

Contents

Company information	2
Unconsolidated director's report (In English)	3
Unconsolidated director's report (In Urdu)	5
Auditor's Report to the members on Review of Unconsolidated Condensed Interim financial Information	7
Unconsolidated Condensed Interim Balance Sheet	9
Unconsolidated Condensed Interim Profit & Loss Account	10
Unconsolidated Condensed Interim Statement of Comprehensive Income	11
Unconsolidated Condensed Interim Cash Flow Statement	12
Unconsolidated Condensed Interim Statement of Changes in Equity	13
Notes to the Unconsolidated Condensed Interim Financial Information	14
Consolidated director's report (In English)	23
Consolidated director's report (In Urdu)	25
Consolidated Condensed Interim Balance Sheet	27
Consolidated Condensed Interim Profit & Loss Account	28
Consolidated Condensed Interim Statement of Comprehensive Income	29
Consolidated Condensed Interim Cash Flow Statement	30
Consolidated Condensed Interim Statement of Changes in Equity	31
Notes to the Consolidated Condensed Interim Financial Information	32

Company Information

Company Name: Roshan Packages Limited

Status: Public Listed Entity

CUIN: 0044226

NTN: 1436951-6

STRN: 03-01-4819-303-73

Board of Directors

Mr. Khalid Eijaz Qureshi
Chairman

Mr. Tayyab Aijaz
Chief Executive Officer

Mr. Saadat Eijaz
Executive Director

Mr. Malik Asad Ali Khan
Independent / Non-Executive Director

Mr. Quasim Aijaz
Non-Executive Director

Mr. Zaki Aijaz
Non-Executive Director

Mr. Muhammad Naveed Tariq
Independent / Non-Executive Director

Company Secretary

Mr. Muhammad Adil, FCMA

Chief Financial Officer (CFO)

Mr. Syed Hamza Gillani, ACA

Tax Consultant

A.F Ferguson & Co.

Bankers

Allied Bank Limited
Askari Bank Limited
Dubai Islamic Bank Limited
Faysal Bank Limited
Habib Bank Limited
MCB Bank Limited
Meezan Bank Limited
United Bank Limited

Registered Office

325 G-III MA Johar Town, Lahore
Phone: +92-42-35290734-38
Fax: +92-42-35290731

Factory

Corrugation: 7-KM Sunder
Raiwind Road, Opposite Gate
No 1, Sunder Industrial Estate,
Lahore

Flexible: Plot No 141,142 and
142-B, Sunder Industrial Estate,
Lahore

Shares Registrar

Central Depository Company of
Pakistan Limited
CDC House, 99-B, Block B,
S.M.C.H.S. Main Shahra-e-Faisal,
Karachi – 74400

Statutory Auditor

KPMG Taseer Hadi & Co.

Head of Internal Audit

Mr. Ahmad Khan, ACCA

Legal Advisor

Zahid Irfan

Stock Symbol

RPL

Website

www.roshanpackages.com.pk

Directors Report

The Directors of the Company present their Directors' Report along with the Un Audited Financial Statements of the Company for the period ended December, 31 2017.

FINANCIAL OVERVIEW

Financial results:

The financial performance of the Company has been summarized below:

	2017	2016
	Rupees in Million	
Turnover	2,005	2,092
Gross Profit	123.23	276.06
Finance Cost	55.9	39.2
(Loss)/Profit before Tax	(36.79)	159.7
(Loss)/Profit After Tax	(42.8)	157.7
EBITDA	149	286

The company recorded net sales of Rs. 2,005 million in period ended 31 December 2017 as compared to Rs. 2,092 million in December 2016, showing decrease in sales by 4%. In volumetric terms company able to sale 16,591 metric tons as compare to 16,295 metric tons in December 2016, showing an increase of 1.8%. However, due to range bound of sale prices despite increase in volumes, turnover shrink by Rs. 87 Million.

As disclosed in last quarter due to market forces company has faced challenges due to unprecedented decrease in sale prices which hampered the profitability margin of the company. In addition to that depreciation expense has been increased by Rs. 30 million in comparison to comparable period last year due to expansions, which further cut down the gross profitability. Finance cost increased by Rs.16.7 million due to increased working capital requirement which is financed by interest bearing facilities and markup on long term facilities are not further capitalized due to capitalization of assets.

The effect was accelerated further due to Pak rupee devaluation against major currencies like US Dollar and Euro, due to which company suffered foreign exchange loss of Rs. 42 Million, mainly on supplier credit which is on open account basis. Owing to these reasons despite putting efforts company was unfortunately suffered net loss of Rs. 42 Million.

Even in difficult conditions, operations have achieved EBITDA of Rs.149 million as compared to Rs.286 million.

Future outlook

The Company is optimistic about the future of the packaging sector in Pakistan. Increasing awareness of hygiene, urbanization, strict enforcement of regulation by food authorities, environment related legislation and expected double digit growth in FMCG sector will stimulate growth for organized sector.

However, company is currently facing challenges due to uneven demand and supply, prices of final products are in range bound. In order to cope up with these challenges company is rationalizing its portfolio by adding value added products and new segments. In addition to that, we are taking steps to enhance market share and will continue to focus on targeted growth initiatives, innovation, brand building and cost saving programs. The management is also taking steps to rationalize its policy estimates on non-cash-based expenses.

The management of the company understand that consistent and quality raw material is essential for growth and stability of margins, therefore company is focusing on its backward integration which will help the company to counter such challenges which company is currently facing right now.

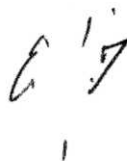
We believe that these challenges would only be spread over a short-term and company will soon come back to its track.

ACKNOWLEDGMENT

We would like to thank our valued customers for their confidence and trust in the Company's products. We are also thankful to all other stakeholders including suppliers, bankers, shareholders and employees for providing continuous support.



Chief Executive Officer



Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 دسمبر 2017ء کو ختم ہونے والے دورانیہ کے لیے ڈائریکٹرز کی رپورٹ مع ادارے کے بغیر جانچ پڑتال کے (Un-Audited) مالیاتی گوشوارے پیش کرتے ہیں۔

مجموعی جائزہ

مالیاتی نتائج:

کمپنی کی مالیاتی صورت حال کو ذیل میں مختصراً بیان کیا جاتا ہے:

2016	2017	
روپے ملین میں		
2,092	2,005	آمدنی
276.06	123.23	خالص منافع
39.2	55.9	فنانس کی لاگت
159.7	(36.79)	(نقصان) / منافع قبل از ٹیکس
157.7	(42.8)	(نقصان) / منافع بعد از ٹیکس
286	149	EBITDA

کمپنی نے 31 دسمبر 2017ء کو ختم ہونے والے دورانیہ میں 2,005 ملین روپے کی کل فروخت حاصل کی جبکہ 31 دسمبر 2016ء کی کل فروخت 2,092 ملین روپے تھی جو کہ فروخت میں 4 فیصد کمی کو ظاہر کرتی ہے۔ حجم کے لحاظ سے کمپنی نے اس سال 16,591 میٹرک ٹن کا مال فروخت کیا جو کہ گزشتہ سال 2016ء کے دوران اسی عرصہ کے لیے 16,295 میٹرک ٹن تھا جو 1.8 فیصد اضافے کو ظاہر کرتا ہے۔ تاہم مصنوعات کی قیمت فروخت کے ایک حد تک پابند رہنے کی وجہ سے مصنوعات کے حجم میں اضافے کے باوجود آمدنی میں 87 ملین روپے کی کمی واقع ہوئی۔

جیسا کہ پچھلے سال میں بتایا گیا تھا کہ کمپنی کو مارکیٹ میں مندی کی وجہ سے چیلنجوں کا سامنا ہے، مصنوعات کی قیمتوں میں بہت زیادہ کمی کمپنی کے منافع کی شرح میں رکاوٹ بنی ہوئی ہے۔ مزید برآں بی ایم آر کی وجہ سے فرسودگی کی لاگت (Depreciation Expense) پچھلے سال کے مقابلے میں اس سال 30 ملین روپے کا اضافہ ہوا ہے جس سے خالص منافع میں مزید کمی واقع ہوئی۔ فنانس کی لاگت میں 16.7 ملین روپے کا اضافہ ہوا جس کی وجہ کام کے لیے درکار سرمایہ میں اضافہ اور کمپنی کے اثاثوں کی کمپیوٹلائزیشن ہے کیونکہ مزید کوئی فنانس کاسٹ کمپیوٹلائزیشن نہیں کی گئی۔

بڑی کرنسیوں جیسا کہ ڈالر اور یورو کے مقابلے میں پاکستانی روپے کی قدر میں کمی نے ان اثرات کو مزید بڑھا دیا ہے جس کی وجہ سے کمپنی

