کمپنی کے مجموعی فائدہ کو بنیادی اشیائے ضروریہ، پاکستانی روپیہ کی گراؤت، بنیادی خدمات اور شرح سود کے اضافہ کی صورت میں معاشی جھکڑوں کا سامنا رہا ہے۔ اس کی وجہ سے ہمارے معاشی اشاریوں کی چٹل لائن میں کچھ گراؤت رہی ہے لیکن ہم اپنے کواٹری برانڈ کے بشمول اپنے موثر فروخت کی حکمت عملی اپنی چابکدستی اور وسائل کے موثر استعمال کی مدد سے اپنے تبدیلی کے سفر کو جاری رکھے ہوئے ہیں تاکہ ترقی کے اہداف کو تیزی سے حاصل کیا جاسکے اور ہمارے مستقبل کے عزم کو محفوظ بنایا جاسکے۔

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ismail Industries Limited

Report on review of Unconsolidated Interim Financial Statements

Introduction

We have reviewed the accompanying unconsolidated condensed interim statement of financial position of **Ismail Industries Limited** as at **December 31, 2019** and the related unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows, and notes to the unconsolidated condensed interim financial statements for the six-months period then ended (here-in-after referred to as the interim financial statements). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of unconsolidated condensed interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying unconsolidated condensed interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matters

The figures of the unconsolidated condensed interim statement of profit or loss and other comprehensive income for the three-months period ended December 31, 2019 and 2018 have not been reviewed, as we are required to review only the cumulative figures for the six-months period ended December 31, 2019.

The engagement partner on the audit resulting in this independent auditor's report is **Muhammad Khalid Aziz**.

Yours truly

Grant Thornton Anjum Rahman

Chartered Accountants

Karachi

Date: 21 February, 2020

UNCONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD
ENDED DECEMBER 31, 2019

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

Note	(Un-audited)	(Audited)	
	December 31, 2019	June 30, 2019	
-----Rupees-----			
ASSETS			
Non-current assets			
Property, plant and equipment	8	17,345,332,405	12,758,702,112
Intangible assets		70,676,771	85,453,143
Long term investments	9	3,783,292,351	3,212,049,382
Long term deposits		40,009,210	44,303,491
Total non-current assets		21,239,310,737	16,100,508,128
Current assets			
Stores and spares	10	330,627,243	278,975,893
Stock-in-trade	11	6,375,128,140	5,111,616,128
Trade debts	12	3,583,523,307	2,746,331,968
Loans and advances		998,791,822	1,599,840,527
Trade deposits and short-term prepayments		56,213,255	33,409,696
Short term investment	13	200,000,000	-
Other receivables		245,459,294	131,962,803
Taxation - net		1,085,485,926	929,456,127
Cash and bank balances	14	26,469,798	32,394,264
Total current assets		12,901,698,785	10,863,987,406
Total assets		34,141,009,522	26,964,495,534
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorised share capital		250,000,000 (June 30, 2019: 250,000,000) ordinary shares of Rs. 10 each	2,500,000,000
Issued, subscribed and paid-up share capital		63,804,750 (June 30, 2019: 63,804,750) ordinary shares of Rs.10 each fully paid in cash	638,047,500
Reserves		7,329,076,045	6,736,199,160
Total shareholders' equity		7,967,123,545	7,374,246,660
Non-current liabilities			
Sponsors' loan - subordinated	15	902,151,770	902,151,770
Long term finances - secured	16	11,100,271,848	6,152,679,111
Lease liabilities		98,940,988	136,024,558
Deferred liabilities		1,721,670,186	1,632,662,558
Total non-current liabilities		13,823,034,792	8,823,517,997
Current liabilities			
Trade and other payables	17	2,917,823,203	2,051,217,937
Accrued mark-up		262,219,349	205,692,929
Short term finance - secured	18	6,723,436,486	6,299,903,812
Current portion of:			
- long term finances - secured	16	1,999,572,703	1,913,163,282
- lease liabilities		86,183,142	100,219,845
Unclaimed dividend		2,598,166	2,338,500
Advances from customers		359,018,136	194,194,572
Total current liabilities		12,350,851,185	10,766,730,877
Total liabilities		26,173,885,977	19,590,248,874
Contingencies and commitments	19		
Total equity and liabilities		34,141,009,522	26,964,495,534

The annexed selected notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Note	Six-months Period Ended		Three-months Period Ended	
		December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
		-----Rupees-----		-----Rupees-----	
Sales - gross	22.1	21,440,805,765	18,394,081,875	11,513,099,469	9,834,169,728
Sales returns and discounts		(864,043,919)	(694,810,418)	(368,856,374)	(165,192,023)
Export Rebate		5,809,544	3,467,354	3,648,352	923,152
		(858,234,375)	(691,343,064)	(365,208,022)	(164,268,871)
		20,582,571,390	17,702,738,811	11,147,891,447	9,669,900,857
Sales tax		(2,978,613,958)	(2,591,761,246)	(1,564,309,524)	(1,379,477,139)
Sales - net		17,603,957,432	15,110,977,565	9,583,581,923	8,290,423,718
Cost of sales	22.1	(13,821,311,581)	(11,698,510,726)	(7,486,855,234)	(6,453,997,005)
Gross profit		3,782,645,851	3,412,466,839	2,096,726,689	1,836,426,713
Selling and distribution expenses		(2,271,397,993)	(1,817,872,167)	(1,452,584,764)	(1,126,249,660)
Administrative expenses		(280,211,459)	(260,141,937)	(142,284,178)	(139,643,599)
Operating profit		1,231,036,399	1,334,452,735	501,857,747	570,533,454
Other operating expenses		(93,628,187)	(134,677,460)	(34,548,280)	(59,693,134)
		1,137,408,212	1,199,775,275	467,309,467	510,840,320
Other income		141,856,551	151,858,370	76,126,641	108,540,674
		1,279,264,763	1,351,633,645	543,436,108	619,380,994
Finance cost		(590,501,355)	(319,354,688)	(280,693,149)	(129,230,179)
		688,763,408	1,032,278,957	262,742,959	490,150,815
Share of profit from associated companies - net		24,072,287	36,564,047	-	-
Profit before taxation		712,835,695	1,068,843,004	262,742,959	490,150,815
Taxation		(101,067,459)	(361,591,758)	156,473,239	(174,670,092)
Profit after taxation		611,768,236	707,251,246	419,216,198	315,480,723
Other Comprehensive Income / (Loss)					
<i>Item that will not be reclassified to statement of profit or loss in subsequent period</i>					
Unrealized appreciation during the period on sale of investment classified as fair value through other comprehensive income-net of tax		-	1,821,854	-	1,821,854
Share of other comprehensive income / (loss) from associated undertaking - net of tax		172,522,899	(163,510,659)	-	-
Other comprehensive income / (loss) for the period - net of tax		172,522,899	(161,688,805)	-	1,821,854
Total comprehensive income for the period		784,291,135	545,562,441	419,216,198	317,302,577
Earnings per share - basic	23	9.59	11.08	6.57	4.94
			(Restated)		(Restated)
Earnings per share - diluted	23	9.22	10.66	6.32	4.75

The annexed selected notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

Issued, subscribed and paid-up share capital	Total Reserves				Total shareholders' equity	
	Capital reserve		Revenue reserve			
	Share premium	Amalgamation reserves	Remeasurement of investments at fair value through OCI	Unappropriated profit		
638,047,500	579,265,000	916,862,067	(366,021,780)	26,092,557	6,581,983,812	7,220,031,312
-	-	-	-	707,251,246	707,251,246	707,251,246
-	-	-	(1,821,854)	-	1,821,854	1,821,854
-	-	-	(163,510,659)	1,821,854	(163,510,659)	(163,510,659)
-	-	-	(163,510,659)	707,251,246	545,562,441	545,562,441
-	-	-	-	(27,914,411)	(27,914,411)	(27,914,411)
-	-	-	-	-	(287,121,375)	(287,121,375)
638,047,500	579,265,000	916,862,067	(529,532,439)	-	5,845,915,839	6,812,510,467
638,047,500	579,265,000	916,862,067	(854,605,234)	-	6,094,677,327	7,374,246,660
-	-	-	-	-	611,768,236	611,768,236
-	-	-	172,522,899	-	172,522,899	172,522,899
-	-	-	172,522,899	-	611,768,236	784,291,135
-	-	-	(682,082,335)	-	(191,414,250)	(191,414,250)
638,047,500	579,265,000	916,862,067	(682,082,335)	-	6,515,031,313	7,329,076,045

