

# DIRECTORS' REVIEW



We are pleased to present un-audited financial results of the Company for the first quarter ended March 31, 2019.

## FINANCIAL RESULTS

		<b>Quarter Ended 31<sup>st</sup> March</b>	
		<b><u>2019</u></b>	<b><u>2018</u></b>
<b>Net Sales</b>	<b>(Rs. Million)</b>	<b>8,585</b>	<b>7,082</b>
<b>Net Income after Tax</b>	<b>(Rs. Million)</b>	<b>1,086</b>	<b>1,086</b>
<b>Earnings per Share</b>	<b>(Rupees)</b>	<b>117.54</b>	<b>117.63</b>

Business environment remained challenging amid uncertain economic situation in the country. The sharp rise in costs primarily driven by an all-time high corn prices, rising fuel, utility and other variable costs have put the overall cost base under severe pressure during the period. The Company was, therefore, forced to take price increases in the beginning of the year to offset these costs which impacted the volume growth momentum during the quarter. Despite this challenging environment, the Company managed to maintain its after tax income for the quarter.

## BUSINESS REVIEW

Rafhan Maize is one of the largest providers of quality integrated solutions for different food and industrial applications. Food business remained the mainstay of our business driven by confectionery, processed food, beverages, nutraceuticals, baking and other food applications. Softening in demand from confectionery was noted due to inflationary impacts, however, other segments within foods remained relatively supportive. Difficult market environment persisted for the textile industry as a whole. While textile exports remained positive, middle to lower tier of the textile industry is still facing challenges. Therefore, starch sales within our textile business also remained under pressure. The market outlook for paper and board remained stable, and reflected positive growth for the quarter.

The Animal Nutrition business has shown significant performance during Q1 2019 owing to better demand from consuming segments poultry and livestock.

## OUTLOOK

We continue to have a cautiously optimistic outlook for the business and our focus remains on driving sustainable profitable growth. We will continue to differentiate ourselves, connect with our customers and create an exemplary customer service.

We understand that the margins will continue to remain under pressure due to rising inflation and intensifying competition. Focus will remain on increasing volumes, controlling our costs, process optimization, price rationalization and efficient working capital management.

# DIRECTORS' REVIEW

We have a firm belief that we will be able to cope with the challenges and remain optimistic about the Company in terms of future prospects and deliver reasonable return to all our stakeholders.

May Allah guide us to face the challenges ahead. Ameen!

On behalf of the Board



**Usman Qayyum**  
Chief Executive &  
Managing Director

April 15, 2019

# IMPORTANT NOTES TO SHAREHOLDERS

Please go through the following notes. It will be appreciated if you please respond to your relevant portion at the earliest:

## **CNIC No.**

Pursuant to the directives of the SECP, CNIC number is mandatorily required to be mentioned on dividend warrants. The Company is now unable to comply with SRO 831(1)/2012 dated 5 July 2012 of SECP and, therefore, constrained to withhold dispatch of dividend warrants of non-compliant shareholders. A list of such shareholders is available on Company's website [www.rafhanmaize.com](http://www.rafhanmaize.com). Please submit a copy of your valid CNIC (only Physical Shareholders), if not already provided to the Shares Registrar of the Company. Corporate account holders should submit National Tax Number, if not yet submitted.

## **Dividend Mandate/E-Dividend**

In accordance with the provisions of Section 242 of the Companies Act, 2017, a listed company, is required to pay cash dividend to the shareholders ONLY through electronic mode directly into the bank account designated by the entitled shareholders.

In order to receive dividends directly into their bank account, shareholders are requested to fill in Dividend Mandate Request Form available at Company's website [www.rafhanmaize.com](http://www.rafhanmaize.com) and send it duly signed along with copy of CNIC to the Shares Registrar of the Company, in case of physical shares. In case the shares are held in CDC, then the Form must be submitted directly to shareholder's broker/participant/CDC Account Services.