کو غیر ملکی زرمبادلہ میں 42 ملین روپے نقصان کا سامنا ہے۔ یہ نقصان فراہم کنندگان کے کریڈٹ میں اضافہ کا باعث ہے جو کہ اوپن اکاؤنٹ کی بنیاد پر ہیں۔

تاہم آپریشنز نے 286 ملین روپے کے مقابلے میں اس سال 149 ملین روپے کا EBITDA حاصل کر لیا ہے۔

مستقبل کا نقطہ نظر

کمپنی پاکستان میں پیکنگ شعبے کے مستقبل کے بارے میں بہت پُر امید ہے۔ حفظانِ صحت کے بارے میں بڑھتی ہوئی آگاہی شہری رجحان کا عمل، فوڈ اتھارٹی کی جانب سے قانون کا سخت نفاذ، ماحولیات سے متعلق قانون سازی اور فاسٹ مووٹنگ کنزیومر گڈز (FMCG) میں تیز رفتار بڑھوتری کی وجہ سے پیکنگ کی طلب میں اضافہ ہوگا۔

تاہم کمپنی کو اس وقت چیلنجوں کا سامنا ہے جس کی وجہ طلب اور رسد کی غیر یقینی صورت حال ہے، حتمی مصنوعات کی قیمتیں ایک حد کی پابند رہیں گی۔ اس چیلنج کا سامنا کرتے ہوئے کمپنی اپنے پورٹ فولیو کو مناسب رکھنے کے لیے اس میں قدر افزوہ مصنوعات اور نئی اقسام کا اضافہ کر رہی ہے۔ اس کے ساتھ ساتھ ہم مارکیٹ میں اپنا حصہ بڑھانے کے لیے بھی اقدامات کر رہے ہیں اور ہدف بخش ترقی کے اقدامات، جدت، برانڈ کی ترویج اور لاگت بچانے والے پروگراموں پر توجہ مرکوز رکھے ہوئے ہے۔ انتظامیہ اپنی پالیسی کو معقول بنانے کے لیے اقدامات کر رہی ہے اور غیر نقدی اخراجات پر کنٹرول حاصل کرنے کے لیے پالیسی پر غور کر رہی ہے۔

کمپنی کی انتظامیہ سمجھتی ہے کہ منافع کی شرح کے استحکام اور اضافے کے لیے متواتر اور معیاری خام مال از بس ضروری ہے اس لیے کمپنی خام مال سپلائی کرنے والے اداروں پر کنٹرول حاصل کر کے اپنی کاروبار کو وسعت دینے کی کوشش کر رہی ہے جس سے کمپنی کو ان چیلنجوں سے نمٹنے میں مدد ملے گی جن کا کمپنی کو اس وقت سامنا ہے۔

ہمیں یقین ہے کہ یہ صورت حال صرف ایک مختصر عرصے کے لیے ہوگی اور کمپنی جلد ہی اپنے ٹریک پر واپس آ جائے گی۔

اظہار تشکر

ہم اپنے قابل قدر صارفین کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی مصنوعات اور خدمات پر اعتماد کا اظہار کیا۔ ہم اپنے اسٹیک ہولڈرز بشمول فراہم کنندگان، بینکرز، حصہ داران اور ملازمین کے بھی شکر گزار ہیں جنہوں نے لگاؤ اور حمایت جاری رکھی۔

17

چیرمین

Junaid

چیف ایگزیکٹو آفیسر



KPMG Taseer Hadi & Co.,
Chartered Accountants
2nd Floor,
Servis House
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Auditor's Report to the members on Review of Unconsolidated Condensed Interim Financial Information

Introduction

We have reviewed the accompanying unconsolidated condensed interim balance sheet of **Roshan Packages Limited** ("the Company") as of 31 December 2017 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim cash flow statement together with the notes forming part thereof for the six months period then ended (here-in-after referred to as "the interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information 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 interim financial information 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 interim financial information as at and for the six months period ended 31 December 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

As explained in note 2, the figures in the unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim statement of changes in equity and unconsolidated condensed interim cash flow statement together with the relevant notes to the unconsolidated condensed interim financial information for the three months and six months periods ended 31 December 2016 are neither reviewed nor audited.

The figures for the three months period ended 31 December 2017 in the unconsolidated condensed interim profit and loss account and unconsolidated condensed interim statement of comprehensive income have not been reviewed by us and we do not express a conclusion on them.

The financial Statements of the Company for the year ended 30 June 2017 were audited by another firm of auditors whose audit report, dated 18 October 2017, expressed an unqualified opinion thereon.

Lahore

Date: 26/02/2018



KPMG Taseer Hadi & Co.
Chartered Accountants
(Kamran Iqbal Yousafi)

Roshan Packages Limited
Unconsolidated Condensed Interim Balance Sheet

As at December 31, 2017

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
ASSETS	<i>Note</i>		
<u>Non-current assets</u>			
Property, plant and equipment	5	3,548,966,631	3,614,497,959
Intangibles		4,122,740	4,615,676
Investment in subsidiary		203,563,000	203,563,000
Long term deposits		17,671,658	16,759,933
		3,774,324,029	3,839,436,568
<u>Current assets</u>			
Stores and spare parts		135,293,067	108,302,192
Stock-in-trade		585,968,436	575,197,025
Trade debts - unsecured		1,122,959,149	1,191,625,522
Advances, deposits, prepayments and other receivables		732,007,593	649,675,263
Cash and bank balances		1,982,406,297	2,034,190,710
		4,558,634,542	4,558,990,712
		8,332,958,571	8,398,427,280
EQUITY AND LIABILITIES			
<u>Share capital and reserves</u>			
Authorized share capital			
150,000,000 (June 2017: 150,000,000) ordinary shares of Rs 10/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital			
108,575,000 (June 2017: 107,500,000) ordinary shares of Rs 10/- each	6	1,182,500,000	1,075,000,000
Share premium		2,231,665,370	2,339,165,370
Un-appropriated profit		675,548,125	808,472,559
		4,089,713,495	4,222,637,929
Surplus on revaluation of property, plant and equipment - net of tax		1,107,687,880	1,125,148,562
<u>Non-current liabilities</u>			
Long term finance - secured		425,312,454	506,371,642
Supplier's credit - unsecured		167,155,446	226,792,596
Liabilities against assets subject to finance lease		20,283,803	17,200,990
Deferred taxation		303,847,078	297,754,400
Deferred liabilities		70,671,537	59,776,480
		987,270,318	1,107,896,108
<u>Current liabilities</u>			
Current portion of long term liabilities		256,913,954	197,746,140
Short term borrowings - secured		944,429,225	755,639,809
Trade and other payables		928,147,914	977,407,259
Accrued finance cost		18,795,785	11,951,473
		2,148,286,878	1,942,744,681
Contingencies and commitments	7	8,332,958,571	8,398,427,280

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



Chief Financial Officer



Chief Executive



Director

Roshan Packages Limited

Unconsolidated Condensed Interim Profit and Loss Account (Un-audited)

For the six months period ended December 31, 2017

	Note	Six months period ended (Un-audited)		Three months period ended (Un-audited)	
		December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
		Rupees	Rupees	Rupees	Rupees
Sales - net	8	2,005,452,964	2,092,717,954	918,615,959	1,041,868,382
Cost of sales	9	(1,882,216,755)	(1,816,649,178)	(862,265,070)	(913,498,629)
Gross profit		123,236,209	276,068,776	56,350,889	128,369,753
Administrative expenses		(60,823,774)	(47,519,309)	(30,361,756)	(22,425,444)
Selling and distribution expenses		(54,202,139)	(41,152,440)	(21,882,044)	(21,332,718)
Other income	10	54,375,950	22,146,507	25,498,687	21,038,448
Other expenses		(43,400,150)	(10,567,102)	(43,273,076)	(5,283,551)
		(104,050,113)	(77,092,344)	(70,018,189)	(28,003,265)
Operating profit		19,186,096	198,976,432	(13,667,300)	100,366,488
Finance cost		(55,978,534)	(39,205,449)	(27,804,081)	(23,940,851)
(Loss) / profit before taxation		(36,792,438)	159,770,983	(41,471,381)	76,425,637
Taxation		(6,092,678)	(2,004,325)	(6,092,678)	(2,004,325)
(Loss) / profit for the period		(42,885,116)	157,766,658	(47,564,059)	74,421,312
Earning per share - basic & diluted (Restated)		(0.36)	1.84	(0.40)	0.87

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


Chief Financial Officer


Chief Executive


Director

Roshan Packages Limited

Unconsolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the six months period ended December 31, 2017