Balance as at July 01, 2018

Total comprehensive income for the period

Profit for the six months period ended December 31, 2018

Unrealized Appreciation on revaluation of investment - net of tax

Share of other comprehensive loss from associate - net of tax

Total comprehensive income for the period

Reclassification due to disposal of investment - available for sale

Transaction with owners, recognised directly in equity

Cash dividend paid for the year ended June 30, 2018 @ Rs. 4.50 per share

Balance as at December 31, 2018

Balance as at July 01, 2019

Total comprehensive income for the period

Profit for the six months period ended December 31, 2019

Share of other comprehensive income from associated - net of tax

Total comprehensive income for the period

Transaction with owners, recognised directly in equity

Cash dividend paid for the year ended June 30, 2019 @ Rs. 3 per share

Balance as at December 31, 2019

The annexed selected notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

UNCONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

		December 31, 2019	December 31, 2018
Note		-----Rupees-----	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes	20	1,167,117,108	1,344,872,667
Gratuity paid		(16,994,735)	(2,798,322)
Income tax paid		(211,858,033)	(145,023,330)
Long-term deposits paid		4,294,281	(7,358,908)
Net cash generated from operating activities		942,558,621	1,189,692,107
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		(5,168,162,175)	(1,548,424,619)
Capital expenditure - intangibles		-	(29,900,000)
Investment in associated undertakings		(16,294,565)	-
Proceeds from sale of investment		-	197,251,008
Advance against shares of subsidiary		(327,908,000)	-
Short term investment		(200,000,000)	-
Proceeds from disposal of property, plant and equipment		16,423,071	11,047,389
Net cash used in investing activities		(5,695,941,670)	(1,370,026,222)
CASH FLOWS FROM FINANCING ACTIVITIES			
Receipts from long-term financing -net		5,034,002,158	274,583,188
Lease repayment net of sale and lease back		(79,463,475)	(245,704,198)
Interest/ mark-up paid		(533,974,935)	(278,779,724)
Dividends paid		(191,154,584)	(286,462,498)
Net cash generated from / (used in) financing activities		4,229,409,164	(536,363,232)
Net decrease in cash and cash equivalents		(523,973,884)	(716,697,347)
Cash and cash equivalents at the beginning of the period		(3,267,596,157)	(1,916,243,707)
Cash and cash equivalents at the end of the period	21	(3,791,570,041)	(2,632,941,054)

The annexed selected notes from 1 to 28 form an integral part of these unconsolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

NOTES TO THE UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

1 LEGAL STATUS AND OPERATIONS

Ismail Industries Limited (the Company) was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted into a public limited company. The registered office of the Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Company are quoted on Pakistan Stock Exchange. Principal activities of the Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips, cast polypropylene (CPP) and Biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Biscinni', 'Snackcity' and 'Astro films' respectively.

2 SIGNIFICANT EVENTS AND TRANSACTIONS

- The Company has made Capex amounting to Rs. 5.148 billion during the period under review, which majorly includes the addition of another BOPET Line which will eventually results in increasing the production capacity of our BOPET Films by 200% .
- Subsequent to the period end, the Company has started the process to convert Sponsors' loan into ordinary shares of the company by issuing right shares.
- The Board has approved further investment in Hudson Pharma (Private) Limited amounting to Rs. 500 million in last Annual General Meeting for the Company for managing working capital requirement and the same will be convertible into the ordinary shares subject to the approval of the authorities.

3 STATEMENT OF COMPLIANCE

3.1 These unconsolidated condensed interim financial statements 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 (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.

4 BASIS OF PREPARATION

These unconsolidated condensed interim financial statements of the Company does not include all of the information and disclosure required in the unconsolidated annual financial statements and should be read in conjunction with the unconsolidated annual financial statements of the Company as at and for the year ended June 30, 2019. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual financial statements.

The figures in the unconsolidated condensed interim statement of profit or loss and other comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim statement of cash flows together with the relevant notes to the unconsolidated condensed interim financial statements for the six-months period ended December 31, 2019 are not audited. Further, the figures for the three-months period ended December 31, 2019 and 2018 in the unconsolidated condensed interim statement of profit or loss and other comprehensive income have also not been reviewed by auditors.

5 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted for the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the preparation of the unconsolidated financial statements for the year ended June 30, 2019, except for the adoption of IFRS 16 "Leases". The accounting policy adopted by the Company is as follows:

5.1 IFRS16 'Leases' replaces the previous lease standard "IAS17 Leases". It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases. The associated Right-of-use (RoU) for finance leases were measured on a retrospective basis as if the new rules had always been applied.

Management of the Company has assessed the changes laid down by these standards and determined that these do not have any significant impact on these unconsolidated condensed interim financial statements of the Company.

The change in accounting policy affected the following items in the statement of financial position.

	Un-audited December 31, 2019	Audited June 30, 2019
	-----Rupees-----	
Operating fixed assets – decreased by	(314,928,604)	(331,919,479)
Right-of-use asset – increased by	314,928,604	331,919,479
Liability against assets subject to finance lease - decreased by	(185,124,130)	(236,244,403)
Lease liabilities - increased by	185,124,130	236,244,403

The above figures have been reclassified wherever necessary to reflect more appropriate presentation.

5.1.1 LEASE LIABILITY AND RIGHT-OF-USE ASSET

At inception of a contract, the Company assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

From 1 July 2019, leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Company.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in unconsolidated condensed interim statement of profit or loss and other comprehensive income if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a diminishing balance as given in note 7 of unconsolidated financial statements of June 30, 2019. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

6 USE OF JUDGEMENTS AND ESTIMATES AND FINANCIAL RISK MANAGEMENT

The estimates / judgments and associated assumptions used in the preparation of this unconsolidated condensed interim financial information are consistent with those applied in the preparation of the unconsolidated financial statements of the Company for the year ended June 30, 2019.

The Company's financial risk management objective and policies are consistent with those disclosed in the Company's unconsolidated annual audited financial statements for the year ended June 30, 2019.

7 FUNCTIONAL AND PRESENTATION CURRENCY

These unconsolidated condensed interim financial statements is presented in Pakistani Rupees which is also Company's functional currency and presentation currency.

8 PROPERTY, PLANT AND EQUIPMENT	Note	(Un-audited)	(Audited)
		December 31, 2019	June 30, 2019
		-----Rupees-----	
Operating fixed assets	8.1	12,485,423,245	11,788,948,787
Right-of-use assets	8.1	314,928,604	331,919,479
Capital work in progress - at cost	8.2	4,544,980,556	637,833,846
		17,345,332,405	12,758,702,112

8.1 Details of additions and disposals to operating fixed assets during the six-months period are as follows:

	(Un-audited)			
	Additions		Disposals	
	-----At cost-----		-----At net book value-----	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
----- Rupees -----				
Owned assets				
Building on leasehold land	175,507,992	5,955,115	-	-
Plant and machinery	1,064,989,722	57,108,928	4,738,957	-
Furniture and fittings	6,194,010	-	8,963	-
Equipment	10,454,600	2,544,348	-	-
Computers	2,677,500	16,726,495	-	107,580
Vehicles	1,191,642	19,355,610	8,054,850	8,869,970
	1,261,015,466	101,690,496	12,802,770	8,977,550
Right-of-use assets				
Vehicles	28,343,202	44,804,850	-	-
	28,343,202	44,804,850	-	-
	1,289,358,668	146,495,346	12,802,770	8,977,550

8.2 Details of additions in and transfers from capital work in progress during the six-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
----- Rupees -----				
Civil works	887,665,800	159,386,912	175,507,992	5,955,115
Plant and machinery	4,259,978,623	1,305,486,405	1,064,989,722	57,108,928
Equipment and fixtures	-	120,000	-	-
	5,147,644,423	1,464,993,317	1,240,497,714	63,064,043

9 LONG TERM INVESTMENTS	Note	(Un-audited)	(Audited)
		December 31, 2019	June 30, 2019
		-----Rupees-----	
<i>Investment in subsidiary Company- unquoted shares</i>			
Hudson Pharma (Private) Limited	9.1	605,984,000	605,984,000
Add: Advance against shares			
- opening balance		376,115,000	376,115,000
- increase during the year		327,908,000	-
		704,023,000	376,115,000
		1,310,007,000	982,099,000

<i>Investment in associated undertakings</i>		(Un-audited)	(Audited)
		December 31, 2019	June 30, 2019
-----Rupees-----			
Novelty Enterprises (Private) Limited- unquoted shares	9.2	228,717,751	228,717,751
The Bank of Khyber	9.3	2,244,567,600	2,001,232,631
		3,783,292,351	3,212,049,382

9.1 Hudson Pharma (Private) Limited

The Company holds 60,598,400 (June 2019: 60,598,400) shares of Hudson Pharma (Private) Limited (subsidiary), which is equivalent to 71.29% of total paid-up share capital. The subsidiary is incorporated under Companies Act, 2017 as a private company, limited by shares. The registered office of the company is located at 17 Bangaloro town, main Shahrah-e-Faisal Karachi. Principal activities of the subsidiary are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholeselling and retailing, trading and selling of all kinds of pharmaceutical drugs and medicines. The shares of Subsidiary are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of subsidiary is June 30.

The fair value of equity has been worked out at Rs.44.91/- per share, as determined by M/s. Munaf Yusuf & Co., Chartered Accountants, on September 19, 2018. The valuation has been carried out using discounted cash flow method and thus there is no indication of any impairment in the value of these investment.

In the 31st Annual General Meeting, the Company has approved further investment in Hudson Pharma (Private) Limited amounting to Rs. 500 million for the working capital requirement and the same will be convertible into the shares subject to the approval of the authorities.

9.2 Novelty Enterprises (Private) Limited

The Company holds 33% (June 2019: 33%) voting and equity interest in Novelty Enterprises (Private) Limited (NEL). The shares of NEL are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of NEL is June 30.

Total equity / net assets of NEL as at June 30, 2019 based on un-audited financial statements amounted to Rs. 561.428 million (2018: Rs. 561.459 million based on audited financial statements). However, as per report of an independent valuer, M/s. Masud Associates dated December 31, 2015 fair value of fixed assets of NEL amounted to Rs. 1,016.32 million resulting in surplus on fixed assets of Rs. 483.607 million. Revised net assets after the revaluation surplus amounted to Rs. 1,045.063 million (2018: Rs. 1,045.063 million). Accordingly, the management is of the view that it would be able to recover carrying values of its investment.