In case of non-receipt of the above information, the Company will be constrained to withhold payment of dividend to such shareholders.

## **Circulation of Annual Audited Financial Statements via CD/USB/DVD**

Annual Financial Statements of the Company for the financial year ended December 31, 2018 have been placed on the Company's website: [www.rafhanmaize.com](http://www.rafhanmaize.com)

Securities & Exchange Commission of Pakistan (SECP) vide its SRO No.470(1)/2016 dated May 31, 2016 has allowed companies to circulate the Annual Balance Sheet, Profit and Loss Account, Auditors' Report and Directors' Report etc. ("Annual Audited Financial Statements") along with notice of general meeting to its members through CD/DVD/USB at their registered addresses.

However, Shareholders who wish to receive the hard copy of Annual Audited Financial Statements along with notice of general meeting shall have to fill the request form which is available at Company's website [www.rafhanmaize.com](http://www.rafhanmaize.com) and send it to our Shares Registrar or Company Secretary at their respective mailing addresses given at the end of these notes.

## **Unclaimed Shares/Unpaid Dividend**

In compliance of Section 244 of the Companies Act 2017, a Final Notice was given by the Company on March 27, 2018 that the shares of Rafhan Maize Products Co. Ltd./dividend declared by the Company, details whereof are appearing on the Company's website [www.rafhanmaize.com](http://www.rafhanmaize.com) have remained unclaimed or unpaid for a period of three years from the date these have become due and payable. In case of non-receipt of any claim by the respective shareholders to above referred Final Notice, the company shall proceed to deposit the unclaimed/unpaid amount with the Federal Government pursuant to the provisions of sub-section 2 of section 244 of the Companies Act, 2017.

# IMPORTANT NOTES TO SHAREHOLDERS

## **Deduction of Income Tax from Dividend under Section 150**

Pursuant to the provisions of the Finance Act, 2017, effective July 1, 2017, the rates of deduction of withholding tax from dividend payments under the Income Tax Ordinance have been revised as under:

For filers of income tax returns	15%
For non-filers of income tax returns	20%

To enable the Company to make tax deduction on the amount of cash dividend @ 15% instead of 20%, all the shareholders whose names are not entered into the Active Taxpayers List (ATL) provided on the website of FBR, despite the fact that they are filers, are advised to make sure that their names are entered into ATL before the date for payment of any future cash dividend otherwise tax on their cash dividend will be deducted @ 20% instead of 15%.

Further, according to clarification received from Federal Board of Revenue (FBR), with-holding tax will be determined separately on 'Filer/Non-Filer' status of Principal shareholder as well as joint-holder (s) based on their shareholding proportions, in case of joint accounts.

In this regard, all shareholders who hold shares jointly are requested to provide shareholding proportions of Principal shareholder and Joint-holder(s) in respect of shares held by them, if not provided yet, to our Shares Registrar at the earliest, in writing as follows, otherwise it will be assumed that shares are equally held:

Company Name	Folio/ CDS A/C #	Total Shares	Principal Shareholder		Joint Shareholder	
			Name & CNIC #	Share holding Propor- -tion (No. of Shares)	Name & CNIC #	Share holding Propor- -tion (No. of Shares)

In another clarification by Federal Board of Revenue, valid tax exemption certificate for claim of exemption U/S 150, 151 and 233 of the Income Tax Ordinance, 2001 is required where statutory exemption under Clause 47B of Part-IV of the Second Schedule is available. Such certificate U/S 159(1) of the Income Tax Ordinance, 2001 issued by concerned Commissioner of Inland Revenue is to be produced to avail tax exemption.

For any query/problem/information, the investors may contact the Company and/or the Shares Registrar at the phone numbers/email addresses given at the end of these notes.

The corporate shareholders having CDC accounts are required to have their National Tax Number (NTN) updated with their respective participants, whereas corporate physical shareholders should send a copy of their NTN certificate to the Company or its Shares Registrar M/s FAMCO Associates (Pvt.) Ltd. The shareholders while sending NTN or NTN certificates, as the case may be, must quote the Company's name and their respective folio numbers.

