

MERIT PACKAGING LIMITED



**First Quarter Report
September 2016**



A Lakson Group Company

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Corporate Information

Board of Directors

Iqbal Ali Lakhani	Chairman
Zulfiqar Ali Lakhani	
Amin Mohammed Lakhani	
Tasleemuddin Ahmed Batlay	
Shahid Ahmed Khan	Chief Executive Officer
Shaikh Muhammad Barinuddin	Independent Director
Sheikh Asim Rafiq	Nominee Director (NIT)
Farrukh Shauket Ansari	Nominee Director (NIT)

Advisor

Sultan Ali Lakhani

Audit Committee

Shaikh Muhammad Barinuddin	Chairman
Zulfiqar Ali Lakhani	
Tasleemuddin Ahmed Batlay	

Human Resource and Remuneration Committee

Iqbal Ali Lakhani	Chairman
Tasleemuddin Ahmed Batlay	
Shahid Ahmed Khan	

Company Secretary

Mansoor Ahmed

Auditors

BDO Ebrahim & Co., Chartered Accountants

Bankers

Islamic banks

Al-Baraka Bank (Pakistan) Limited
BankIslami Pakistan Limited
Dubai Islamic Bank Pakistan Limited
Meezan Bank Limited

Conventional banks

Askari Bank Limited
Habib Bank Limited
JS Bank Limited
National Bank of Pakistan
Soneri Bank Limited

Shares Registrar

FAMCO Associates (Pvt) Ltd
8-F, Next to Hotel Faran, Nursery Block-6,
P.E.C.H.S., Shakra-e-Faisal, Karachi.

Registered Office

Lakson Square, Building No. 2, Sarwar Shaheed Road,
Karachi.

Karachi Factory

17-B, Sector 29, Korangi Industrial Township,
Karachi.

Lahore Factory

224/B, Sunder Industrial Estate, Sunder
Raiwind Road, Lahore.

Website

www.meritpack.com

Directors' Review

The Directors of your Company are pleased to present the performance review of the Company together with the condensed interim financial statements for the first quarter ended September 30, 2016.

OPERATING RESULTS

Following are the comparative financial results for the first quarter ended September 30, 2016 and the same period last year respectively:

	Quarter ended	
	September 30, 2016	September 30, 2015
	Rs. in thousands	
Net sales	404,462	427,721
Gross profit	37,403	26,236
Operating profit	20,635	19,583
Profit before tax	649	507

The sales turnover during the quarter amounted to Rs. 404 million, as compared to Rs. 427 million for the same period last year, showing a decrease of Rs. 23 million. Pre-tax profit for the period under review is Rs 0.6 million as compared to Rs 0.5 million recorded for the same period last year.

The Company's performance indicates improvement and recovery from the adverse effects resulting from suspension of in-house production process post-fire in gravure section. Adequate measures have been taken to utilize recently enhanced capacity, ensure proper maintenance of all machines, timely deliver quality products and exploit our capability for continued improvement. These steps with the help of the significant investment both in Gravure and offset will open new avenues of business. This investment will also enhance cost effectiveness, and ensure uninterrupted customer satisfaction besides focusing more on value added products.

The prospects look better however, overhauling of machines in the offset production facility at Karachi will cause minor hindrance in generating desired throughput. This matter is expected to be resolved shortly.

We look forward with confidence that increased sales, CAPEX and operational efficiencies with customers' satisfaction in terms of product quality and services will help in releasing pressure on the bottom line in next quarters.