9.3 The Bank of Khyber

The total shareholding of the Company in the Bank of Khyber (the Bank) is 244,339,031 (June 30, 2019: 241,639,031) shares which represents 24.43% of paid-up capital of the Bank (June 2019: 24.16%). In addition to this, the Company also has representation on the board of directors of the Bank. The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these financial statements have been taken from unaudited financial statements of the Bank for the nine-months period ended September 30, 2019 and unaudited interim six-months period ended June 30, 2019. Adjustment to confirm to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as on December 31, 2019 was Rs. 3,313.24 million (June 30, 2019: Rs. 2,382.561 million).

9.4 These investments are accounted for under the equity method. The aggregate amount of the associates recognized in these financial statements are as follows:

	The Bank of Khyber		Novelty Enterprises (Private) Limited	
	(Un-audited) December 31, 2019	(Audited) June 30, 2019	(Un-audited) December 31, 2019	(Audited) June 30, 2019
Carrying value at beginning of the period	2,001,232,631	2,530,641,520	228,717,751	228,727,912
Investment made during the period	16,294,565	-	-	-
Share of profit or loss	24,072,287	45,395,175	-	(10,161)
Share of other comprehensive income	202,968,117	(574,804,064)	-	-
	2,244,567,600	2,001,232,631	228,717,751	228,717,751

All transfers of funds to the Company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associates. During the year, no cash dividend has been received from the Bank of Khyber (2019: Rs. Nil per share).

		(Un-audited) December 31, 2019	(Audited) June 30, 2019
	Note	-----Rupees-----	
10 STORES AND SPARES			
Stores and spare parts - gross		339,218,663	287,567,313
Provision for slow moving stores and spares		(8,591,420)	(8,591,420)
Store and spares - net		<u>330,627,243</u>	<u>278,975,893</u>
11 STOCK-IN-TRADE			
Raw materials	11.1	3,325,956,802	2,951,988,975
Packing materials	11.1	742,395,922	451,115,557
Work-in-process		191,167,112	82,183,155
Finished goods		<u>2,115,608,304</u>	<u>1,626,328,441</u>
		<u>6,375,128,140</u>	<u>5,111,616,128</u>

11.1 Raw materials and packing materials are stated at net of provision for slow moving items amounting to Rs.13,384,583 (June 30, 2019: Rs.13,384,583) and Rs.109,848,549 (June 30, 2019: Rs. 109,848,549) respectively.

		(Un-audited) December 31, 2019	(Audited) June 30, 2019
		-----Rupees-----	
12 TRADE DEBTS			
Considered good			
- secured (export debtors)		931,561,631	784,297,206
- unsecured		2,738,304,821	2,038,377,907
		<u>3,669,866,452</u>	<u>2,822,675,113</u>
Allowance for expected credit loss		(86,343,145)	(76,343,145)
Trade debts - net		<u>3,583,523,307</u>	<u>2,746,331,968</u>

13 SHORT TERM INVESTMENT

During the period, the Company has made an investment in un-listed term finance certificates of Habib Bank Limited amounting to Rs. 200 million, which is classified as fair value through other comprehensive income. These investments carry interest rate three months KIBOR + 160 bps and recorded at cost due to non availability of market value.

		(Un-audited) December 31, 2019	(Audited) June 30, 2019
		-----Rupees-----	
14 CASH AND BANK BALANCES			
Cash in hand		9,438,983	7,303,543
Cash with banks in:			
- current accounts- <i>conventional</i>		10,441,864	20,660,039
- current accounts- <i>islamic</i>		6,588,951	4,430,682
		<u>26,469,798</u>	<u>32,394,264</u>

15 SPONSORS' LOAN - subordinated

The Company has obtained interest free loan from its sponsors. The sponsors have entered into an agreement with the Company and various banks in which they have undertaken to subordinate their loans and their claims over the Company's assets. Subsequent to the period end, the Company has started the process to convert sponsors' loan into ordinary shares of the company by issuing right shares.

16 LONG TERM FINANCES - secured

	(Un-audited)			(Audited)		
	December 31, 2019			June 30, 2019		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	6,018,572,286	2,047,270,107	8,065,842,393	4,629,479,472	2,534,305,564	7,163,785,036
Obtained during the period / year	4,885,132,853	1,292,653,700	6,177,786,553	2,772,202,997	799,770,000	3,571,972,997
Repaid during the period / year	(590,034,305)	(553,750,090)	(1,143,784,395)	(1,383,110,183)	(1,286,805,457)	(2,669,915,640)
	10,313,670,834	2,786,173,717	13,099,844,551	6,018,572,286	2,047,270,107	8,065,842,393
Less: Current maturity	(1,246,552,713)	(753,019,990)	(1,999,572,703)	(1,128,579,949)	(784,583,333)	(1,913,163,282)
	<u>9,067,118,121</u>	<u>2,033,153,727</u>	<u>11,100,271,848</u>	<u>4,889,992,337</u>	<u>1,262,686,774</u>	<u>6,152,679,111</u>

- 16.1 These represent financings for property, plant, and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu charge over present and future fixed assets of the Company and personal guarantees of sponsors.
- 16.2 The Company's total limit for long term loan amounting to Rs. 18,209 million. (June 2019: Rs. 13,320 million).

17	TRADE AND OTHER PAYABLES	Note	(Un-audited)	(Audited)
			December 31, 2019	June 30, 2019
-----Rupees-----				
	Trade creditors		2,270,945,788	1,358,568,340
	Other liabilities		646,877,415	692,649,597
			2,917,823,203	2,051,217,937
18	SHORT TERM FINANCES - secured			
	Term finances-conventional	18.1	999,696,647	895,013,391
	Term finances-islamic	18.2	1,400,000,000	1,599,200,000
	Export refinances	18.3	505,700,000	505,700,000
	Running finance utilized under mark-up arrangement	18.4	3,818,039,839	3,299,990,421
			6,723,436,486	6,299,903,812

- 18.1 These represent facilities for term finances arranged from various banks aggregating to Rs. 1,305 million (June 2019: Rs. 1,005 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 11.26% to 14.29% per annum (June 2019: 6.24% to 13.21% per annum).
- 18.2 These represent facilities for term finances arranged from various banks aggregating to Rs. 1,600 million (June 2019: Rs. 1,600 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.85% to 14.38% per annum (June 2019: 6.56% to 13.16% per annum).
- 18.3 These represent facilities for export refinance arranged from various banks aggregating to Rs. 505.70 million (June 2019: Rs. 685.70 million). These are secured against pari-passu hypothecation of stocks, book debts and lien on export letters of credits of the Company along with the personal guarantees of the directors. These carry mark-up at the rate 0.25% to 0.60% above the State Bank of Pakistan (SBP) rate per annum (June 2019: 0.25% to 0.50% above SBP rate per annum).
- 18.4 These facilities for running finances available from various banks aggregated to Rs. 5,984.30 million (June 2019: Rs. 4,804.30 million). These are secured against pari-passu hypothecation of stocks and book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 12.92% to 14.86% per annum (June 2019: 7.02% to 13.54% per annum).

19 CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

There are no material changes in the status of contingencies as same reported in note 28.1 to the financial statements of the Company for the year ended 30 June, 2019, except mentioned below;

- 19.1.1 Through Finance Act, 2019, the Government has reduced tax credit available on new investment under Section 65B from 10% to 5% in FY-2019 and Nil from onward. The company has challenged the provision of Finance Act, 2019 before the Honorable Sindh High Court and obtained the interim relief of claiming 10% tax credit on all investment already planned including its ancillary cost of last and current fiscal year. The management is confident that the case will be decided in favour of the Company based on the opinion of legal counsel.

19.2	Commitments	(Un-audited)	(Audited)
		December 31, 2019	June 30, 2019
-----Rupees-----			
	Outstanding letter of guarantees	1,318,235,762	929,682,424
	Outstanding letter of credit for:		
	- capital expenditures	804,199,146	4,295,585,276
	- others	1,172,480,797	1,204,858,818

		(Un-audited) December 31, 2019	(Un-audited) December 31, 2018
20 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES	Note	-----Rupees-----	
Profit before income tax		712,835,695	1,068,843,004
Adjustments for non-cash and other items:			
Depreciation		596,700,469	524,225,574
Amortization charge		14,776,372	-
Gain on disposal of property, plant and equipment - net		(3,620,301)	(2,069,840)
Gain on disposal of available for sale investment		-	(27,914,411)
Provision for staff retirement gratuity		30,689,765	56,153,377
Provision for doubtful debts		10,000,000	-
Share of profit from associated undertaking		(24,072,287)	(36,564,047)
Unrealized exchange loss		6,256,827	28,745,651
Finance cost		590,501,355	319,354,688
Net decrease in working capital	20.1	<u>(766,950,787)</u>	<u>(585,901,329)</u>
		<u>1,167,117,108</u>	<u>1,344,872,667</u>
		(Un-audited) December 31, 2019	(Un-audited) December 31, 2018
20.1 Working capital changes	Note	-----Rupees-----	
Current assets			
Decrease / (Increase) in current assets			
Stores and spares		(51,651,350)	(31,144,336)
Stock-in-trade		(1,270,517,151)	90,004,654
Trade debts		(847,191,339)	(216,035,771)
Loans and advances		601,048,706	(237,486,979)
Trade deposits and short-term prepayments		(22,803,559)	(79,996,338)
Other receivables		(113,496,491)	(30,805,715)
		<u>(1,704,611,185)</u>	<u>(505,464,485)</u>
Current liabilities			
(Decrease) / Increase in current liabilities			
Trade and other payables		867,353,578	207,278,413
Short term finance - secured		(94,516,744)	(322,575,148)
Advances from customers		164,823,564	34,859,891
		<u>937,660,398</u>	<u>(80,436,844)</u>
Net decrease in working capital		<u>(766,950,787)</u>	<u>(585,901,329)</u>
21 CASH AND CASH EQUIVALENTS			
Cash and bank balances	14	26,469,798	42,677,806
Running finances under mark-up arrangement	18	<u>(3,818,039,839)</u>	<u>(2,675,618,860)</u>
		<u>(3,791,570,041)</u>	<u>(2,632,941,054)</u>