	Six months period ended (Un-audited)		Three months period ended (Un-audited)	
	December 31, 2017 Rupees	December 31, 2016 Rupees	December 31, 2017 Rupees	December 31, 2016 Rupees
(Loss) / profit after taxation	(42,885,116)	157,766,658	(47,564,059)	74,421,312
Other comprehensive (loss) / income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	(42,885,116)	157,766,658	(47,564,059)	74,421,312

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



Chief Financial Officer



Chief Executive



Director

Roshan Packages Limited

Unconsolidated Condensed Interim Cash Flow Statement (Un-audited)

For the six months period ended December 31, 2017

	Note	Six months period ended (Un-audited)	
		December 31,	December 31,
		2017	2016
		Rupees	Rupees
<u>Cash flows from operating activities</u>			
Cash generated from operations	11	13,087,342	67,599,704
Finance cost paid		(49,134,222)	(36,933,063)
Taxes paid		(32,726,454)	(34,005,427)
Net increase in long term deposits		(911,725)	(2,301,203)
		(82,772,401)	(73,239,693)
Net cash used in operating activities		(69,685,059)	(5,639,989)
<u>Cash flows from investing activities</u>			
Purchase of property, plant and equipment		(42,629,919)	(530,426,646)
Purchase of intangibles		-	(478,072)
Proceeds from disposal of fixed assets		765,637	-
Profit received on bank deposits		49,152,067	17,868
Net cash used in investing activities		7,287,785	(530,886,850)
<u>Cash flows from financing activities</u>			
Repayment of long term loans		(50,559,142)	-
(Decrease) / increase in supplier's credit		(32,372,446)	47,410,634
Proceeds from term finances		738,729,189	649,398,553
Proceeds from long term loan		-	195,032,916
Dividend paid		(89,315,844)	-
Repayment of term finances		(549,300,986)	(561,777,672)
Repayment of finance lease liabilities		(5,929,123)	(11,666,194)
Net cash inflow from financing activities		11,251,648	318,398,237
Net decrease in cash and cash equivalents		(51,145,626)	(218,128,602)
Cash and cash equivalents at the beginning of the period		1,753,179,680	5,997,772
Cash and cash equivalents at the end of the period		1,702,034,054	(212,130,830)

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



Chief Financial Officer



Chief Executive



Director

Roshan Packages Limited

Unconsolidated Condensed Interim Statement Of Changes In Equity (Un-audited)

For the six months period ended December 31, 2017

	Share capital	Capital reserve Share Premium	Revenue reserve Un-appropriated	Total
	----- Rupees -----			
Balance as at June 30, 2016	299,390,000	-	988,261,900	1,287,651,900
<u>Total comprehensive income for the period</u>				
Profit for the period	-	-	157,766,658	157,766,658
Other comprehensive income for the period	-	-	-	-
Total comprehensive income	-	-	157,766,658	157,766,658
<u>Transactions with owners of the Company recognized directly in equity</u>				
Issue of bonus shares	450,610,000	-	(450,610,000)	-
<u>Surplus transferred to un-appropriated profit</u>				
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	9,505,648	9,505,648
Balance as at December 31, 2016	750,000,000	-	704,924,206	1,454,924,206
Balance as at June 30, 2017	1,075,000,000	2,339,165,370	808,472,559	4,222,637,929
<u>Total comprehensive loss for the period</u>				
Loss for the period	-	-	(42,885,116)	(42,885,116)
Other comprehensive income for the period	-	-	-	-
Total comprehensive loss	-	-	(42,885,116)	(42,885,116)
<u>Transactions with owners of the Company recognized directly in equity</u>				
Dividend paid during the period	-	-	(107,500,000)	(107,500,000)
Issue of bonus shares	107,500,000	(107,500,000)	-	-
	107,500,000	(107,500,000)	(107,500,000)	(107,500,000)
<u>Surplus transferred to un-appropriated profit</u>				
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	17,460,682	17,460,682
Balance as at December 31, 2017	1,182,500,000	2,231,665,370	675,548,125	4,089,713,495

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



Chief Financial Officer



Chief Executive



Director

Roshan Packages Limited

Notes to the Unconsolidated Condensed Interim Financial Information (Un-audited)

For the six months period ended December 31, 2017

1 Reporting entity

Roshan Packages Limited (the 'Company') was incorporated in Pakistan as a private company limited by shares on August 13, 2002 under the repealed Companies Ordinance, 1984. The Company converted into a public limited company on September 23, 2016 and got listed in Pakistan Stock Exchange Limited on February 28, 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials.

The registered office of the Company is situated at 325 G-III, M.A. Johar Town, Lahore. The corrugation packaging facility is located at 7 km, Sundar Raiwind Road, Lahore and flexible packaging facility is located at Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

The Company is the parent company of Roshan Sun Tao Paper Mills (Private) Limited.

These financial statements are the separate financial statements of the Company. Consolidated financial statements are prepared separately.

2 Basis of preparation

2.1 Statement of compliance

2.1.1 This unconsolidated condensed interim financial information of the Company for the six months period ended December 31, 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34- Interim Financial Reporting and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.

On May 30, 2017 the Companies Act, 2017 ("the Act") was enacted which replaced and repealed the Companies Ordinance, 1984 ("the repealed ordinance"). However, the Securities and Exchange Commission of Pakistan (SECP) through its Circular No. 23 of 2017 dated October 04, 2017 and The Institute of Chartered Accountants of Pakistan (ICAP) through its Circular No. 17 of 2017, dated October 06, 2017 have advised that the companies whose financial year, including quarterly and other interim period, closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

2.1.2 This unconsolidated condensed interim financial information is unaudited and being submitted to the shareholders as required under Section 245 of the repealed Companies Ordinance, 1984 (section 237 of the Companies Act, 2017) and the Listing Regulations of Pakistan Stock Exchange Limited.

2.1.3 This unconsolidated condensed interim financial information comprises the unconsolidated condensed interim balance sheet of the Company as at December 31, 2017 and the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity together with the notes forming part thereof.

2.1.4 This unconsolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual unconsolidated financial statements for the year ended June 30, 2017.

2.1.5 The comparative unconsolidated balance sheet presented in this unconsolidated condensed interim financial information has been extracted from the audited unconsolidated financial statements of the Company for the year ended June 30, 2017, whereas comparative unconsolidated condensed interim profit and loss account, unconsolidated condensed interim statement of comprehensive income, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity of the Company have been extracted from the un-audited/ unreviewed unconsolidated condensed interim financial information for the period ended December 31, 2016.

2.2 Functional and presentation currency

This unconsolidated condensed interim financial information is presented in Pakistan Rupees which is also the Company's functional currency.

3 Use of judgments and estimates

The preparation of the unconsolidated condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the unconsolidated condensed interim financial information, the significant judgements made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual unconsolidated financial statements of the Company for the year ended June 30, 2017.

4 Significant accounting policies

The accounting policies adopted for the preparation of the unconsolidated condensed interim financial information are the same as those applied in the preparation of the annual unconsolidated financial statements of the Company for the year ended June 30, 2017. The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after January 01, 2018.

- Amendments to IFRS 2- Share-based Payments clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 01, 2018.
- Transfers of Investment Property (Amendments to IAS 40 'Investment Property') are effective for annual periods beginning on or after January 01, 2018.
- Annual improvements to IFRS standards 2014-2016 cycle. The new cycle of improvements addresses improvements to following approved accounting standards.
 - Amendments to IAS 28 'Investment in Associates and Joint Ventures' (effective for annual periods beginning on or after January 01, 2018).
- IFRIC 22 'Foreign Currency Transactions and Advanced Consideration' is effective for annual periods beginning on or after January 01, 2018.
- IFRS 15 'Revenue from Contract with Customers' is effective for annual periods beginning on or after July 01, 2018.
- IFRS 9 'Financial Instruments' is effective for annual periods beginning on or after July 01, 2018.
- IFRIC 23 'Uncertainty over Income Tax Treatments' is effective for annual periods beginning on or after January 01, 2019.

- Amendments to IFRS 9 - Financial Instruments clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 01, 2019.
- Annual improvements to IFRS standards 2015-2017 cycle are effective for annual periods beginning on or after January 01, 2019.

In addition, the Companies Act, 2017 applicable from January 01, 2018 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of fixed assets to bring it inline with the requirements of IAS 16 - Property, plant and equipment. This amendment will result in reclassification of surplus on revaluation of fixed assets as part of shareholders' equity.