# IMPORTANT NOTES TO SHAREHOLDERS

## **Centralized Cash Dividend Register (CCDR)**

Central Depository Company (CDC) has developed Centralized Cash Dividend Register (CCDR), an eServices web portal which would incorporate details pertaining to cash dividends paid, unpaid or withheld by listed companies. The CCDR will help to maintain history of dividends paid to shareholders by listed companies and access of all such information will be provided to the respective shareholders. The web portal will facilitate shareholders of listed companies in retrieving details of cash dividends from the centralized register and using the same for their record purposes.

You may access CCDR via <https://eservices.cdcaccess.com.pk>. In addition, the Dividend / Zakat & Tax Deduction Report can also be obtained directly from your Participant (stock broker) which has been provided to them on their CDS terminals. Moreover, you will also receive a copy of this report on your provided/registered e-mail addresses.

## **Consent for Video Conference Facility**

Members can also avail video conference facility at Lahore and Karachi. In this regard, please fill the following request and submit to registered address of the Company 10 days before holding of general meeting.

If the company receives consent from members holding in aggregate 10% or more shareholding residing at a geographical location, to participate in the meeting through video conference at least 10 days prior to date of meeting, the company will arrange video conference facility in that city subject to availability of such facility in that city.

The Company will intimate members regarding venue of video conference facility at least 5 days before the date of general meeting along with complete information necessary to enable them to access such facility.

I/We, \_\_\_\_\_ of \_\_\_\_\_ being a member of Rafhan Maize Products Co. Ltd., holder of \_\_\_\_\_ Ordinary Shares as per Registered Folio No. \_\_\_\_\_ hereby opt for video conference facility at \_\_\_\_\_.

\_\_\_\_\_  
Signature of Member

**Company Contact:**  
Mr. M. Yasin Anwar  
Company Secretary & Sr. Manager Corporate Affairs  
Rafhan Maize Products Co. Ltd.  
Rakh Canal East Road, Faisalabad.  
Tel. No. 041-8540121-23 Ext. 206 & 348  
E-mail: [corporate@rafhanmaize.com](mailto:corporate@rafhanmaize.com)

**Shares Registrar:**  
Mr. Fakhar Abbasi  
M/s FAMCO Associates (Pvt.) Ltd.  
8-F, Next to Hotel Faran, Nursery  
Block-6, PECHS, Shahrah-e-Faisal, Karachi.  
Tel. No. 021-34380101-05 Ext. 118  
E-mail: [info.shares@famco.com.pk](mailto:info.shares@famco.com.pk)

# CONDENSED INTERIM BALANCE SHEET

## As at March 31, 2019 (Un-audited)

	Notes	March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
(Rupees in thousands)			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipment	4	6,729,626	6,764,602
Employees retirement benefits		161,551	161,551
Long term loans - secured		10,278	9,872
Long term deposits		34,844	34,852
		6,936,299	6,970,877
<b>CURRENT ASSETS</b>			
Stores and spares		877,253	751,498
Stock in trade		6,632,928	3,422,783
Trade debts		1,565,238	1,234,886
Loans and advances		86,914	111,085
Short term prepayments		62,872	111,484
Other receivables		6,041	36,466
Cash and bank balances		1,478,339	4,262,536
		10,709,585	9,930,738
<b>CURRENT LIABILITIES</b>			
Trade and other payables		2,450,616	2,696,764
Unpaid dividend		6,462	25,126
Un claimed dividend		14,571	14,824
Mark up accrued on short term running finances		1,784	52
Current portion of liabilities against assets subject to finance lease		1,770	-
Provision for taxation-net		172,278	261,739
		2,647,481	2,998,505
<b>WORKING CAPITAL</b>		8,062,104	6,932,233
<b>TOTAL CAPITAL EMPLOYED</b>		14,998,403	13,903,110
<b>NON CURRENT LIABILITIES</b>			
Deferred taxation		764,854	758,830
Liabilities against assets subject to finance lease		3,606	-
		768,460	758,830
<b>NET CAPITAL EMPLOYED</b>		14,229,943	13,144,279
<b>REPRESENTED BY:</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		92,364	92,364
Reserves		14,137,579	13,051,915
<b>CONTINGENCIES AND COMMITMENTS</b>	5	-	-
		14,229,943	13,144,279