		(Un-audited) December 31, 2019	(Audited) June 30, 2019
22.9 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES	Note	-----Rupees-----	
Assets			
Total assets for reportable segments	22.2	29,439,027,058	22,819,215,208
Unallocated capital assets		918,690,113	933,230,944
Long term investment	9	3,783,292,351	3,212,049,382
Total assets		<u>34,141,009,522</u>	<u>26,964,495,534</u>
Liabilities			
Total liabilities for reportable segments	22.4	10,265,095,340	9,111,922,155
Sponsors' loan - subordinated		902,151,770	902,151,770
Deferred liabilities		1,721,670,186	1,274,088,153
Long term finance - secured	16	13,099,844,551	8,065,842,393
Lease liabilities		185,124,130	236,244,403
Total liabilities		<u>26,173,885,977</u>	<u>19,590,248,874</u>

23 EARNINGS PER SHARE - Basic and Diluted

		(Un-audited) December 31, 2019	(Un-audited) December 31, 2018
-----Rupees-----			
Basic earnings per share			
Profit for the period		<u>611,768,236</u>	<u>707,251,246</u>
------(Number)-----			
Weighted average number of ordinary shares during the period		<u>63,804,750</u>	<u>63,804,750</u>
------(Rupees)-----			
Basic earnings per share		<u>9.59</u>	<u>11.08</u>
Diluted earnings per share			
Profit for the period		<u>611,768,236</u>	<u>707,251,246</u>
------(Number)-----			
Weighted average number of ordinary shares during the period		<u>63,804,750</u>	<u>63,804,750</u>
Adjustment for potential right issue of ordinary shares		<u>2,552,190</u>	<u>2,552,190</u>
Weighted average number of ordinary shares for diluted earning per share		<u>66,356,940</u>	<u>66,356,940</u>
------(Rupees)-----			
Diluted earnings per share		<u>9.22</u>	<u>10.66</u>

24 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Details of transactions and balances with related parties during the period, other than those which have been specifically disclosed elsewhere in the unconsolidated condensed interim financial statements are as follows:

	(Un-audited)	
	December 31, 2019	December 31, 2018
-----Rupees-----		
Transactions		
Plastiflex Films (Private) Limited		
<i>Common Directorship</i>		
- Purchase of raw and packing materials	35,326,331	1,376,472
- Metallization service	(16,248,232)	(1,116,340)
- Sale of raw and packing materials	(3,296,892)	(5,890,330)
- Recovery against sales	11,767,889	50,629,633
- Payment against purchases	(10,534,194)	(15,847,505)
Others		
Remuneration to directors and other key management personnel:		
Chief Executive Officer	5,300,000	3,900,000
Directors	9,150,000	7,200,000
Executives	136,569,810	132,305,549
	151,019,810	143,405,549
	(Un-audited)	(Audited)
	December 31,	June 30,
	2019	2019
-----Rupees-----		
Balances		
Plastiflex Films (Private) Limited		
-Payable to associate	31,601,685	14,586,783
Director's subordinated loan		
-Loan from director's	902,151,770	902,151,770

25 FAIR VALUE MEASUREMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2019. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended June 30, 2019

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

The Company held the following financial assets at fair value;

	December 31, 2019			Total	June 30, 2019
	(Level 1)	(Level 2)	(Level 3)		
-----Rupees-----					
Investment in associated undertakings	2,244,567,600	-	-	2,244,567,600	2,001,232,631
	2,244,567,600	-	-	2,244,567,600	2,001,232,631

26 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated financial statements for the year ended June 30, 2019.

27 NON - ADJUSTING EVENT AFTER THE REPORTING DATE

The board of directors in its meeting held on February 21, 2020 has declared an interim cash dividend in December 31, 2019 of Rs. 0.5 per share (December 31, 2018: Rs. Nil/- per share). The unconsolidated condensed interim financial statements for the six months period ended December 31, 2019 do not include the effect of proposed dividend, which will be accounted for in the unconsolidated financial statements for the year ending March 31, 2020.

28 DATE OF AUTHORIZATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on 21st February 2020 by the Board of the Company.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE SIX MONTHS PERIOD
ENDED DECEMBER 31, 2019

CONSOLIDATED CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2019

	Note	(Un-audited) December 31, 2019 Rupees	(Audited) June 30, 2019 Rupees
ASSETS			
Non-current assets			
Property, plant and equipment	8	18,486,484,869	13,948,245,682
Goodwill		11,959,187	11,959,187
Intangible assets		70,676,771	85,453,143
Long term investments	9	2,473,285,351	2,229,950,382
Long term deposits		45,344,066	47,985,848
Total non-current assets		21,087,750,244	16,323,594,242
Current assets			
Stores and spares	10	346,775,412	292,887,591
Stock-in-trade	11	6,555,155,472	5,261,895,471
Trade debts	12	3,614,215,490	2,768,429,157
Loans and advances		1,015,481,639	1,634,108,116
Trade deposits and short-term prepayments		63,782,002	37,273,112
Short term investment	13	200,000,000	
Other receivables		245,459,294	131,962,804
Taxation - net		1,104,585,172	945,869,617
Cash and bank balances	14	41,877,704	36,602,222
Total current assets		13,187,332,185	11,109,028,090
Total assets		34,275,082,429	27,432,622,332
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorised share capital			
250,000,000 (June 30, 2019: 250,000,000) ordinary share of Rs. 10 each		2,500,000,000	2,500,000,000
Issued, subscribed and paid-up share capital			
63,804,750 (June 30, 2019: 63,804,750) ordinary shares of Rs.10 each		638,047,500	638,047,500
Non-controlling interest		111,300,535	179,714,690
Reserves		6,874,866,752	6,451,888,083
Total shareholders' equity		7,624,214,787	7,269,650,273
Non-current liabilities			
Sponsors' loan - subordinated	15	915,357,737	915,357,737
Long-term finances - secured	16	11,354,160,731	6,484,901,333
Lease liabilities		98,940,988	136,024,559
Deferred liabilities		1,735,782,235	1,643,629,575
Total non-current liabilities		14,104,241,691	9,179,913,204
Current liabilities			
Trade and other payables	17	2,953,089,652	2,106,806,641
Accrued mark-up		266,060,990	209,765,534
Short-term finance - secured	18	6,723,436,486	6,299,903,813
Current portion of:			
- long-term finances - secured	16	2,156,239,379	2,069,829,949
- lease liabilities		86,183,142	100,219,845
Unclaimed Dividend		2,598,166	2,338,500
Advances from customers		359,018,136	194,194,573
Total current liabilities		12,546,625,951	10,983,058,855
Total liabilities		26,650,867,642	20,162,972,059
Contingencies and commitments	19		
Total equity and liabilities		34,275,082,429	27,432,622,332

The annexed selected notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

Note	Six-months Period Ended		Three-months Period Ended		
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	
	Rupees	Rupees	Rupees	Rupees	
Sales - gross	23.1	21,539,707,925	18,466,972,887	11,583,085,278	9,895,212,857
Sales returns & discounts		(873,376,375)	(695,555,612)	(375,459,530)	(165,937,217)
Export Rebate		5,809,544	3,467,354	3,648,352	923,152
		(867,566,831)	(692,088,258)	(371,811,178)	(165,014,065)
Sales		20,672,141,094	17,774,884,629	11,211,274,100	9,730,198,792
Sales tax		(2,978,613,958)	(2,591,761,246)	(1,564,309,524)	(1,379,477,139)
Net sales		17,693,527,136	15,183,123,383	9,646,964,576	8,350,721,653
Cost of sales	23.1	(13,949,988,220)	(11,786,346,980)	(7,547,101,394)	(6,519,926,855)
Gross profit		3,743,538,916	3,396,776,403	2,099,863,182	1,830,794,798
Selling and distribution expenses		(2,403,937,049)	(1,884,804,233)	(1,526,285,359)	(1,169,396,358)
Administrative expenses		(316,617,651)	(280,497,357)	(164,469,507)	(151,389,222)
		(2,720,554,700)	(2,165,301,590)	(1,690,754,866)	(1,320,785,580)
Operating profit		1,022,984,216	1,231,474,813	409,108,316	510,009,218
Other expenses		(93,628,187)	(134,677,460)	(34,548,280)	(59,693,134)
		929,356,029	1,096,797,353	374,560,036	450,316,084
Other income		142,970,287	152,214,876	77,240,377	108,541,687
		1,072,326,316	1,249,012,229	451,800,413	558,857,771
Finance cost		(621,875,279)	(341,797,555)	(296,600,002)	(141,209,956)
		450,451,037	907,214,674	155,200,411	417,647,815
Share of profit from associate		24,072,287	36,564,047	-	-
Profit before income tax		474,523,324	943,778,721	155,200,411	417,647,815
Taxation		(101,067,459)	(361,591,758)	156,473,239	(174,670,092)
Profit for the period		373,455,865	582,186,963	311,673,650	242,977,723
Profit for the period attributable to:					
Shareholders of the Holding Company		441,870,020	618,090,123	342,546,712	260,352,878
Non-controlling interest		(68,414,155)	(35,903,160)	(30,873,062)	(17,375,155)
		373,455,865	582,186,963	311,673,650	242,977,723
Earnings per share - basic	20	6.93	9.69	5.37	4.08
			(Restated)		(Restated)
Earnings per share - dilutive	20	6.66	9.31	5.16	3.92