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
5	Property, plant and equipment		
Operating fixed assets	5.1	3,406,732,908	3,452,078,571
Capital work in progress	5.2	105,358,304	127,910,922
Assets subject to finance lease		36,875,419	34,508,466
		<u>3,548,966,631</u>	<u>3,614,497,959</u>

- 5.1** This includes the cost of operating property, plant and equipment that have been added during the six months period ended December 31, 2017. There were no disposals during the period. The detail of additions is as follows:

	(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31 2016 Rupees
Plant & Machinery owned	62,045,619	215,723,345
Building on freehold land	-	-
Office equipments	2,277,449	3,438,313
Vehicles	3,276,345	4,941,494
Furniture & fixtures	288,520	96,142
Electric installations	796,000	1,664,199
	<u>68,683,933</u>	<u>225,863,493</u>

5.2 Capital work in progress

Opening capital work in progress	127,910,922	119,292,102
Additions during the period	46,131,315	741,980,924
Borrowing cost capitalized	-	10,929,647
Transfer during the period	(68,683,933)	(225,863,493)
	<u>105,358,304</u>	<u>646,339,180</u>

6 Issued, subscribed and paid up share capital

(Un-audited) December 31, 2017 (Number of shares)	(Audited) June 30, 2017		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
		<i>Note</i>		
57,336,000	57,336,000	Ordinary shares of Rs. 10 each fully paid in cash	573,360,000	573,360,000
5,103,000	5,103,000	Ordinary shares of Rs. 10 each fully paid for consideration other than cash	51,030,000	51,030,000
55,811,000	45,061,000	Issue of bonus Shares of Rs. 10 each issued as bonus shares	558,110,000	450,610,000
118,250,000	107,500,000		1,182,500,000	1,075,000,000

6.1 These right shares were issued against the fair value of land acquired measuring 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

6.2 Reconciliation of ordinary share capital during the period is as follows:

	(Un-audited) Number of shares
Issued share capital as at 30 June 2017	107,500,000
Issue of bonus shares during the period	10,750,000
Issued share capital as at 31 December 2017	118,250,000

7 Contingencies and commitments

7.1 Contingencies

There is no significant change in the status of contingencies set out in note 18 to the Company's annual unconsolidated financial statements for the year ended June 30, 2017.

	(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
7.2 Commitments		
7.2.1 Commitments in respect of capital expenditure	25,286,400	5,947,010
7.2.2 Commitment in respect of purchase of raw material	165,945,368	428,544,604

	Six months period ended (Un-audited)		Three months period ended (Un-audited)	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
	Rupees	Rupees	Rupees	Rupees
8 Sales - net				
Domestic	2,352,471,229	2,406,451,462	1,075,981,145	1,218,821,569
Exports	-	33,144,855	-	976,590
	<u>2,352,471,229</u>	<u>2,439,596,317</u>	<u>1,075,981,145</u>	<u>1,219,798,159</u>
Less:				
Sales tax	340,246,832	332,645,446	152,989,668	166,322,723
Trade discounts and commission	6,771,434	14,232,917	4,375,519	11,607,054
	<u>(347,018,266)</u>	<u>(346,878,363)</u>	<u>(157,365,187)</u>	<u>(177,929,777)</u>
	<u>2,005,452,964</u>	<u>2,092,717,954</u>	<u>918,615,959</u>	<u>1,041,868,382</u>
9 Cost of sales				
Raw materials consumed	1,472,548,282	1,527,766,211	671,664,845	761,234,821
Packing material consumed	7,208,013	6,724,159	2,625,726	2,779,734
Production supplies	31,742,338	17,709,389	12,839,027	8,649,809
Other factory overhead costs	333,174,635	283,898,930	168,998,133	144,419,935
	<u>1,844,673,268</u>	<u>1,836,098,689</u>	<u>856,127,731</u>	<u>917,084,299</u>
Opening work-in-process	42,527,088	10,285,840	18,280,466	18,554,457
Closing work-in-process	(28,683,131)	(26,994,395)	(28,683,131)	(26,994,395)
	<u>13,843,957</u>	<u>(16,708,555)</u>	<u>(10,402,665)</u>	<u>(8,439,938)</u>
Cost of goods manufactured	<u>1,858,517,225</u>	<u>1,819,390,134</u>	<u>845,725,066</u>	<u>908,644,361</u>
Opening stock of finished goods	62,299,584	22,897,521	55,140,058	30,492,745
Closing stock of finished goods	(38,600,054)	(25,638,477)	(38,600,054)	(25,638,477)
	<u>23,699,530</u>	<u>(2,740,956)</u>	<u>16,540,004</u>	<u>4,854,268</u>
	<u>1,882,216,755</u>	<u>1,816,649,178</u>	<u>862,265,070</u>	<u>913,498,629</u>
10 Other income			(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees
<u>Income from financial assets</u>				
Profit on bank deposits			53,911,400	24,218
Exchange gain			-	5,761,410
<u>Income from non-financial assets</u>				
Liabilities no longer payable written back			-	15,982,879
Miscellaneous income			464,550	378,000
			<u>54,375,950</u>	<u>22,146,507</u>

	(Un-audited) December 31, Rupees	(Un-audited) December 31, Rupees
11 Cash flows from operating activities		
(Loss) / profit before taxation	(36,792,438)	159,770,983
<i>Adjustments for:</i>		
Amortization of intangibles	492,936	465,404
Depreciation on operating fixed assets	114,029,596	83,581,006
Depreciation on assets subject to finance lease	3,781,014	3,935,463
Profit on bank deposits	(53,911,400)	(24,218)
Finance cost	55,978,534	39,205,449
Loss on disposal of operating fixed assets	432,493	-
Provision for gratuity	9,619,622	-
Provision for compensated absences	1,511,568	-
	131,934,363	127,163,104
Cash generated from operations before working capital changes	95,141,925	286,934,087
<u>Effect on cash flow due to working capital changes</u>		
Increase in stores and spares	(26,990,875)	(35,639,301)
(Increase) / decrease in stock-in-trade	(10,771,411)	74,542,009
Decrease / (increase) in trade debts	68,666,373	(164,991,116)
Increase in advances, deposits, prepayments and other receivables	(44,846,543)	(63,403,774)
Decrease in trade and other payables	(68,112,127)	(29,842,201)
	(82,054,583)	(219,334,383)
Cash generated from operations	13,087,342	67,599,704

12 Balances and transactions with related parties

The related parties include the subsidiary (Roshan Sun Tao (Private) Limited), associated undertakings (Roshan Enterprises and Urdu Digest), directors of the company and key management personnel and their associates. The Company in thenormal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this unconsolidated condensed interim financial information is as follows:

	Six months period ended (Un-audited)		Three months period ended (Un-audited)	
	December 31, 2017 Rupees	December 31, 2016 Rupees	December 31, 2017 Rupees	December 31, 2016 Rupees
<u>Subsidiary company</u>				
Expenses incurred on behalf of subsidiary company	10,767,792	6,483,833	6,187,259	3,766,858
<u>Directors and key management personnel</u>				
Dividend paid	73,286,296	-	-	-
Bonus shares issued	73,286,296	440,313,860	-	440,313,860
Remuneration	54,832,530	38,226,725	27,416,265	19,113,362

The above transactions were carried out at agreed terms and on an arm's length basis, in accordance with the Company's policy.

13 Financial instruments - Fair values and risk management

13.1 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (i.e. derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount		Fair value			
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
December 31, 2017						
Financial assets - not measured at fair value						
Long term deposits	17,671,658	-	17,671,658	-	-	-
Trade debts - unsecured	1,122,959,149	-	1,122,959,149	-	-	-
Advances, deposits and other receivables	85,682,581	-	85,682,581	-	-	-
Cash and bank balances	1,982,406,297	-	1,982,406,297	-	-	-
	3,208,719,685	-	3,208,719,685	-	-	-
Financial liabilities - not measured at fair value						
Long term finance - secured	-	555,812,500	555,812,500	-	-	-
Supplier's credit - unsecured	-	278,610,961	278,610,961	-	-	-
Liabilities against assets subject to finance lease	-	35,242,196	35,242,196	-	-	-
Short term borrowings - secured	-	944,429,225	944,429,225	-	-	-
Trade and other payables	-	928,147,914	928,147,914	-	-	-
Accrued finance cost	-	18,795,785	18,795,785	-	-	-
	-	2,761,038,581	2,761,038,581	-	-	-

June 30, 2017

Financial assets - not measured at fair value

Long term deposits	16,759,933	-	16,759,933	-	-	-	-
Trade debts - unsecured	1,191,625,522	-	1,191,625,522	-	-	-	-
Advances, deposits and other receivables	80,982,664	-	80,982,664	-	-	-	-
Cash and bank balances	2,034,190,710	-	2,034,190,710	-	-	-	-
	3,323,558,829	-	3,323,558,829	-	-	-	-

Financial liabilities - not measured at fair value

Long term finance - secured	-	606,371,642	606,371,642	-	-	-	-
Supplier's credit - unsecured	-	310,983,407	310,983,407	-	-	-	-
Liabilities against assets subject to finance lease	-	30,756,319	30,756,319	-	-	-	-
Short term borrowings - secured	-	755,639,809	755,639,809	-	-	-	-
Trade and other payables	-	977,407,259	977,407,259	-	-	-	-
Accrued finance cost	-	11,951,473	11,951,473	-	-	-	-
	-	2,693,109,909	2,693,109,909	-	-	-	-

14 Date of authorisation for issue

The unconsolidated condensed interim financial information was authorised for issue in the Board of Directors meeting held on 26/02/2018.