On behalf of the Board of Directors



IQBAL ALI LAKHANI
Chairman

Karachi: October 27, 2016

ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز کی طرف سے 30 ستمبر 2016ء کو ختم ہونے والی پہلی سہ ماہی کے لیے کارکردگی کا جائزہ مع مختصر عبوری مالیاتی گوشوارے پیش کرنا ہمارے لیے باعث مسرت ہے۔

آپریٹنگ نتائج

30 ستمبر 2016ء کو ختم ہونے والی پہلی سہ ماہی اور گزشتہ سال اسی مدت کے لیے مسابقتی مالیاتی نتائج درج ذیل ہیں:

مختتمہ سہ ماہی

30 ستمبر 2015	30 ستمبر 2016	
(ہزار روپے)	(ہزار روپے)	
427,721	404,462	خالص فروخت
26,236	37,403	مجموعی منافع
19,583	20,635	آپریٹنگ منافع
507	649	قبل از ٹیکس منافع


زیر جائزہ سہ ماہی کے دوران خالص فروخت گزشتہ سال اسی مدت کے لیے 427 ملین روپے کے مقابلے میں 404 ملین روپے رہا جو 23 ملین روپے کی کمی دکھاتا ہے۔ قبل از ٹیکس منافع گزشتہ سال اسی مدت میں ریکارڈ کیے گئے 0.5 ملین روپے کے مقابلے میں 0.6 ملین روپے ہے۔

کمپنی کے گریویر (Gravure) سیکشن میں آتشزدگی کے واقعے کے بعد ان ہاؤس پروڈکشن کے عمل کی معطلی کے منفی اثرات سے سنبھلنے اور کمپنی کی کارکردگی میں بہتری کی نشاندہی کرتی ہے۔ حالیہ اضافہ شدہ گنجائش سے فائدہ اٹھانے، تمام مشینوں کی درست میٹیننس کو یقینی بنانے، کوٹنگ پروڈکٹ کی بروقت ڈیلیوری اور مسلسل ترقی کے لیے ہماری اہلیت سے استفادے کے لیے مناسب اقدامات کر لیے گئے ہیں۔ گریویر (Gravure) اور آفسیٹ دونوں میں خاطر خواہ سرمایہ کاری کی مدد سے یہ اقدامات کاروبار کی نئی راہیں کھولیں گے۔ یہ سرمایہ کاری لاگوں میں کفایت بھی بڑھائے گی اور اضافی قدر والی مصنوعات پر مزید توجہ کے ساتھ ساتھ صارف کا بلا تعلق اطمینان بھی یقینی بنائے گی۔

کمپنی کا مستقبل بہتر نظر آتا ہے، تاہم کراچی فیکٹری میں آفسیٹ پروڈکشن فیسلیٹی میں مشینوں کی اور ہانگ مطلوبہ پیداوار کے حصول میں معمولی رکاوٹ پیدا کرے گی۔ توقع ہے کہ اس مسئلے کو جلد حل کر لیا جائے گا۔

ہم پُر امید ہیں کہ بڑھتی ہوئی فروخت، مشینوں میں اضافہ، بہتر کارکردگی اور صارفین کا مصنوعات اور خدمات پر اطمینان ہمارے منافع پر دباؤ میں کمی لائیگا۔

بورڈ آف ڈائریکٹرز کی جانب سے



اقبال علی لاکھانی
چیئرمین

کراچی: 27 اکتوبر، 2016

Condensed Interim Balance Sheet

As at September 30, 2016 (Un-audited)

	Note	September 30, 2016 (Un-audited) Rs. in 000's	June 30, 2016 (Audited) Rs. in 000's
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	920,173	928,705
Capital work-in-progress	7	659,260	539,288
		1,579,433	1,467,993
Intangible assets		77	87
Long-term loans and advances		624	676
Long-term deposits		6,370	6,370
		1,586,504	1,475,126
CURRENT ASSETS			
Stores and spare		98,411	81,851
Stock-in-trade		307,031	297,712
Trade debts (Unsecured - considered good)		316,397	296,304
Loans and advances		12,368	7,516
Trade deposits and short-term prepayments		18,433	13,415
Other receivables		2,273	22,134
Tax refund due from Government		179,243	180,485
Taxation - net		52,258	33,322
Cash and bank balances		8,205	1,436
		994,619	934,175
TOTAL ASSETS		2,581,123	2,409,301
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised share capital 70,000,000 (June 30, 2016: 70,000,000) ordinary shares of Rs.10/- each		700,000	700,000
Issued, subscribed and paid-up capital 40,314,199 (June 30, 2016: 40,314,199) ordinary shares of Rs.10/- each		403,142	403,142
Accumulated losses		(36,127)	(36,998)
		367,015	366,144
SURPLUS ON REVALUATION OF FIXED ASSETS		214,895	215,117
NON-CURRENT LIABILITIES			
Sub-ordinated loan		100,000	100,000
Long-term financing	8	706,177	668,491
Long-term deposits		141	141
		806,318	768,632
CURRENT LIABILITIES			
Trade and other payables		184,909	177,721
Mark-up accrued		26,231	12,122
Short-term borrowings	9	923,822	822,459
Current portion of long-term financing		57,933	47,106
		1,192,895	1,059,408
CONTINGENCIES AND COMMITMENTS	10		
TOTAL EQUITY AND LIABILITIES		2,581,123	2,409,301