The annexed selected notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Note	Six-months Period Ended		Three-months Period Ended	
		December 31, 2019 Rupees	December 31, 2018 Rupees	December 31, 2019 Rupees	December 31, 2018 Rupees
Profit for the period		373,455,865	582,186,963	311,673,650	242,977,723
<i>Item that will not be reclassified to statement of profit or loss in subsequent period</i>		-	-	-	-
<i>Item to be reclassified to statement of profit or loss in subsequent period</i>					
Unrealized appreciation during the period on sale of investment classified as fair value through other comprehensive income-net of tax			1,821,854	-	1,821,854
Share of other comprehensive income / (loss) from associated undertaking - net of tax	9.3	172,522,899	(163,510,658)	-	-
Other comprehensive income / (loss) for the period - net of tax		172,522,899	(161,688,804)	-	1,821,854
Total comprehensive income for the period		545,978,764	420,498,159	311,673,650	244,799,577
Total Comprehensive Income for the period attributable to :					
Shareholders of the holding Company		614,392,919	456,401,319	342,546,712	262,174,732
Non-controlling Interest		(68,414,155)	(35,903,160)	(30,873,062)	(17,375,155)
		545,978,764	420,498,159	311,673,650	244,799,577

The annexed selected notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

Issued, subscribed and paid-up share capital	Capital reserve				Revenue reserve			Total reserves	Non-Controlling Interest	Total shareholders' equity
	Share premium	Amalgamation reserves	Remeasurement of investment in associate	Remeasurement of investments at fair value through OCI	Unappropriated profit	Total reserves				
638,047,500	579,265,000	916,862,067	(366,021,780)	26,092,557	5,379,455,187	618,090,123	6,535,653,031	220,543,953	7,394,244,484	
-	-	-	-	-	618,090,123	-	618,090,123	(35,903,160)	582,186,963	
-	-	-	(16,510,658)	1,821,854	-	-	1,821,854	-	1,821,854	
-	-	-	(16,510,658)	1,821,854	-	-	(16,510,658)	-	(16,510,658)	
-	-	-	(16,510,658)	1,821,854	-	-	(16,510,658)	-	(16,510,658)	
-	-	-	(16,510,658)	1,821,854	-	-	(16,510,658)	-	(16,510,658)	
-	-	-	-	(27,914,411)	-	-	(27,914,411)	-	(27,914,411)	
-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	(287,121,375)	-	(287,121,375)	-	(287,121,375)	
638,047,500	579,265,000	916,862,067	(529,532,438)	-	5,710,423,935	6,077,018,564	184,640,793	7,499,706,837		
638,047,500	579,265,000	916,862,067	(854,005,234)	-	5,810,366,250	6,451,888,083	179,714,690	7,269,650,273		
-	-	-	-	-	441,870,020	-	441,870,020	(68,414,155)	373,455,865	
-	-	-	-	-	172,522,899	-	172,522,899	(68,414,155)	172,522,899	
-	-	-	-	-	441,870,020	-	441,870,020	(68,414,155)	545,976,704	
-	-	-	-	-	(19,414,250)	-	(19,414,250)	-	(19,414,250)	
638,047,500	579,265,000	916,862,067	(682,062,335)	-	6,060,822,020	6,874,866,732	111,300,535	7,624,214,787		

Balance as at July 01, 2018
Total comprehensive income for the period
 Profit for the six months period ended December 31, 2018
 Unrealized Appreciation on revaluation of investment - net of tax
 Share of other comprehensive loss from associate - net of tax
 Other comprehensive loss for the six months period ended December 31, 2018
Total comprehensive income for the period
 Reclassification due to disposal of investment - available for sale
Transaction with owners, recognised directly in equity
 Cash dividend paid for the year ended June 30, 2018 @ Rs. 4.50 per share
Balance as at December 31, 2018

Balance as at July 01, 2019
Total comprehensive income for the period
 Profit / loss for the six months period ended December 31, 2019
 Other comprehensive loss for the six months period ended December 31, 2019
Total comprehensive income for the period
Transaction with owners, recognised directly in equity
 Cash dividend paid for the year ended June 30, 2019 @ Rs. 3 per share
Balance as at December 31, 2019

The annexed selected notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

CONSOLIDATED CONDENSED INTERIM STATEMENT OF CASH FLOWS (UN-AUDITED)

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

	Note	December 31, 2019 Rupees	December 31, 2018 Rupees
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations after working capital changes	21	980,426,961	1,228,714,444
Gratuity paid		(17,796,853)	(4,589,992)
Taxes paid		(214,543,785)	(146,522,009)
Long-term deposits paid		2,641,782	(7,363,709)
Net cash generated from operating activities		750,728,105	1,070,238,734
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure (including CWIP)		(5,213,114,491)	(1,562,083,529)
Capital expenditure - intangibles		-	(29,900,000)
Investment in associated undertakings		(16,294,565)	-
Proceeds from sale of investment		-	197,251,008
Short term investment		(200,000,000)	-
Proceeds from disposal of property, plant and equipment		18,092,871	12,648,449
Net cash used in investing activities		(5,411,316,186)	(1,382,084,072)
CASH FLOWS FROM FINANCING ACTIVITIES			
Sponsors' loan - subordinated		-	156,300,000
Lease repayment net of sale and lease back		(51,120,275)	(245,704,198)
Dividends paid		(191,154,585)	(286,462,498)
Receipts from long-term financing -net		4,955,668,828	249,583,188
Interest/ mark-up paid		(565,579,823)	(299,962,531)
Net cash generated from / (used in) financing activities		4,147,814,145	(426,246,039)
Net decrease in cash and cash equivalents		(512,773,936)	(738,091,377)
Cash and cash equivalents at the beginning of the period		(3,263,388,199)	(1,886,288,242)
Cash and cash equivalents at the end of the period	22	(3,776,162,135)	(2,624,379,619)

The annexed selected notes from 1 to 28 form an integral part of these consolidated condensed interim financial statements.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer

NOTES TO THE CONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE SIX MONTHS PERIOD ENDED DECEMBER 31, 2019

1 LEGAL STATUS AND OPERATIONS

The group consist of:

Holding company: Ismail Industries Limited

Subsidiary company: Hudson Pharma (Private) Limited

a) Ismail Industries Limited

The Holding Company was incorporated in Karachi, Pakistan as a private limited company on June 21, 1988. On November 01, 1989 the Company was converted into a public limited company. The registered office of the Holding Company is situated at 17 - Bangalore Town, Shahrah-e-Faisal, Karachi, Pakistan. The shares of the Holding company are quoted on Pakistan Stock Exchange. Principal activities of the holding Company are manufacturing and trading of sugar confectionery items, biscuits, potato chips, cast polypropylene (CPP) and Biaxially-oriented polyethylene terephthalate (BOPET) film under the brands of 'CandyLand', 'Bisconni', 'Snackcity' and 'Astro films' respectively.

b) Hudson Pharma (Private) Limited

The Subsidiary Company was incorporated in Pakistan as a private limited company on May 5, 2010, under the repealed Companies Ordinance, 1984 (now Companies Act, 2017). The registered office of the subsidiary company is located at 17, Bangalore Town, Main Shakra-e-Faisal, Karachi. Principal activities of the subsidiary company are manufacturing, processing, compounding, formulating, importing, exporting, packaging, marketing, wholesale and retail, trading and selling of all kinds of pharmaceutical, animal health, allied consumer products, drugs and medicines.

2 SIGNIFICANT EVENTS & TRANSACTIONS

During the period following significant events and transaction has been carried out by Holding company, the details of which is as follows :

- 2.1 The Holding company has made Capex amounting to Rs. 5.148 billion during the period under review, which majorly includes the addition of another BOPET Line which will eventually results in increasing the production capacity of our BOPET Films by 200% .
- 2.2 During the period under review the Holding company has started the process to convert Sponsors' loan into ordinary shares of the company by issuing rights share.
- 2.3 The Holding company has approved further investment in Hudson Pharma (Private) Limited amounting to Rs. 500 million in last Annual General Meeting for the Holding company for managing working capital requirement and the same will be convertible into the ordinary shares subject to the approval of the authorities.

3 STATEMENT OF COMPLIANCE

- 3.1 These consolidated condensed interim financial statements 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 (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.

4 BASIS OF PREPARATION

These consolidated condensed interim financial statements of the Group does not include all of the information and disclosure required in the consolidated annual financial statements and should be read in conjunction with the consolidated annual financial statements of the company as at and for the year ended June 30, 2019. However, selected explanatory notes are included to explain the events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

The figures in the consolidated condensed interim statement of profit or loss, consolidated condensed interim statement of comprehensive income, consolidated condensed interim statement of changes in equity and consolidated condensed interim statement of cash flows togetherwith relevant notes to the consolidated condensed interim financial statements for the six-months period ended December 31, 2019 are not audited. Further, the figures for the three-months period ended December 31, 2019 and 2018 in the consolidated condensed interim statement of profit or loss and consolidated condensed interim statement of comprehensive income have also not been reviewed by auditors.

5 SIGNIFICANT ACCOUNTING INFORMATION AND POLICIES

The accounting policies and methods of computation adopted for the preparation of these consolidated condensed interim financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended June 30, 2019, except for the adoption of IFRS 16 "Leases". The accounting policy adopted by the Company is as follows:

- 5.1 IFRS16 'Leases' replaces the previous lease standard "IAS17 Leases". It will result in almost all leases being recognised on the statement of financial position, as the distinction between operating and finance leases is removed. Under the new standard, an asset (the right to use the leased item) and a financial liability to pay rentals are recognised. The only exceptions are short term and low value leases. The associated Right-of-use (RoU) for finance leases were measured on a retrospective basis as if the new rules had always been applied.