The annexed notes 1 to 13 form an integral part of these accounts.

  
**Muhammad Asdaf**  
 Director

  
**Usman Qayyum**  
 Chief Executive &  
 Managing Director

  
**Zulfikar Mannoo**  
 Director

# CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

## For the three Months ended March 31, 2019 (Un-audited)

		2019	2018
	Notes	January to March	January to March
		(Rupees in thousands)	
Sales-Net	6	8,585,482	7,082,317
Cost of sales	7	(6,704,148)	(5,246,513)
<b>Gross profit</b>		1,881,334	1,835,804
Distribution expenses		(217,820)	(171,870)
Administrative expenses		(144,385)	(106,997)
Other income		60,681	63,774
Other expenses		(104,028)	(107,017)
		(405,552)	(322,110)
<b>Operating profit</b>		1,475,782	1,513,694
Finance cost		(5,190)	(5,365)
<b>Profit before taxation</b>		1,470,592	1,508,329
Taxation		(384,929)	(421,856)
<b>Profit after taxation</b>		1,085,663	1,086,473
<b>Earnings per share - Basic and diluted (Rupees)</b>		117.54	117.63

The annexed notes 1 to 13 form an integral part of these accounts.

  
**Muhammad Asdaf**  
 Director

  
**Usman Qayyum**  
 Chief Executive &  
 Managing Director

  
**Zulfikar Mannoo**  
 Director



# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

For the three Months ended March 31, 2019 (Un-audited)

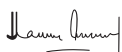
## Profit for the period

Other comprehensive income

## Total comprehensive income for the period

2019	2018
January to March	January to March
(Rupees in thousands)	
1,085,663	1,086,473
-	-
<u>1,085,663</u>	<u>1,086,473</u>

The annexed notes 1 to 13 form an integral part of these accounts.



**Muhammad Asdaf**  
Director



**Usman Qayyum**  
Chief Executive &  
Managing Director



**Zulfikar Mannoo**  
Director

# CONDENSED INTERIM CASH FLOW STATEMENT

## For the three Months ended March 31, 2019 (Un-audited)

	Notes	2019 January to March	2018 January to March
		(Rupees in thousands)	
<b>Cash (used in) / generated from operations</b>	<b>8</b>	<b>(2,268,398)</b>	<b>750,347</b>
Taxes paid		(468,365)	(422,929)
Employees retirement benefits paid		(11,296)	(8,075)
Interest received		55,644	39,636
		(424,017)	(391,368)
<b>Net cash (used in) / generated from operations</b>		<b>(2,692,415)</b>	<b>358,980</b>
<b>Cash flows from investing activities</b>			
Capital expenditure incurred		(83,070)	(56,974)
Sale proceeds of property, plant and equipment		7,684	5,311
Long term loans disbursed		(2,200)	(3,400)
Repayment from long term loans		2,804	2,320
Disbursement against assets subject to finance lease		5,519	-
Repayment of liabilities against assets subject to finance lease		(143)	-
<b>Net cash used in investing activities</b>		<b>(69,406)</b>	<b>(52,744)</b>
<b>Cash flows from financing activities</b>			
Dividend paid		(18,918)	(1,010,100)
Finance cost paid		(3,458)	(5,301)
<b>Net cash used in financing activities</b>		<b>(22,376)</b>	<b>(1,015,401)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(2,784,197)</b>	<b>(709,164)</b>
<b>Cash and cash equivalents at the beginning of the period</b>		<b>4,262,536</b>	<b>3,149,236</b>
<b>Cash and cash equivalents at the end of the period</b>		<b>1,478,339</b>	<b>2,440,072</b>

The annexed notes 1 to 13 form an integral part of these accounts.