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.


IQBAL ALI LAKHANI
Chairman


SHAHID AHMED KHAN
Chief Executive Officer

Condensed Interim Profit and Loss Account

For the period ended September 30, 2016 (Un-audited)

	Note	Quarter ended	
		September 30, 2016	September 30, 2015
		Rs. in 000's	Rs. in 000's
Sales - net	11	404,462	427,721
Cost of sales	12	(367,059)	(401,485)
Gross profit		37,403	26,236
General and administrative expenses		(9,448)	(7,954)
Selling and distribution expenses		(7,165)	(9,063)
Other income		669	10,758
Other operating expenses		(824)	(394)
		(16,768)	(6,653)
Operating profit		20,635	19,583
Financial charges		(19,986)	(19,076)
Profit before taxation		649	507
Taxation		-	-
Profit after taxation		649	507
Earnings per share - basic and diluted (Rupees)	13	Rs.0.02	Rs.0.01

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.


IQBAL ALI LAKHANI
Chairman


SHAHID AHMED KHAN
Chief Executive Officer

Condensed Interim Statement of Comprehensive Income

For the period ended September 30, 2016 (Un-audited)

	Quarter ended	
	September 30, 2016	September 30, 2015
	Rs. in 000's	Rs. in 000's
Profit for the period	649	507
Other comprehensive income	-	-
Total comprehensive income for the period	649	507

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.



IQBAL ALI LAKHANI
Chairman



SHAHID AHMED KHAN
Chief Executive Officer

Condensed Interim Cash Flow Statement

For the period ended September 30, 2016 (Un-audited)

	Note	Quarter ended	
		September 30, 2016	September 30, 2015
		Rs. in 000's	Rs. in 000's
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash used in operations	14	(11,311)	(28,831)
Taxes (paid)/refund		(3,928)	12,937
Financial charges paid		(5,877)	(5,611)
Long-term loans and advances		52	(1,040)
Long-term deposits		-	(1,050)
Net cash used in operating activities		(21,064)	(23,595)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(122,043)	(133,279)
Proceeds from sale of operating fixed assets		-	388
Net cash used in investing activities		(122,043)	(132,891)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term financing		54,138	-
Repayment of long term financing		(5,625)	-
Net cash generated from financing activities		48,513	-
Net decrease in cash and cash equivalents		(94,594)	(156,486)
Cash and cash equivalents at beginning of the period		(521,023)	(361,927)
Cash and cash equivalents at end of the period		(615,617)	(518,413)
CASH AND CASH EQUIVALENTS COMPRISE:			
Cash and bank balances		8,205	8,696
Short-term running finance		(623,822)	(527,109)
		(615,617)	(518,413)

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.