Management of the Group has assessed the changes laid down by these standards and determined that these do not have any significant impact on these consolidated condensed interim financial statements of the Company.

The change in accounting policy affected the following items in the statement of financial position.

	Un-audited December 31, 2019	Audited June 30, 2019
	-----Rupees-----	
Operating fixed assets – decreased by	(314,928,604)	(331,919,479)
Right-of-use asset – increased by	314,928,604	331,919,479
Liability against assets subject to finance lease - decreased by	(185,124,130)	(236,244,403)
Lease liabilities - increased by	185,124,130	236,244,403

The above figures have been reclassified wherever necessary to reflect more appropriate presentation.

- 5.1.1 At inception of a contract, the Group assesses whether a contract is, or contains, a lease based on whether the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Lease terms are negotiated on an individual basis and contain a wide range of different terms and conditions.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

Lease payments include fixed payments, variable lease payments that are based on an index or a rate expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortised cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit and loss if the carrying amount of right-of-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a diminishing balance at given note 7 of consolidated financial statements of June 30, 2019. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The Company has elected to apply the practical expedient not to recognise right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognised as an expense on a straight line basis over the lease term.

6 USE OF JUDGEMENTS AND ESTIMATES

The estimates / judgments and associated assumptions used in the preparation of these consolidated condensed interim financial information are consistent with those applied in the preparation of the consolidated financial statements of the Group for the year ended June 30, 2019.

7 FUNCTIONAL AND PRESENTATION CURRENCY

These consolidated condensed interim financial information is presented in Pakistani Rupees which is also Group's functional currency and presentation currency.

8	PROPERTY, PLANT AND EQUIPMENT	Note	(Un-audited)	(Audited)
			December 31, 2019	June 30, 2019
			Rupees	Rupees
	Operating fixed assets	8.1	13,626,375,709	12,978,292,357
	Right of use asset	8.1	314,928,604	331,919,479
	Capital work in progress - at cost	8.2	4,545,180,556	638,033,846
			<u>18,486,484,869</u>	<u>13,948,245,682</u>

8.1 Details of additions and disposals to operating fixed assets during the six-months period are as follows:

	(Un-audited)			
	Additions		Disposals	
	-----At cost-----		-----At net book value-----	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
----- Rupees -----				
Owned assets				
Building on leasehold land	175,507,992	5,955,115	-	-
Plant and machinery	1,065,001,982	58,068,728	4,738,957	-
Furniture and fittings	8,944,077	84,200	8,963	-
Equipment	10,925,587	3,256,122	-	-
Computers	6,958,700	19,497,930	-	244,620
Vehicles	10,286,242	28,487,310	9,390,939	10,190,683
	1,277,624,580	115,349,405	14,138,859	10,435,303
Right of use assets				
Vehicles	28,343,202	44,804,850	-	-
	28,343,202	44,804,850	-	-
	1,305,967,782	160,154,255	14,138,859	10,435,303

8.2 Details of additions in and transfers from capital work-in-progress during the six-months period are as follows:

	(Un-audited)			
	Additions		Transfers	
	-----At cost-----			
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
----- Rupees -----				
Civil works	887,665,800	159,386,912	175,507,992	5,955,115
Plant and machinery	4,259,978,623	1,306,446,205	1,064,989,722	58,068,728
Equipment and fixtures	-	831,774	-	711,774
	5,147,644,423	1,466,664,891	1,240,497,714	64,735,617

9 LONG-TERM INVESTMENTS

Investment in associated undertakings

	Note	(Un-audited) December 31, 2019 Rupees	(Audited) June 30, 2019 Rupees
Novelty Enterprises (Private) Limited	9.1	228,717,751	228,717,751
The Bank of Khyber	9.2	2,244,567,600	2,001,232,631
		2,473,285,351	2,229,950,382

9.1 Novelty Enterprises (Private) Limited

The Holding Company holds 33% (June 2019: 33%) voting and equity interest in Novelty Enterprises (Private) Limited (NEL). The shares of NEL are not publicly listed on a stock exchange and hence published price quotes are not available. The financial reporting date of NEL is June 30.

Total equity / net assets of NEL as at June 30, 2019 based on audited financial statements amounted to Rs. 561.428 million (June 2018: Rs. 561.487 million based on audited financial statements). However, as per report of an independent valuer, Masud Associates dated December 31, 2015 fair value of fixed assets of NEL amounted to Rs. 1,016.32 million resulting in surplus on fixed assets of Rs. 483.607 million. Revised net assets after the revaluation surplus amounted to Rs. 1,045.063 million (June 2018: Rs. 1,045.094 million). Accordingly, the management is of the view that it would be able to recover carrying values of its investment.

9.2 The Bank of Khyber

The total shareholding of the Holding Company in the Bank of Khyber (the Bank) is 244,339,031 shares which represents 24.43% of paid-up capital of the Bank (June 2019: 24.16%). In addition to this, the Holding Company also has representation on the board of directors of the Bank. The Bank concludes its annual financial results on December 31 as required by the State Bank of Pakistan for financial institutions. Amounts in these financial statements have been taken from condensed interim unconsolidated financial statements of the Bank for the nine-months periods ended September 30, 2019 and six-months period ended June 30, 2019. Adjustment to confirm to the Bank's accounting policies is not warranted as the Bank is not engaged in like transaction under similar circumstances.

The market value of holding in the Bank as on December 31, 2019 was Rs. 3,313.24 million (June 30, 2019: Rs.2,382.561 million).

9.3 These investments are accounted for under the equity method. The aggregate amount of the associates recognized in these financial statements are as follows:

	The Bank of Khyber		Novelty Enterprises (Private) Limited	
	(Un-audited)	(Audited)	(Un-audited)	(Audited)
	December 31, 2019	June 30, 2019	December 31, 2019	June 30, 2019
Carrying value at beginning of the period	2,001,232,631	2,530,641,520	228,717,751	228,727,912
Investment made during the period	16,294,565			
Share of profit or loss	24,072,287	45,395,175	-	(10,161)
Share of other comprehensive income	202,968,117	(574,804,064)	-	-
	2,244,567,600	2,001,232,631	228,717,751	228,717,751

All transfers of funds to the Holding company, i.e. distribution of cash dividends, are subject to approval by means of a resolution passed by the shareholders of the associates. During the year, no cash dividend have been received from the Bank of Khyber (2019: Rs. Nil per share)

	Note	(Un-audited) December 31, 2019	(Audited) June 30, 2019
10 STORES AND SPARES			
Stores and spare parts - gross		355,366,832	301,479,011
Provision for slow moving spare parts		(8,591,420)	(8,591,420)
Store and spares - net		346,775,412	292,887,591
11 STOCK-IN-TRADE			
Raw materials	11.1	3,415,911,491	3,001,271,861
Packing materials	11.1	757,365,575	459,813,888
Work-in-process		197,190,161	82,183,155
Finished goods		2,184,688,245	1,718,626,567
		6,555,155,472	5,261,895,471

11.1 Raw materials and packing materials are stated at net of provision for slow moving items amounting to Rs.13,384,583 (June 30, 2019: Rs.13,384,583) and Rs.109,848,549 (June 30, 2019: Rs. 109,848,549) respectively.

	(Un-audited) December 31, 2019	(Audited) June 30, 2019
	Rupees	Rupees
12 TRADE DEBTS		
Considered good		
- secured (export debtors)	931,561,631	784,297,206
- unsecured	2,768,997,004	2,060,475,096
	3,700,558,635	2,844,772,302
Allowance for expected credit loss	(86,343,145)	(76,343,145)
Trade debts - net	3,614,215,490	2,768,429,157

13 SHORT TERM INVESTMENT

During the period, the holding company has made an investment in un-listed term finance certificates of Habib Bank Limited amounting to Rs. 200 million, which is classified as fair value through other comprehensive income. These investments carry interest rate three months Kibor + 160 bps and recorded at cost due to non availability of market value.

(Un-audited)	(Audited)
December 31,	June 30,
2019	2019
Rupees	Rupees

14 CASH AND BANK BALANCES

Cash in hand

10,103,553	8,395,095
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Cash with banks in:

- current accounts- *conventional*

25,105,217	23,717,548
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- current accounts- *islamic*

6,668,934	4,489,579
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41,877,704	36,602,222
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15 SPONSORS' LOAN - subordinated

The Holding company has obtained interest free loan from its sponsors. The sponsors have entered into an agreement with the Company and various banks in which they have under take to subordinate their loans and their claims over the Company's assets. During the period under review, the Holding company has started the process to convert Sponsors' loan into ordinary shares of the company by issuing rights share.

16 LONG TERM FINANCES - secured

	(Un-audited)			(Audited)		
	December 31, 2019			June 30, 2019		
	-----Rupees-----					
	Conventional	Islamic	Total	Conventional	Islamic	Total
At beginning of the period / year	6,251,211,263	2,303,520,019	8,554,731,282	4,979,479,472	2,734,305,564	7,713,785,036
Obtained during the period / year	4,901,381,402	1,276,405,158	6,177,786,560	2,772,202,997	799,770,000	3,571,972,997
Repaid during the period / year	(648,367,642)	(573,750,090)	(1,222,117,732)	(1,500,471,206)	(1,230,555,545)	(2,731,026,751)
	10,504,225,023	3,006,175,087	13,510,400,110	6,251,211,263	2,303,520,019	8,554,731,282
Less: Current maturity	(1,363,219,389)	(793,019,990)	(2,156,239,379)	(1,245,246,616)	(824,583,333)	(2,069,829,949)
	9,141,005,634	2,213,155,097	11,354,160,731	5,005,964,647	1,478,936,686	6,484,901,333

16.1 These represent financings for property, plant, and equipment. The above mentioned facilities are secured by way of creation of equitable mortgage and first pari-passu charge over present and future fixed assets of the Company and personal guarantees of sponsors.