  
**Muhammad Asdaf**  
 Director

  
**Usman Qayyum**  
 Chief Executive &  
 Managing Director

  
**Zulfikar Mannoo**  
 Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

## For the three Months ended March 31, 2019 (Un-audited)

	Share Capital	Capital Reserves		Revenue Reserves		Total
		Share Premium	Other	General	Unappropriated Profit	
			(Rupees in thousands)			
Balance as at January 01, 2018	92,364	36,946	941	207	12,171,721	12,302,179
Net profit for the period					1,086,473	1,086,473
<b>Transactions with owners of the Company recognized directly in equity</b>						
Final dividend 2017(Rs. 125.00 per share)					(1,154,553)	(1,154,553)
Balance as at March 31, 2018	92,364	36,946	941	207	12,103,642	12,234,099
Balance as at January 01, 2019	92,364	36,946	941	207	13,013,822	13,144,280
Net profit for the period					1,085,663	1,085,663
Balance as at March 31, 2019	92,364	36,946	941	207	14,099,485	14,229,943

The annexed notes I to 13 form an integral part of these accounts.

  
**Muhammad Asdaf**  
 Director

  
**Usman Qayyum**  
 Chief Executive &  
 Managing Director

  
**Zulfikar Mannoo**  
 Director

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

## For the three Months ended March 31, 2019 (Un-audited)

### 1. REPORTING ENTITY

Rafhan Maize Products Company Limited ("the Company") was incorporated in Pakistan as a Public unlisted Company under repealed Companies Ordinance, 1984 (new Companies Act, 2017) and was subsequently listed on the Pakistan Stock Exchange. Ingredion Inc. Chicago, U.S.A., holds majority shares of the Company. The registered office of the Company is situated at Rakh Canal, East road, Faisalabad (previously at Finlay House, I.I. Chundrigar Road, Karachi). The Company uses maize as the basic raw material to manufacture and sell a number of industrial products, principal ones being industrial starches, liquid glucose, dextrose, dextrin and gluten meals.

### 2. BASIS OF PREPARATION

#### (a) Statement of compliance

This condensed interim financial information has been presented in condensed form in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provision of and the directives issued under the Companies Act, 2017. In case where requirements of Companies Act, 2017 differ, the provisions of or directives issued under the Companies Act, 2017 or directives issued by Securities and Exchange Commission of Pakistan (SECP) have been followed.

This condensed interim financial information is being submitted to the shareholders as required by section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Ltd. This condensed interim financial information does not include all the information required for full annual financial statements and should be read in conjunction with audited financial statements of the Company, for the year ended 31 December 2018.

The comparative balance sheet presented in this condensed interim financial information has been extracted from the audited financial statements of the Company for the year ended 31 December 2018, whereas comparative condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement and condensed interim statement of change in equity have been extracted from the un-audited condensed interim financial information for the three months period ended 31 March 2018.

#### (b) Judgements and estimates

In preparing this condensed interim financial information, management make judgement, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as applied to the financial statements as at and for the year ended 31 December 2018.

#### (c) Functional and presentation currency

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

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted for the preparation of the condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended 31 December 2018, except for the following standards which became effective during the period.

- IFRS 9 'Financial Instruments' and amendment -- Prepayment Features with Negative Compensation (effective for annual periods beginning on or after 01 July 2018 and 01 January 2019 respectively). There is no impact on financial statements due to this Change.
- IFRS 16 'Lease' (effective for annual period beginning on or after 01 January 2019). There is no impact on financial statements due to this change.
- Amendment to IAS 28 'Investments in Associates and Joint Ventures'- Long Term Interests in Associates and Joint Ventures (Effective for Annual period beginning on or after 01 January 2019). There is no impact on financial statements due to this Change.
- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019). Clarifies the counting for income tax when there is uncertainty over income tax treatments under IAS 12. There is no impact On financial Statements due to this change.