15 General

15.1 Figures have been rounded off to the nearest thousand rupees except as stated otherwise.

15.2 Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison. However, no significant rearrangement or reclassification has been made during the six months period ended December 31, 2017.



Chief Financial Officer



Chief Executive



Director

Directors Report

The Directors of the Company present their Directors' Report along with the Un Audited Consolidated Financial Statements of the Company for the period ended December, 31 2017.

FINANCIAL OVERVIEW

Financial results:

The financial performance of the Company has been summarized below:

	2017	2016
	Rupees in Million	
Turnover	2,005	2,092
Gross Profit	123.23	276.06
Finance Cost	55.9	39.2
Profit before Tax	(36.79)	159.7
Profit After Tax	(42.8)	157.7
EBITDA	149	286

The company recorded net sales of Rs. 2,005 million in period ended 31 December 2017 as compared to Rs. 2,092 million in December 2016, showing decrease in sales by 4%. In volumetric terms company able to sale 16,591 metric tons as compare to 16,295 metric tons in December 2016, showing an increase of 1.8%. However, due to range bound of sale prices despite increase in volumes, turnover shrink by Rs. 87 Million.

As disclosed in last quarter due to market forces company has faced challenges due to unprecedented decrease in sale prices which hampered the profitability margin of the company. In addition to that depreciation expense has been increased by Rs. 30 million in comparison to comparable period last year due to expansions, which further cut down the gross profitability. Finance cost increased by Rs.16.7 million due to increased working capital requirement which is financed by interest bearing facilities and markup on long term facilities are not further capitalized due to capitalization of assets.

The effect was accelerated further due to Pak rupee devaluation against major currencies like US Dollar and Euro, due to which company suffered foreign exchange loss of Rs. 42 Million, mainly on supplier credit which is on open account basis. Owing to these reasons despite putting efforts company was unfortunately suffered net loss of Rs. 42 Million.

Even in difficult conditions, operations have achieved EBITDA of Rs.149 million as compared to Rs.286 million.

ROSHAN SUN TAO PAPER MILLS (PRIVATE) LIMITED

The subsidiary has obtained most of the statutory approvals required for commencement of civil work and recently proposals have been invited for piling work. There was no other significant financial activity during the quarter ended December 2017. Technical consultancy for the project is progress and management of the subsidiary has been making efforts to complete the project on fast pace.

Future outlook

The management is hopeful about the future of the packaging industry in Pakistan. Increasing awareness of hygiene, urbanization, strict enforcement of regulation by food authorities and expected double digit growth in FMCG sector is expected to stimulate growth of this industry.

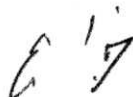
On the international front, there has been significant changes where China which recycle almost 63.63 million tons waste paper annually have put embargo on import of certain grade of waste paper and started importing finish paper which have altogether changed the outlook of paper and board industry. Owing to this fundamental change, international paper price has seen upsurge providing an opportunity to local players for exports to China.

ACKNOWLEDGMENT

We would like to thank our valued customers for their confidence and trust in the Company's products. We are also thankful to all other stakeholders including suppliers, bankers, shareholders and employees for providing continuous support.



Chief Executive Officer



Chairman

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز 31 دسمبر 2017ء کو ختم ہونے والے دورانیہ کے لیے ڈائریکٹرز کی رپورٹ مع ادارے کے بغیر جانچ پڑتال کے (Un Audited) مجموعی مالیاتی گوشوارے پیش کرتے ہیں۔

مجموعی جائزہ

مالیاتی نتائج:

کمپنی کی مالیاتی صورت حال کو ذیل میں مختصراً بیان کیا جاتا ہے:

2016	2017	
روپے ملین میں		
2,092	2,005	آمدنی
276.06	123.23	خالص منافع
39.2	55.9	فنانس کی لاگت
159.7	(36.79)	(نقصان) / منافع قبل از ٹیکس
157.7	(42.8)	(نقصان) / منافع بعد از ٹیکس
286	149	EBITDA

کمپنی نے 31 دسمبر 2017ء کو ختم ہونے والے دورانیہ میں 2,005 ملین روپے کی کل فروخت حاصل کی جبکہ 31 دسمبر 2016ء کی کل فروخت 2,092 ملین روپے تھی جو کہ فروخت میں 4 فیصد کمی کو ظاہر کرتی ہے۔ حجم کے لحاظ سے کمپنی نے اس سال 16,591 میٹرک ٹن کا مال فروخت کیا جو کہ گزشتہ سال 2016ء کے دوران اسی عرصہ کے لیے 16,295 میٹرک ٹن تھا جو 1.8 فیصد اضافے کو ظاہر کرتا ہے۔ تاہم مصنوعات کی قیمت فروخت کے ایک حد تک پابند رہنے کے باعث مصنوعات کے حجم میں اضافے کے باوجود آمدنی میں 87 ملین روپے کی کمی واقع ہوئی۔

جیسا کہ پچھلے سہ ماہی میں بتایا گیا تھا کہ کمپنی کو مارکیٹ میں مندی کی وجہ سے چیلنجوں کا سامنا ہے، مصنوعات کی قیمتوں میں بہت زیادہ کمی کمپنی کے منافع کی شرح میں رکاوٹ بنی ہوئی ہے۔ مزید برآں بی ایم آر کی وجہ سے فرسودگی کی لاگت میں (Depreciation Expense) پچھلے سال کے مقابلے میں اس سال 30 ملین روپے کا اضافہ ہوا ہے جس سے خالص منافع میں مزید کمی واقع ہوئی۔ فنانس کی لاگت میں 16.7 ملین روپے کا اضافہ ہوا جس کی وجہ کام کے لیے درکار سرمایہ میں اضافہ اور کمپنی کے اثاثوں کی کمپیٹلایزیشن ہے کیونکہ مزید کوئی سودا دانی نہیں کیا گیا۔

بڑی کرنسیوں جیسا کہ ڈالر اور یورو کے مقابلے میں پاکستانی روپے کی قدر میں کمی نے ان اثرات کو مزید بڑھا دیا ہے جس کی وجہ سے کمپنی

کو غیر ملکی زرمبادلہ میں 42 ملین روپے نقصان کا سامنا ہے۔ یہ نقصان فراہم کنندگان کے کریڈٹ میں اضافہ کا باعث ہے جو کہ اوپن اکاؤنٹ کی بنیاد پر ہیں۔ ان وجوہات کی بنا پر اپنی تمام تر کاوشوں کے باوجود کمپنی کو بد قسمتی سے 42 ملین روپے کا کل نقصان اٹھانا پڑا۔ تاہم آپریشنز نے 286 ملین روپے کے مقابلے میں اس سال 149 ملین روپے کا EBITDA حاصل کر لیا ہے۔

روشن سن تاؤ پیپر ملاز (پرائیویٹ) لمیٹڈ

اس ذیلی ادارے نے تعمیریاتی کام کے آغاز کے لیے درکار زیادہ تر قانونی منظوریاں حاصل کر لی ہیں اور حال ہی میں پائنگ کے کام کے لیے پیشکشیں طلب کی ہیں۔ دسمبر 2017ء کو ختم ہونے والی سہ ماہی کے دوران کوئی اور قابل ذکر مالیاتی سرگرمی نہیں ہوئی۔ منصوبے کی تکنیکی مشاورت کے لیے کام ہو رہا ہے اور ذیلی ادارے کی انتظامیہ منصوبے کو تیزی سے مکمل کرنے کے لیے کوششوں میں مصروف ہے۔

مستقبل کا نقطہ نظر

کمپنی پاکستان میں پیچنگ شعبے کے مستقبل کے بارے میں بہت پُر امید ہے۔ حفظانِ صحت کے بارے میں بڑھتی ہوئی آگاہی، شہری رجحان کا عمل، فوڈ اتھارٹی کی جانب سے قانون کا سخت نفاذ، ماحولیات سے متعلق قانون سازی اور فاسٹ مووٹنگ کنزیومر گڈز (FMCG) میں تیز رفتار بڑھوتری کی وجہ سے پیچنگ کی طلب میں اضافہ ہوگا۔