16.2 The Group's total limit for long term loan amounting to Rs. 18,758 million. (June 2019 Rs.13,870 million)

(Un-audited)	(Audited)
December 31,	June 30,
2019	2019
Rupees	Rupees

17 TRADE AND OTHER PAYABLES

Note

Trade creditors

2,294,899,817	1,395,260,414
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Other liabilities

658,189,835	711,546,227
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2,953,089,652	2,106,806,641
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18 SHORT TERM FINANCES - secured

Term finances-conventional

18.1	999,696,647	895,013,392
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Term finances-islamic

18.2	1,400,000,000	1,599,200,000
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Export refinance

18.3	505,700,000	505,700,000
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Running finance utilized under mark-up arrangement

18.4	3,818,039,839	3,299,990,421
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6,723,436,486	6,299,903,813
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18.1 These represent facilities for term finances arranged from various banks aggregating to Rs. 1,305 million (June 2019: Rs. 1,005 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 11.26% to 14.29% per annum (June 2019: 6.24% to 13.21% per annum).

- 18.2** These represent facilities for term finances arranged from various banks aggregating to Rs. 1,600 million (June 2019: Rs. 1,600 million). These are secured against pari-passu hypothecation over stocks and book debts of the Company along with the personal guarantees of the directors. These carry mark-up at the rates ranging from 10.85% to 14.38% per annum (June 2019: 6.56% to 13.16% per annum).
- 18.3** These represent facilities for export refinance arranged from various banks aggregating to Rs. 505.70 million (June 2019: Rs. 685.70 million). These are secured against pari-passu hypothecation of stocks, book debts and lien on export letters of credits of the Company along with the personal guarantees of the directors. These carry mark-up at the rate 0.25% to 0.60% above the State Bank of Pakistan (SBP) rate per annum (June 2019: 0.25% to 0.50% above SBP rate per annum).
- 18.4** These facilities for running finances available from various banks aggregated to Rs. 5,984.30 million (June 2019: Rs. 4,804.30 million). These are secured against pari-passu hypothecation of stocks and book debts and personal guarantees of the directors. These carry mark-up at the rates ranging from 12.92% to 14.86% per annum (June 2019: 7.02% to 13.54% per annum).

19 CONTINGENCIES AND COMMITMENTS

19.1 Contingencies

There are no material changes in the status of contingencies as same reported in note 29.1 to the consolidated audited financial statements of the Group for the year ended 30 June, 2019, except mentioned below;

- 19.1.1** Through Finance Act, 2019, the Government has reduced tax credit available on new investment under Section 65B from 10% to 5% in TY-2019 and Nil from onward. The Holding company has challenged the provision of Finance Act, 2019 before the Honorable Sindh High Court and obtained the interim relief of claiming 10% tax credit on all investment already planned including its ancillary cost of last and current fiscal year. The management is confident that the case will be decided in favour of the Holding company based on the opinion of legal counsel.

19.2 Commitments	Note	December 31,	June 30,
		2019	2019
		Rupees	Rupees
Outstanding letter of guarantees		1,318,235,762	929,682,424
Outstanding letter of credit for:			
- capital expenditures		804,199,146	4,445,660,146
- others		1,172,480,797	1,235,906,399

20 EARNINGS PER SHARE-Basic and Diluted

Note	(Un-audited)	(Un-audited)
	December 31,	December 31,
	2019	2018
	Rupees	Rupees
Basic earnings per share		
Profit for the period	441,870,020	618,090,123
	------(Number)-----	
Weighted average number of ordinary shares during the period	63,804,750	63,804,750
	------(Rupees)-----	
Basic earnings per share	6.93	9.69
Diluted earnings per share		Restated
Profit for the period	441,870,020	618,090,123
	------(Number)-----	
Weighted average number of ordinary shares during the period	63,804,750	63,804,750
Adjustment for potential ordinary shares	2,552,190	2,552,190
Weighted average ordinary shares for diluted earning per share	66,356,940	66,356,940
	------(Rupees)-----	
Diluted earnings per share	6.66	9.31

		(Un-audited) December 31, 2019 Rupees	(Un-audited) December 31, 2018 Rupees
21 CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES			
Profit before income tax	Note	474,523,324	943,778,721
Adjustments for non-cash and other items:			
Depreciation		660,364,599	591,723,180
Amortization charge		14,776,372	
Gain on disposal of property, plant and equipment - net		(3,954,012)	(2,213,146)
Gain on disposal of available for sale investment		-	(27,914,411)
Provision for staff retirement gratuity		34,636,916	59,021,900
Provision for doubtful debts		10,000,000	
Share of profit from associated undertaking		(24,072,287)	(36,564,047)
Exchange loss		6,256,827	28,745,652
Finance cost		621,875,279	341,797,555
Net decrease in working capital	21.1	(813,980,056)	(669,660,960)
		<u>980,426,961</u>	<u>1,228,714,444</u>
21.1 Working capital changes			
Current assets			
Decrease / (Increase) in current assets			
Stores and spares		(53,887,821)	(35,975,353)
Stock-in-trade		(1,293,260,001)	43,566,424
Trade debts		(862,791,472)	(263,820,591)
Loan and advances		618,626,477	(239,402,310)
Trade deposits and short-term prepayments		(26,508,890)	(84,014,497)
Other receivables		(113,496,490)	(33,449,640)
		<u>(1,731,318,198)</u>	<u>(613,095,967)</u>
Current liabilities			
(Decrease) / Increase in current liabilities			
Trade and other payables		847,031,323	231,150,263
Short-term finances		(94,516,745)	(322,575,148)
Advance from customers		164,823,563	34,859,892
		<u>917,338,142</u>	<u>(56,564,993)</u>
Net decrease in working capital		<u>(813,980,056)</u>	<u>(669,660,960)</u>
22 CASH AND CASH EQUIVALENTS			
Cash and bank balances	14	41,877,704	51,239,241
Running finances under mark-up arrangement	18.4	(3,818,039,839)	(2,675,618,860)
		<u>(3,776,162,135)</u>	<u>(2,624,379,619)</u>

23

SEGMENT INFORMATION

A segment is a distinguishable component of the Group that is engaged in business activities from which the Group earns revenues and incurs expenses and its results are regularly reviewed by the Group's chief operating decision maker to make decision about resources to be allocated to the segment and assets to be performance. Further, discrete financial information is available for each segment.

Based on internal management reporting structure and products produced and sold, the company is organized into the following three operating segments:

- Food processing
- Pharmaceutical segment
- Food items

Management monitors the operating results of above mentioned segments separately for the purpose of making decisions about resources to be allocated and of assessing performance.

Segment revenue, segment result, costs, assets and liabilities for the period are as follows:

	(Un-audited)					
	Food Processing		Pharmaceutical Segment		Total	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Sales	8,411,947,832	7,536,866,804	1,000,222,644	9,844,078,500	3,433,022,245	3,750,000,073
Local	800,762,862	242,138,151	200,250,736	311,134,267	394,792,022	533,356,500
Export	3,648,832	923,132	3,648,352	923,132	3,648,352	923,132
Export rebates	9,396,272,439	7,819,348,007	2,128,475,391	2,011,534,713	4,338,714,287	3,929,536,672
Less:	(386,607,333)	(1,627,473)	(2,240,041)	(6,603,156)	(1,057,438,371)	(745,190)
Sales return and discounts	(1,720,029,760)	(1,073,353,379)	(2,297,297,684)	(3,042,730,800)	(2,991,143,001)	(3,271,701,526)
Sales tax	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)
Net sales	7,559,635,137	6,541,419,355	1,827,946,586	1,709,044,121	3,771,640,905	3,251,326,588
Cost of sales	(5,803,152,097)	(4,948,331,141)	(685,707,200)	(5,584,038,341)	(3,562,433,599)	(3,817,463,228)
Gross of sales	(1,746,482,960)	(1,407,081,886)	(1,461,761,384)	(1,407,081,886)	(1,329,792,694)	(1,566,136,640)
Selling and distribution expenses	(1,578,827,060)	(1,044,332,071)	(3,157,700,594)	(41,896,691)	(1,624,483,338)	(1,103,396,358)
Administrative expenses	(112,791,552)	(94,000,657)	(29,492,623)	(21,853,329)	(64,640,500)	(151,389,222)
Segment result	(7,294,771,112)	(6,126,646,152)	(1,786,935,064)	(1,293,404,113)	(3,236,015,250)	(3,009,683,052)
Unallocated income and expenses	40,864,225	454,033,442	40,993,521	110,000,010	195,635,644	265,623,024
Other operating income						
Finance cost						
Other operating expenses						
Share of profit from associated undertakings						
Profit before taxation						
Income tax expense						
Profit for the period						