IQBAL ALI LAKHANI
Chairman


SHAHID AHMED KHAN
Chief Executive Officer

Condensed Interim Statement of Changes in Equity

For the period ended September 30, 2016 (Un-audited)

	Issued, subscribed and paid-up capital Rs. in 000's	General reserve Rs. in 000's	Reserves		Total Rs. in 000's
			Accumulated loss Rs. in 000's	Total Rs. in 000's	
Balance as at July 1, 2015	403,142	106,800	(152,713)	(45,913)	357,229
Incremental depreciation net of deferred tax effect charged during the period transferred from surplus on revaluation of property, plant and equipment	-	-	713	713	713
Total comprehensive income for the quarter ended September 30, 2015	-	-	507	507	507
Balance as at September 30, 2015	403,142	106,800	(151,493)	(44,693)	358,449
Balance as at July 1, 2016	403,142	106,800	(143,798)	(36,998)	366,144
Incremental depreciation net of deferred tax effect charged during the period transferred from surplus on revaluation of property, plant and equipment	-	-	222	222	222
Total comprehensive income for the quarter ended September 30, 2016	-	-	649	649	649
Balance as at September 30, 2016	403,142	106,800	(142,927)	(36,127)	367,015

The annexed notes from 1 to 18 form an integral part of this condensed interim financial information.


IQBAL ALI LAKHANI
Chairman


SHAHID AHMED KHAN
Chief Executive Officer

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

1. NATURE AND STATUS OF THE COMPANY

Merit Packaging Limited ("the Company") was incorporated on January 28, 1980 in Pakistan as a public limited company under the Companies Ordinance, 1984 and is listed on the Pakistan Stock Exchange (formerly Karachi Stock Exchange). The registered office of the Company is situated at Lakson Square Building No. 2, Sarwar Shaheed Road, Karachi. The Company is mainly engaged in the manufacture and sale of printing and packaging materials.

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Company for the quarter ended September 30, 2016 has been prepared in accordance with the requirements of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information is unaudited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984.

This condensed interim financial information does not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended June 30, 2016 which have been prepared in accordance with approved accounting standards as applicable in Pakistan.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the annual audited financial statements of the Company for the year ended June 30, 2016, whereas the comparative condensed interim profit and loss accounts, condensed interim statement of comprehensive income, condensed interim statement of cash flows and condensed interim statement of changes in equity are extracted from the unaudited condensed interim financial information for the quarter ended September 30, 2015.

2.2 Basis of measurement

This condensed interim financial information has been prepared under the historical cost convention, except for the recognition of certain staff retirement benefits at present value.

This condensed interim financial information has been prepared following accrual basis of accounting except for cash flow information.

2.3 Functional and presentation currency

This condensed interim financial information has been presented in Pak Rupees, which is the functional and presentation currency of the Company.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies adopted and methods of computation followed in the preparation of this condensed interim financial information are same as those for the preceding annual financial statements for the year ended June 30, 2016.

3.2 Amendments and interpretations to published accounting standards effective for the financial year ending June 30, 2017 are not expected to have material impact on the Company's condensed interim financial information.

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

4. TAXATION

Income tax expense is recognized based on management's best estimate of the weighted average annual income tax rate expected for the full financial year.

5. ESTIMATES

The preparation of condensed interim financial information requires management to make judgments, 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. The significant judgments made by management in applying the Company's accounting policies and key sources of estimation of uncertainty are the same as those that were applied to the financial statements for the year ended June 30, 2016.

		September 30, 2016	June 30, 2016
	Note	Un-audited Rs. in 000's	Audited Rs. in 000's
6. PROPERTY, PLANT AND EQUIPMENTS			
Opening net book value (NBV)		928,705	686,595
Additions (at cost) during the period / year	6.1	2,071	237,435
Revaluation surplus during the period / year		-	44,684
		930,776	968,714
Disposals (NBV) during the period / year	6.2	-	(1,594)
Depreciation charged during the period / year		(10,603)	(44,127)
Impairment reversal (net) during the period / year		-	5,712
		(10,603)	(40,009)
		920,173	928,705
6.1 Detail of additions (at cost) during the period / year are as follows:			
Building / improvements on leasehold land		-	59,524
Plant and machinery		1,722	173,654
Furniture and fixtures		-	710
Vehicles		-	2,632
Office equipment		349	622
Computer equipment		-	265
Electrical Installation		-	28
		2,071	237,435
6.2 Detail of disposals (net book value) during the period / year are as follows:			
Plant and machinery		-	714
Vehicles		-	880
		-	1,594
7. CAPITAL WORK-IN-PROGRESS			
This comprises of:			
Civil works		76,541	63,329
Plant and machinery		582,719	475,959
		659,260	539,288