بین الاقوامی سطح پر بہت اہم تبدیلیاں رونما ہو رہی ہیں جہاں چائے جو کہ ہر سال تقریباً 63.63 ملین ٹن ویسٹ پیپر کوری سائیکل کرتا تھا اس نے کچھ اقسام کے ویسٹ پیپر کی درآمد پر پابندی عائد کردی اور تیار شدہ کاغذ کی درآمد کا آغاز کر دیا جس نے کاغذ اور بورڈ سازی کی صنعت کے پس منظر کو مکمل طور پر تبدیل کر دیا ہے۔ اس بنیادی تبدیلی کی وجہ سے بین الاقوامی کاغذ کی قیمتوں میں غیر معمولی اضافے کے ساتھ ساتھ کاغذ سازی کی مقامی صنعت سے وابستہ لوگوں کے لیے چین کا کاغذ درآمد کرنے کا موقع پیدا ہوا ہے۔

اظہار تشکر

ہم اپنے قابل قدر صارفین کا شکریہ ادا کرنا چاہتے ہیں جنہوں نے کمپنی کی مصنوعات اور خدمات پر اعتماد کا اظہار کیا۔ ہم اپنے اسٹیک ہولڈرز، شمول فراہم کنندگان، بینکرز، حصہ داران اور ملازمین کے بھی شکر گزار ہیں جنہوں نے لگاتار حمایت جاری رکھی۔

17

چیرمین

Jonah

چیف ایگزیکٹو آفیسر

Roshan Packages Limited
Consolidated Condensed Interim Balance Sheet

As at December 31, 2017

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
ASSETS	<i>Note</i>		
<u>Non-current assets</u>			
Property, plant and equipment	5	3,960,311,837	4,016,282,793
Intangibles		4,122,740	4,615,676
Long term deposits		17,671,658	16,759,933
		3,982,106,235	4,037,658,402
<u>Current assets</u>			
Stores and spare parts		135,293,067	108,302,192
Stock-in-trade		585,968,436	575,197,025
Trade debts - unsecured		1,122,959,149	1,191,625,522
Advances, deposits, prepayments and other receivables		704,135,977	632,463,724
Cash and bank balances		1,982,662,162	2,034,351,096
		4,531,018,791	4,541,939,559
		8,513,125,026	8,579,597,961
EQUITY AND LIABILITIES			
<u>Share capital and reserves</u>			
Authorized share capital			
150,000,000 (June 2017: 150,000,000) ordinary shares of Rs 10/- each		1,500,000,000	1,500,000,000
Issued, subscribed and paid-up capital			
108,575,000 (June 2017: 107,500,000) ordinary shares of Rs 10/- each	6	1,182,500,000	1,075,000,000
Share premium		2,231,665,370	2,339,165,370
Un-appropriated profit		675,139,727	808,065,553
Attributable to owners of the parent company		4,089,305,097	4,222,230,923
Non-controlling interest		168,253,743	168,254,671
		4,257,558,840	4,390,485,594
Surplus on revaluation of property, plant and equipment - net of tax		1,107,687,880	1,125,148,562
<u>Non-current liabilities</u>			
Long term finance - secured		425,312,454	506,371,642
Supplier's credit - unsecured		167,155,446	226,792,596
Liabilities against assets subject to finance lease		20,283,803	17,200,990
Deferred taxation		303,847,078	297,754,400
Deferred liabilities		70,671,537	59,776,480
		987,270,318	1,107,896,108
<u>Current liabilities</u>			
Current portion of long term liabilities		256,913,954	197,746,140
Short term borrowings - secured		944,429,225	755,639,809
Trade and other payables		940,469,024	990,730,275
Accrued finance cost		18,795,785	11,951,473
		2,160,607,988	1,956,067,697
Contingencies and commitments	7	8,513,125,026	8,579,597,961

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


Chief Financial Officer


Chief Executive


Director

Roshan Packages Limited

Consolidated Condensed Interim Profit and Loss Account (Un-audited)

For the six months period ended December 31, 2017

	Note	Six months period ended		Three months period ended	
		(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees	(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees
Sales - net	8	2,005,452,964	2,092,717,954	918,615,959	1,041,868,382
Cost of sales	9	<u>(1,882,216,755)</u>	<u>(1,816,649,178)</u>	<u>(862,265,070)</u>	<u>(913,498,629)</u>
Gross profit		123,236,209	276,068,776	56,350,889	128,369,753
Administrative expenses	10	<u>(60,823,774)</u>	<u>(47,769,309)</u>	<u>(30,361,756)</u>	<u>(22,425,444)</u>
Selling and distribution expenses		<u>(54,202,139)</u>	<u>(41,152,440)</u>	<u>(21,882,044)</u>	<u>(21,332,718)</u>
Other income		<u>54,375,950</u>	<u>22,146,507</u>	<u>25,498,687</u>	<u>21,038,448</u>
Other expenses		<u>(43,400,150)</u>	<u>(10,567,102)</u>	<u>(43,273,076)</u>	<u>(5,283,551)</u>
		<u>(104,050,113)</u>	<u>(77,342,344)</u>	<u>(70,018,189)</u>	<u>(28,003,265)</u>
Operating profit		19,186,096	198,726,432	(13,667,300)	100,366,488
Finance cost		<u>(55,980,854)</u>	<u>(39,205,449)</u>	<u>(27,806,400)</u>	<u>(23,940,851)</u>
(Loss) / profit before taxation		(36,794,758)	159,520,983	(41,473,700)	76,425,637
Taxation		<u>(6,092,678)</u>	<u>(2,004,325)</u>	<u>(6,092,678)</u>	<u>(2,004,325)</u>
(Loss) / profit for the period		<u>(42,887,436)</u>	<u>157,516,658</u>	<u>(47,566,378)</u>	<u>74,421,312</u>
(Loss) / profit attributable to					
Owners of the parent company		<u>(42,886,508)</u>	<u>157,616,658</u>	<u>(47,565,450)</u>	<u>74,421,312</u>
Non-controlling interest		<u>(928)</u>	<u>(100,000)</u>	<u>(928)</u>	<u>-</u>
		<u>(42,887,436)</u>	<u>157,516,658</u>	<u>(47,566,378)</u>	<u>74,421,312</u>
Earning per share - basic & diluted (Restated)		<u>(0.36)</u>	<u>1.84</u>	<u>(0.40)</u>	<u>0.87</u>

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


Chief Financial Officer


Chief Executive


Director

Roshan Packages Limited

Consolidated Condensed Interim Statement of Comprehensive Income (Un-audited)

For the six months period ended December 31, 2017

	<u>Six months period ended</u>		<u>Three months period ended</u>	
	<u>(Un-audited)</u>	<u>(Un-audited)</u>	<u>(Un-audited)</u>	<u>(Un-audited)</u>
	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>	<u>December 31,</u>
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>	<u>Rupees</u>
(Loss) / profit after taxation	(42,887,436)	157,516,658	(47,566,378)	74,421,312
Other comprehensive (loss) / income for the period	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(42,887,436)</u>	<u>157,516,658</u>	<u>(47,566,378)</u>	<u>74,421,312</u>
Attributable to:				
Owners of the parent company	(42,886,508)	157,616,658	(47,565,450)	74,421,312
Non-controlling interest	(928)	(100,000)	(928)	-
	<u>(42,887,436)</u>	<u>157,516,658</u>	<u>(47,566,378)</u>	<u>74,421,312</u>

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


Chief Financial Officer


Chief Executive


Director

Roshan Packages Limited

Consolidated Condensed Interim Cash Flow Statement (Un-audited)

For the six months period ended December 31, 2017

		Six months period ended	
		(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees
<u>Cash flows from operating activities</u>			
Cash generated from operations	11	22,853,228	64,197,913
Finance cost paid		(49,136,542)	(36,933,063)
Taxes paid		(32,834,169)	(34,005,427)
Net increase in long term deposits		(911,725)	(2,301,203)
		(82,882,436)	(73,239,693)
Net cash used in operating activities		(60,029,208)	(9,041,780)
<u>Cash flows from investing activities</u>			
Purchase of property, plant and equipment		(52,190,291)	(693,717,828)
Purchase of intangibles		-	(478,072)
Proceeds from disposal of fixed assets		765,637	-
Profit received on bank deposits		49,152,067	17,868
Net cash used in investing activities		(2,272,587)	(694,178,032)
<u>Cash flows from financing activities</u>			
Repayment of long term loans		(50,559,142)	-
(Decrease) / increase in supplier's credit		(32,372,446)	47,410,634
Proceeds from term finances		738,729,189	649,398,553
Proceeds from long term loan		-	195,032,916
Proceeds from non-controlling interest		-	32,432,959
Dividend paid		(89,315,844)	-
Repayment of term finances		(549,300,986)	(561,777,672)
Repayment of finance lease liabilities		(5,929,123)	(11,666,194)
Net cash inflow from financing activities		11,251,648	350,831,196
Net decrease in cash and cash equivalents		(51,050,147)	(352,388,616)
Cash and cash equivalents at the beginning of the period		1,753,340,066	146,440,016
Cash and cash equivalents at the end of the period		1,702,289,919	(205,948,600)