	(Un-audited)					
	Food Processing		Pharmaceutical Segment		Total	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Sales	8,411,947,832	7,536,866,804	1,000,222,644	9,844,078,500	3,433,022,245	3,750,000,073
Local	800,762,862	242,138,151	200,250,736	311,134,267	394,792,022	533,356,500
Export	3,648,832	923,132	3,648,352	923,132	3,648,352	923,132
Export rebates	9,396,272,439	7,819,348,007	2,128,475,391	2,011,534,713	4,338,714,287	3,929,536,672
Less:	(386,607,333)	(1,627,473)	(2,240,041)	(6,603,156)	(1,057,438,371)	(745,190)
Sales return and discounts	(1,720,029,760)	(1,073,353,379)	(2,297,297,684)	(3,042,730,800)	(2,991,143,001)	(3,271,701,526)
Sales tax	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)
Net sales	7,559,635,137	6,541,419,355	1,827,946,586	1,709,044,121	3,771,640,905	3,251,326,588
Cost of sales	(5,803,152,097)	(4,948,331,141)	(685,707,200)	(5,584,038,341)	(3,562,433,599)	(3,817,463,228)
Gross of sales	(1,746,482,960)	(1,407,081,886)	(1,461,761,384)	(1,407,081,886)	(1,329,792,694)	(1,566,136,640)
Selling and distribution expenses	(1,578,827,060)	(1,044,332,071)	(3,157,700,594)	(41,896,691)	(1,624,483,338)	(1,103,396,358)
Administrative expenses	(112,791,552)	(94,000,657)	(29,492,623)	(21,853,329)	(64,640,500)	(151,389,222)
Segment result	(7,294,771,112)	(6,126,646,152)	(1,786,935,064)	(1,293,404,113)	(3,236,015,250)	(3,009,683,052)
Unallocated income and expenses	40,864,225	454,033,442	40,993,521	110,000,010	195,635,644	265,623,024
Other operating income						
Finance cost						
Other operating expenses						
Share of profit from associated undertakings						
Profit before taxation						
Income tax expense						
Profit for the period						

	(Un-audited)					
	Food Processing		Pharmaceutical Segment		Total	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Sales	8,411,947,832	7,536,866,804	1,000,222,644	9,844,078,500	3,433,022,245	3,750,000,073
Local	800,762,862	242,138,151	200,250,736	311,134,267	394,792,022	533,356,500
Export	3,648,832	923,132	3,648,352	923,132	3,648,352	923,132
Export rebates	9,396,272,439	7,819,348,007	2,128,475,391	2,011,534,713	4,338,714,287	3,929,536,672
Less:	(386,607,333)	(1,627,473)	(2,240,041)	(6,603,156)	(1,057,438,371)	(745,190)
Sales return and discounts	(1,720,029,760)	(1,073,353,379)	(2,297,297,684)	(3,042,730,800)	(2,991,143,001)	(3,271,701,526)
Sales tax	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)
Net sales	7,559,635,137	6,541,419,355	1,827,946,586	1,709,044,121	3,771,640,905	3,251,326,588
Cost of sales	(5,803,152,097)	(4,948,331,141)	(685,707,200)	(5,584,038,341)	(3,562,433,599)	(3,817,463,228)
Gross of sales	(1,746,482,960)	(1,407,081,886)	(1,461,761,384)	(1,407,081,886)	(1,329,792,694)	(1,566,136,640)
Selling and distribution expenses	(1,578,827,060)	(1,044,332,071)	(3,157,700,594)	(41,896,691)	(1,624,483,338)	(1,103,396,358)
Administrative expenses	(112,791,552)	(94,000,657)	(29,492,623)	(21,853,329)	(64,640,500)	(151,389,222)
Segment result	(7,294,771,112)	(6,126,646,152)	(1,786,935,064)	(1,293,404,113)	(3,236,015,250)	(3,009,683,052)
Unallocated income and expenses	40,864,225	454,033,442	40,993,521	110,000,010	195,635,644	265,623,024
Other operating income						
Finance cost						
Other operating expenses						
Share of profit from associated undertakings						
Profit before taxation						
Income tax expense						
Profit for the period						

	(Un-audited)					
	Food Processing		Pharmaceutical Segment		Total	
	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
Sales	8,411,947,832	7,536,866,804	1,000,222,644	9,844,078,500	3,433,022,245	3,750,000,073
Local	800,762,862	242,138,151	200,250,736	311,134,267	394,792,022	533,356,500
Export	3,648,832	923,132	3,648,352	923,132	3,648,352	923,132
Export rebates	9,396,272,439	7,819,348,007	2,128,475,391	2,011,534,713	4,338,714,287	3,929,536,672
Less:	(386,607,333)	(1,627,473)	(2,240,041)	(6,603,156)	(1,057,438,371)	(745,190)
Sales return and discounts	(1,720,029,760)	(1,073,353,379)	(2,297,297,684)	(3,042,730,800)	(2,991,143,001)	(3,271,701,526)
Sales tax	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)	(1,075,655,137)
Net sales	7,559,635,137	6,541,419,355	1,827,946,586	1,709,044,121	3,771,640,905	3,251,326,588
Cost of sales	(5,803,152,097)	(4,948,331,141)	(685,707,200)	(5,584,038,341)	(3,562,433,599)	(3,817,463,228)
Gross of sales	(1,746,482,960)	(1,407,081,886)	(1,461,761,384)	(1,407,081,886)	(1,329,792,694)	(1,566,136,640)
Selling and distribution expenses	(1,578,827,060)	(1,044,332,071)	(3,157,700,594)	(41,896,691)	(1,624,483,338)	(1,103,396,358)
Administrative expenses	(112,791,552)	(94,000,657)	(29,492,623)	(21,853,329)	(64,640,500)	(151,389,222)
Segment result	(7,294,771,112)	(6,126,646,152)	(1,786,935,064)	(1,293,404,113)	(3,236,015,250)	(3,009,683,052)
Unallocated income and expenses	40,864,225	454,033,442	40,993,521	110,000,010	195,635,644	265,623,024
Other operating income						
Finance cost						
Other operating expenses						
Share of profit from associated undertakings						
Profit before taxation						
Income tax expense						
Profit for the period						

Transactions among the business segments are recorded at estimated cost.

23.7 The Holding Company's report sales have been primarily made to countries in the Middle East, Africa and South Asia. However, no material amount of export sales have been made to any one or more particular countries.

23.8 There were no major customers of the company which formed 10 percent or more of the Group's revenue.

		(Un-audited) December 31, 2019 Rupees	(Audited) June 30, 2019 Rupees
23.9 RECONCILIATION OF REPORTABLE SEGMENT ASSETS AND LIABILITIES			
Assets			
Total assets for reportable segments	23.2	30,883,106,965	24,269,441,005
Unallocated capital assets		918,690,113	933,230,944
Long term investment	9	2,473,285,351	2,229,950,382
Total assets		<u>34,275,082,429</u>	<u>27,432,622,331</u>
Liabilities			
Total liabilities for reportable segments	23.4	10,690,584,913	9,684,645,338
Sponsors' loan - subordinated		915,357,737	902,151,770
Deferred liabilities		1,349,400,752	1,274,088,154
Long term finance	16	13,510,400,110	8,065,842,393
Lease liabilities		185,124,130	236,244,404
Total liabilities		<u>26,650,867,642</u>	<u>20,162,972,059</u>

24 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Details of transactions and balances with related parties during the period, other than those which have been specifically disclosed elsewhere in the consolidated condensed interim financial statements are as follows:

	December 31, 2019 Rupees	December 31, 2018 Rupees
Transactions		
Plastiflex Films (Private) Limited		
<i>Common Directorship</i>		
- Purchase of raw and packing Materials	35,326,331	1,376,472
- Metallization service	(16,248,232)	(1,116,340)
- Sale of raw and packing materials	(3,296,892)	(5,890,330)
- Recovery against sales	11,767,889	50,629,633
- Payment against purchases	(10,534,194)	(15,847,505)
Others		
Remuneration to directors and other key management personnel:		
Chief Executive Officer	9,500,000	7,624,266
Directors	9,150,000	7,200,000
Executives	136,569,810	143,756,609
	<u>155,219,810</u>	<u>158,580,875</u>
Balances		
Plastiflex Films (Private) Limited		
-Payable to associate	31,601,686	14,586,784
Director's Subordinated Loan		
-Loan from directors	915,357,737	915,357,737

25 FAIR VALUE MEASUREMENT

The Company's financial risk management objectives and policies are consistent with that disclosed in the annual financial statements for the year ended June 30, 2019. There is no change in the nature and corresponding hierarchies of fair value levels of financial instruments from those as disclosed in the audited financial statements of the Company for the year ended June 30, 2019

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method.

The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

The Company held the following financial assets at fair value;

	December 31, 2019			Total	June 30, 2019
	(Level 1)	(Level 2)	(Level 3)		
-----Rupees-----					
Investment in associated undertakings	2,244,567,600	-	-	2,244,567,600	2,001,232,631
	2,244,567,600	-	-	2,244,567,600	2,001,232,631

26 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the unconsolidated financial statements for the year ended June 30, 2019.

27 NON - ADJUSTING EVENT AFTER THE REPORTING DATE

The board of directors in its meeting held on February 21, 2020 has declared an interim cash dividend in December 31, 2019 of Rs. 0.5 per share (December 31, 2018: Rs. Nil/- per share). These consolidated condensed interim financial statements for the six months period ended December 31, 2019 do not include the effect of proposed dividend, which will be accounted for in the consolidated financial statements for the year ending March 31, 2020.

28 DATE OF AUTHORIZATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on 21st February 2020 by the Board of the Group.

Munsarim Saifullah
Chief Executive Officer

Maqsood Ismail
Director

Abdul Qadir
Chief Financial Officer



ISMAIL
INDUSTRIES
LIMITED

ISMAIL INDUSTRIES LIMITED

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