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

		September 30, 2016	June 30, 2016
	Note	Un-audited Rs. in 000's	Audited Rs. in 000's
7.1	Movement of carrying amount is as follows:		
		539,288	69,046
Opening balance			
Additions (at cost) during the period / year	7.2	122,043	707,677
		661,331	776,723
Transfer to operating fixed assets during the period / year		(2,071)	(237,435)
Closing balance		659,260	539,288

7.2 This includes borrowing cost capitalised amounting to Rs. 10.256 million (June 30, 2016: Rs. 30.266 million) as per IAS 23. The rate of capitalization is 7.03% (June 30, 2016: 7.78%) per annum.

8. LONG TERM FINANCING

Secured			
From banking company	8.1	324,110	275,597
Current portion shown under current liabilities		(57,933)	(47,106)
		266,177	228,491
Unsecured			
From associated undertaking	8.2	440,000	440,000
		706,177	668,491

8.1 These loans has been obtained from Islamic financial institutions for the purpose of financing capital expenditure and secured against first pari passu charge on specific property, plant and equipments of the Company under an arrangement permissible under Shariah. The effective rate of mark-up was 6.52% to 7.61% (June 30, 2016: 7.28% to 8.15%) payable quarterly. The tenure of these financing facilities is five years.

8.2 This loan has been obtained from an associated undertaking. An aggregate amount of Rs. 540 million was received out of which Rs. 100 million has been converted into subordinated loan. It is to be repaid in twenty equal quarterly installments commencing from July 2018. The rate of markup is 0.85% over last business day of three months KIBOR of preceding quarter. During the year, the effective mark-up rate was 6.90% per annum (June 30, 2016: 7.49% per annum).

9. SHORT-TERM BORROWINGS

Secured			
From banking companies			
Running finance			
Islamic banking	9.1	200,607	210,646
Conventional banking	9.2	423,215	311,813
		623,822	522,459
Unsecured			
From associated undertaking	9.3	300,000	300,000
		923,822	822,459

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

- 9.1 These carry mark up ranging from 6.95% to 7.31% (June 30, 2016: 7.31% to 7.36%) per annum.
- 9.2 These carry mark up ranging from 7.03% to 7.55% (June 30, 2016: 7.59% to 8.03%) per annum.
- 9.3 This short term borrowing facility obtained from an associated undertaking .The rate of markup is 0.85% over last business day of three months KIBOR of preceding quarter.

10. CONTINGENCIES AND COMMITMENTS

10.1 Contingencies

There is no significant change in the contingent liabilities of the Company since the last annual balance sheet date.

	September 30, 2016 Un-audited Rs. in 000's	June 30, 2016 Audited Rs. in 000's

10.2 Commitments

The Company was committed as at the balance sheet date as follows:

Capital expenditure under letter of credit	77,079	98,340
Stores, spares and raw materials under letter of credit	4,867	6,969
Stores, spares and raw materials under contractual obligation	1,378	1,210

	September 30, 2016 Un-audited Rs. in 000's	September 30, 2015 Un-audited Rs. in 000's
11. SALES - NET		
Gross sales	473,788	500,542
Sales tax	(69,326)	(72,821)
	404,462	427,721