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


Chief Financial Officer


Chief Executive


Director

Roshan Packages Limited

Consolidated Condensed Interim Statement Of Changes In Equity (Un-audited)

For the six months period ended December 31, 2017

	Share capital	Capital reserve Share Premium	Revenue reserve Un-appropriated	Sub total	Non-controlling	Total
	----- Rupees -----					
Balance as at June 30, 2016	299,390,000	-	988,073,315	1,287,463,315	135,967,323	1,423,430,638
<u>Total comprehensive income for the period</u>						
Profit for the period	-	-	157,616,658	157,616,658	(100,000)	157,516,658
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income	-	-	157,616,658	157,616,658	(100,000)	157,516,658
<u>Transactions with owners of the Company recognized directly in equity</u>						
Issue of bonus shares	450,610,000	-	(450,610,000)	-	-	-
Share deposit money received during the period	-	-	-	-	32,432,959	32,432,959
	450,610,000	-	(450,610,000)	-	32,432,959	32,432,959
<u>Surplus transferred to un-appropriated profit</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	9,505,648	9,505,648	-	9,505,648
Balance as at December 31, 2016	750,000,000	-	704,585,621	1,454,585,621	168,300,282	1,622,885,903
Balance as at June 30, 2017	1,075,000,000	2,339,165,370	808,065,553	4,222,230,923	168,254,671	4,390,485,594
<u>Total comprehensive loss for the period</u>						
Loss for the period	-	-	(42,886,508)	(42,886,508)	(928)	(42,887,436)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive loss	-	-	(42,886,508)	(42,886,508)	(928)	(42,887,436)
<u>Transactions with owners of the Company recognized directly in equity</u>						
Dividend paid during the period	-	-	(107,500,000)	(107,500,000)	-	(107,500,000)
Issue of bonus shares	107,500,000	(107,500,000)	-	-	-	-
	107,500,000	(107,500,000)	(107,500,000)	(107,500,000)	-	(107,500,000)
<u>Surplus transferred to un-appropriated profit</u>						
Incremental depreciation relating to surplus on revaluation - net of tax	-	-	17,460,682	17,460,682	-	17,460,682
Balance as at December 31, 2017	1,182,500,000	2,231,665,370	675,139,727	4,089,305,097	168,253,743	4,257,558,840

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


Chief Financial Officer


Chief Executive


Director

Roshan Packages Limited

Notes to the Consolidated Condensed Interim Financial Information (Un-audited)

For the six months period ended December 31, 2017

1 Reporting entity

The Group consists of Roshan Packages Limited and Roshan Sun Tao Paper Mills (Private) Limited, together "the Group".

Roshan Packages Limited (the 'parent company' and hereinafter also referred to as the 'packaging materials segment') was incorporated in Pakistan as a private company limited by shares on August 13, 2002. It converted into a public limited company on September 23, 2016 and got listed on Pakistan Stock Exchange Limited on February 24, 2017. It is principally engaged in the manufacture and sale of corrugation and flexible packaging materials. The registered office of the company is situated at 325 G-III, M.A. Johar Town, Lahore. The corrugation packaging facility is located at 7 km, Sundar Raiwind Road, Lahore, and flexible packaging facility is located at Plot No. 141, 142 and 142-B, Sundar Industrial Estate, Raiwind, Lahore.

Roshan Sun Tao Paper Mills (Private) Limited (the 'subsidiary' and hereinafter also referred to as the 'corrugated papers segment') was incorporated in Pakistan as a private company limited by shares on January 08, 2016, and is a joint venture with Shandong Yongtai Paper Mill Company Limited, China. The principal activity of the subsidiary will be manufacturing, supplying and dealing in corrugated papers. The parent company holds 60% of voting securities in the subsidiary. The registered office of the subsidiary is situated at 325 G-III, M.A. Johar Town, Lahore. The country of incorporation is also its principal place of business and subsidiary's financial year end is June 30. As of the reporting date, the subsidiary is in its set up phase and has not yet commenced its commercial operations.

2 Basis of preparation

2.1 Statement of compliance

2.1.1 This consolidated condensed interim financial information of the Company for the six months period ended December 31, 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34- Interim Financial Reporting and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the repealed Companies Ordinance, 1984 have been followed.

On May 30, 2017 the Companies Act, 2017 ("the Act") was enacted which replaced and repealed the Companies Ordinance, 1984 ("the repealed ordinance"). However, the Securities and Exchange Commission of Pakistan (SECP) through its Circular No. 23 of 2017 dated October 04, 2017 and The Institute of Chartered Accountants of Pakistan (ICAP) through its Circular No. 17 of 2017, dated October 06, 2017 have advised that the companies whose financial year, including quarterly and other interim period, closes on or before December 31, 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984.

2.1.2 This consolidated condensed interim financial information is un-audited and being submitted to the share holders as required under Section 245 of the repealed Companies Ordinance, 1984 (section 237 of the Companies Act, 2017) and the Listing Regulations of Pakistan Stock Exchange Limited.

2.1.3 This consolidated condensed interim financial information comprises the consolidated condensed interim balance sheet of the Company as at December 31, 2017 and the related consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity together with the notes forming part thereof.

2.1.4 This consolidated condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended June 30, 2017.

2.1.5 The comparative consolidated balance sheet presented in this consolidated condensed interim financial information has been extracted from the audited consolidated financial statements of the Company for the year ended June 30, 2017, whereas comparative consolidated condensed interim profit and loss account, consolidated condensed interim statement of comprehensive income, consolidated condensed interim cash flow statement and consolidated condensed interim statement of changes in equity of the Company have been extracted from the un-audited / un-reviewed consolidated condensed interim financial information for the period ended December 31, 2016.

2.2 Functional and presentation currency

This consolidated condensed interim financial information is presented in Pakistan Rupees which is also the Company's functional currency.

3 Use of judgments and estimates

The preparation of the consolidated condensed interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing the consolidated condensed interim financial information, the significant judgements made by the management in applying accounting policies and the key sources of estimates were the same as those applied to the annual consolidated financial statements of the Company for the year ended June 30, 2017.

4 Significant accounting policies

The accounting policies adopted for the preparation of the consolidated condensed interim financial information are the same as those applied in the preparation of the annual consolidated financial statements of the Company for the year ended June 30, 2017. The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after January 01, 2018.

- Amendments to IFRS 2 - Share-based Payments clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 01, 2018.
- Transfers of Investment Property (Amendments to IAS 40 'Investment Property') are effective for annual periods beginning on or after January 01, 2018.
- Annual improvements to IFRS standards 2014-2016 cycle. The new cycle of improvements addresses improvements to following approved accounting standards.
- Amendments to IAS 28 'Investment in Associates and Joint Ventures' (effective for annual periods beginning on or after January 01, 2018).
- IFRIC 22 'Foreign Currency Transactions and Advanced Consideration' is effective for annual periods beginning on or after January 01, 2018.
- IFRS 15 'Revenue from Contract with Customers' is effective for annual periods beginning on or after July 01, 2018.
- IFRS 9 'Financial Instruments' is effective for annual periods beginning on or after July 01, 2018.

- IFRIC 23 'Uncertainty over Income Tax Treatments' is effective for annual periods beginning on or after January 01, 2019.
- Amendments to IFRS 9- Financial Instruments clarify the accounting for certain types of arrangements and are effective for annual periods beginning on or after January 01, 2019.
- Annual improvements to IFRS standards 2015-2017 cycle are effective for annual periods beginning on or after January 01, 2019.

In addition, the Companies Act, 2017 applicable from January 01, 2018 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of fixed assets to bring it in line with the requirements of IAS 16 - Property, plant and equipment. This amendment will result in reclassification of surplus on revaluation of fixed assets as part of shareholders' equity.