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

	Quarter ended	
	September 30, 2016	September 30, 2015
	Rs. in 000's	Rs. in 000's
12. COST OF SALES		
Materials consumed	279,547	299,889
Salaries, wages and other benefits	29,477	25,009
Packing material consumed	9,766	8,781
Outsource services	6,265	18,866
Stores and spares consumed	9,379	9,891
Power and fuel	8,666	12,240
Depreciation	9,969	10,790
Amortisation	3	3
Rent, rates and taxes	2,057	2,921
Repairs and maintenance	1,456	1,306
Vehicle running expenses	320	162
Insurance	1,773	1,257
Printing and stationery	231	87
Communication charges	345	196
Travelling and conveyance	46	389
Fees and subscription	40	338
Software license fee	115	121
Other expenses	417	369
Manufacturing cost	359,872	392,615
Opening work-in-process	63,106	43,948
Closing work-in-process	(61,115)	(34,583)
	1,991	9,365
Cost of goods manufactured	361,863	401,980
Opening stock of finished goods	37,207	19,835
Closing stock of finished goods	(32,011)	(20,330)
	5,196	(495)
	367,059	401,485
13. EARNINGS PER SHARE - BASIC AND DILUTED		
Profit for the period	649	507
Weighted average number of ordinary shares outstanding (in thousands)	40,314	40,314
Earnings per share (Rupees)	0.02	0.01

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

	Note	Quarter ended	
		September 30, 2016	September 30, 2015
		Rs. in 000's	Rs. in 000's
14. CASH USED IN OPERATIONS			
Profit before taxation		649	507
Adjustment for non-cash items and other items:			
Gain on disposal of operating fixed assets		-	(26)
Financial charges		19,986	19,076
Depreciation		10,603	11,257
Amortisation		10	16
		30,599	30,323
Profit before working capital changes		31,248	30,830
Working capital changes	14.1	(42,559)	(59,661)
		(11,311)	(28,831)
14.1 Working capital changes			
(Increase) / decrease in current assets:			
Stores and spares		(16,560)	(4,870)
Stock-in-trade		(9,319)	(26,022)
Trade debts		(20,092)	(97,371)
Loans and advances		(4,852)	(11,454)
Trade deposits and short term prepayments		(5,019)	(15,697)
Other receivables		19,861	59,317
Tax refund due from government		(13,766)	(15,732)
		(49,747)	(111,829)
Increase in current liabilities:			
Trade and other payables (excluding unclaimed dividend)		7,188	52,168
		(42,559)	(59,661)

15. TRANSACTIONS WITH RELATED PARTIES

15.1 The related parties comprise of related group companies, local associated companies, staff retirement funds, directors and key management personnel. Transactions with related parties and remuneration and benefits to key management personnel under the terms of their employment are as follows:

Notes to the Condensed Interim Financial Information

For the period ended September 30, 2016 (Un-audited)

Relation with the Company	Nature of transaction	Quarter ended	
		September 30, September 30,	
		2016	2015
		Rs. in 000's	Rs. in 000's
Associated companies	Sales of goods and services	39,684	42,931
	Purchases of goods and services	242,305	280,940
	Rent and allied charges	64	30
	Insurance agency commission income	300	175
	Insurance claim	16	10,000
	Mark-up on long-term financing	9,392	10,766
	Mark-up on short-term financing	5,218	-
Retirement benefit plans	Contribution towards employees retirement benefits plans	1,597	1,635
Key management personnel	Compensation in respect of:		
	Short term employee benefits	4,885	3,814
	Retirement benefits	241	227
		September 30, 2016	June 30, 2016
		Un-audited	Audited
		Rs. in 000's	Rs. in 000's
15.2	Period / year end balances		
	Receivable from related parties	28,190	35,590
	Payable to related parties	57,181	73,288
	Long-term financing payable to associated undertaking	440,000	440,000
	Sub-ordinated loan	100,000	100,000
	Short-term financing payable to associated undertaking	300,000	300,000
	Mark-up payable to associated undertaking	15,065	456

15.3 The above transactions with related parties are at arm's length based on normal commercial rates.

16. CORRESPONDING FIGURES

Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purpose of comparison, the effect of which is not material.

17. DATE OF AUTHORIZATION FOR ISSUE

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

18. GENERAL

Amounts have been rounded off to the nearest thousand of rupees.


IQBAL ALI LAKHANI
Chairman


SHAHID AHMED KHAN
Chief Executive Officer















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