		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
	<i>Note</i>		
5 Property, plant and equipment			
Operating fixed assets	5.1	3,406,732,908	3,452,078,571
Capital work in progress	5.2	516,703,510	529,695,756
Assets subject to finance lease		36,875,419	34,508,466
		<u>3,960,311,837</u>	<u>4,016,282,793</u>

- 5.1** This includes the cost of operating property, plant and equipment that have been added during the six months period ended December 31, 2017. There were no disposals during the period. The detail of additions is as follows:

	(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31 2016 Rupees
Plant & Machinery owned	62,045,619	215,723,345
Building on freehold land	-	-
Office equipments	2,277,449	3,438,313
Vehicles	3,276,345	4,941,494
Furniture & fixtures	288,520	96,142
Electric installations	796,000	1,664,199
	<u>68,683,933</u>	<u>225,863,493</u>

5.2 Capital work in progress

Opening capital work in progress	529,695,756	443,680,266
Additions during the period	55,691,687	763,570,106
Borrowing cost capitalized	-	10,929,647
Transfer during the period	(68,683,933)	(225,863,493)
	<u>516,703,510</u>	<u>992,316,526</u>

6 Issued, subscribed and paid up share capital

(Un-audited) December 31, 2017 (Number of shares)	(Audited) June 30, 2017		(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
		<i>Note</i>		
57,336,000	57,336,000	Ordinary shares of Rs. 10 each fully paid in cash	573,360,000	573,360,000
5,103,000	5,103,000	Ordinary shares of Rs. 10 each fully paid for consideration other than cash	51,030,000	51,030,000
55,811,000	45,061,000	Issue of bonus Shares of Rs. 10 each issued as bonus shares	558,110,000	450,610,000
118,250,000	107,500,000		1,182,500,000	1,075,000,000

6.1 These right shares were issued against the fair value of land acquired measuring 48 kanals and 12 marlas and is situated opposite to Sundar Industrial Estate, Bhai Kot, Raiwind, Lahore.

6.2 Reconciliation of ordinary share capital during the period is as follows:

	(Un-audited) Number of shares
Issued share capital as at 30 June 2017	107,500,000
Issue of bonus shares during the period	10,750,000
Issued share capital as at 31 December 2017	118,250,000

7 Contingencies and commitments

7.1 Contingencies

There is no significant change in the status of contingencies set out in note 18 to the Company's annual consolidated financial statements for the year ended June 30, 2017.

	(Un-audited) December 31, 2017 Rupees	(Audited) June 30, 2017 Rupees
7.2 Commitments		
7.2.1 Commitments in respect of capital expenditure	25,286,400	5,947,010
7.2.2 Commitment in respect of purchase of raw material	165,945,368	428,544,604

	Six months period ended		Three months period ended	
	(Un-audited)	(Un-audited)	(Un-audited)	(Un-audited)
	December 31,	December 31,	December 31,	December 31,
	2017	2016	2017	2016
	Rupees	Rupees	Rupees	Rupees
8 Sales - net				
Domestic	2,352,471,229	2,406,451,462	1,075,981,145	1,218,821,569
Exports	-	33,144,855	-	976,590
	2,352,471,229	2,439,596,317	1,075,981,145	1,219,798,159
Less:				
Sales tax	340,246,832	332,645,446	152,989,668	166,322,723
Trade discounts and commission	6,771,434	14,232,917	4,375,519	11,607,054
	(347,018,266)	(346,878,363)	(157,365,187)	(177,929,777)
	2,005,452,964	2,092,717,954	918,615,959	1,041,868,382
9 Cost of sales				
Raw materials consumed	1,472,548,282	1,527,766,211	671,664,845	761,234,821
Packing material consumed	7,208,013	6,724,159	2,625,726	2,779,734
Production supplies	31,742,338	17,709,389	12,839,027	8,649,809
Other factory overhead costs	333,174,635	283,898,930	168,998,133	144,419,935
	1,844,673,268	1,836,098,689	856,127,731	917,084,299
Opening work-in-process	42,527,088	10,285,840	18,280,466	18,554,457
Closing work-in-process	(28,683,131)	(26,994,395)	(28,683,131)	(26,994,395)
	13,843,957	(16,708,555)	(10,402,665)	(8,439,938)
Cost of goods manufactured	1,858,517,225	1,819,390,134	845,725,066	908,644,361
Opening stock of finished goods	62,299,584	22,897,521	55,140,058	30,492,745
Closing stock of finished goods	(38,600,054)	(25,638,477)	(38,600,054)	(25,638,477)
	23,699,530	(2,740,956)	16,540,004	4,854,268
	1,882,216,755	1,816,649,178	862,265,070	913,498,629
10 Other income			(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees
<u>Income from financial assets</u>				
Profit on bank deposits			53,911,400	24,218
Exchange gain			-	5,761,410
<u>Income from non-financial assets</u>				
Liabilities no longer payable written back			-	15,982,879
Miscellaneous income			464,550	378,000
			54,375,950	22,146,507

	(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees
11 Cash flows from operating activities		
(Loss) / profit before taxation	(36,794,758)	159,520,983
<i>Adjustments for:</i>		
Amortization of intangibles	492,936	465,404
Depreciation on operating fixed assets	114,029,596	83,581,006
Depreciation on assets subject to finance lease	3,781,014	3,935,463
Profit on bank deposits	(53,911,400)	(24,218)
Finance cost	55,980,854	39,205,449
Loss on disposal of operating fixed assets	432,493	-
Provision for gratuity	9,619,622	-
Provision for compensated absences	1,511,568	-
	131,936,683	127,163,104
Cash generated from operations before working capital changes	95,141,925	286,684,087

Effect on cash flow due to working capital changes

Increase in stores and spares	(26,990,875)	(35,639,301)
(Increase) / decrease in stock-in-trade	(10,771,411)	74,542,009
Decrease / (increase) in trade debts	68,666,373	(160,512,193)
Increase in advances, deposits, prepayments and other receivables	(34,078,751)	(69,724,619)
Decrease in trade and other payables	(69,114,033)	(31,152,070)
	(72,288,697)	(222,486,174)
Cash generated from operations	22,853,228	64,197,913

12 Balances and transactions with related parties

The related parties include the subsidiary (Roshan SunTao (Private) Limited), associated undertakings (Roshan Enterprises and Urdu Digest), directors of the company and key management personnel and their associates. The Company in the normal course of business carries out transactions with various related parties. Details of transactions with related parties, other than those which have been specifically disclosed elsewhere in this consolidated condensed interim financial information is as follows:

	Six months period ended		Three months period ended	
	(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees	(Un-audited) December 31, 2017 Rupees	(Un-audited) December 31, 2016 Rupees
<u>Subsidiary company</u>				
Expenses incurred on behalf of subsidiary company	10,767,792	6,483,833	6,187,259	3,766,858
<u>Directors and key management personnel</u>				
Dividend paid	73,286,296	-	-	-
Bonus shares issued	73,286,296	440,313,860	-	440,313,860
Remuneration	54,832,530	38,226,725	27,416,265	19,113,362

The above transactions were carried out at agreed terms and on an arm's length basis, in accordance with the Company's policy.

13 Financial instruments - Fair values and risk management

13.1 Fair value measurement of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Underlying the definition of fair value is the presumption that the company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the company to classify fair value measurements and fair value hierarchy that reflects the significance of the inputs used in making the measurements of fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset either directly (i.e. derived from prices) (Level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unadjusted) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognised at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount		Fair value			
	Loans and receivables	Other financial liabilities	Total	Level 1	Level 2	Level 3
December 31, 2017						
Financial assets - not measured at fair value						
Long term deposits	17,671,658	-	17,671,658	-	-	-
Trade debts - unsecured	1,122,959,149	-	1,122,959,149	-	-	-
Advances, deposits and other receivables	32,894,095	-	32,894,095	-	-	-
Cash and bank balances	1,982,662,162	-	1,982,662,162	-	-	-
	3,156,187,064	-	3,156,187,064	-	-	-
Financial liabilities - not measured at fair value						
Long term finance - secured	-	555,812,500	555,812,500	-	-	-
Supplier's credit - unsecured	-	278,610,961	278,610,961	-	-	-
Liabilities against assets subject to finance lease	-	35,242,196	35,242,196	-	-	-
Short term borrowings - secured	-	944,429,225	944,429,225	-	-	-
Trade and other payables	-	940,469,024	940,469,024	-	-	-
Accrued finance cost	-	18,795,785	18,795,785	-	-	-

[illegible]

14 Date of authorisation for issue

The consolidated condensed interim financial information was authorised for issue in the Board of Directors meeting held on 26/02/2018.

15 General

- 15.1** Figures have been rounded off to the nearest thousand rupees except as stated otherwise.
- 15.2** Corresponding figures have been rearranged or reclassified wherever necessary for the purpose of comparison. However, no significant rearrangement or reclassification has been made during the six months period ended December 31, 2017.


Chief Financial Officer


Chief Executive


Director