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

## For the three Months ended March 31, 2019 (Un-audited)

### 4. PROPERTY, PLANT AND EQUIPMENT

Operating fixed assets  
Assets subject to finance lease  
Capital work-in-progress

March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
(Rupees in thousands)	
6,605,759	6,706,841
5,858	-
118,009	57,761
<b>6,729,626</b>	<b>6,764,602</b>

#### 4.1 PROPERTY, PLANT AND EQUIPMENT

The following additions have been made during the three months:

Building  
Plant and machinery  
Lab equipment  
Furniture, fixture and office equipment  
Automobiles

March 31, 2019	March 31, 2018
(Rupees in thousands)	
-	13,045
13,305	15,572
-	2,652
6,487	3,646
3,031	4,148
<b>22,823</b>	<b>39,063</b>

#### 4.2 Capital work-in progress

The movement of capital work-in-progress is as follows:

Balance as at 1st January  
Add : Addition during the period  
  
Less: Transfers during the period  
Closing as at 31st March

57,761	505,159
83,070	56,974
<b>140,831</b>	<b>562,133</b>
22,823	39,063
<b>118,008</b>	<b>523,070</b>

### 5. CONTINGENCIES AND COMMITMENTS

#### Contingencies

- Counter guarantees given by the Company to its bankers as at reporting date amounts to Rs. 288,630 thousands (2018: Rs. 288,630 thousands)
- There is no material change in contingencies since the last audited published accounts.

#### Commitments

- Commitments in respect of capital expenditure
- Commitments in respect of purchase of corn
- Commitments in respect of forward exchange contracts

March 31, 2019 (Un-audited)	December 31, 2018 (Audited)
(Rupees in thousands)	
66,763	96,445
-	6,536,019
-	-

### 6. SALES - NET

Domestic  
Exports  
  
Less:  
Sales tax  
Trade discount and commission

2019 January to March	2018 January to March
(Rupees in thousands)	
9,216,668	7,643,166
565,189	427,968
<b>9,781,857</b>	<b>8,071,134</b>
1,191,610	986,087
4,765	2,730
<b>1,196,375</b>	<b>988,817</b>
<b>8,585,482</b>	<b>7,082,317</b>

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

## For the three Months ended March 31, 2019 (Un-audited)

### 7. COST OF SALES

Opening stock of finished goods

Cost of goods manufactured

Less: closing stock of finished goods

Cost of Goods Sold-Purchased Products

2019	2018
January to March	January to March
(Rupees in thousands)	
1,451,585	1,125,298
6,491,149	5,541,762
7,942,734	6,667,060
1,265,640	1,441,867
6,677,094	5,225,193
27,054	21,320
6,704,148	5,246,513

### 8. Cash flows from operating activities

**Profit before tax**

Adjustment for non-cash charges and other items:

Depreciation

Provision for employees retirement benefits

Provision / (Reversal) for doubtful debts

(Reversal) of Provision for slow moving and obsolete items

Profit on sale of property, plant and equipment

Interest income

Finance cost

2019	2018
January to March	January to March
(Rupees in thousands)	
1,470,592	1,508,329
117,123	110,334
16,946	12,112
6	(1,381)
(2,630)	(2,825)
(6,757)	(1,086)
(33,936)	(37,741)
5,190	5,365
1,566,534	1,593,107

**Operating profit before working capital changes**

(Increase) / decrease in current assets

Stores and spares

Stock in trade

Trade debts

Loans and advances

short term prepayments

Other receivables

(125,024)	(72,085)
(3,208,245)	(416,866)
(330,358)	(54,849)
23,161	(81,673)
48,612	44,448
8,718	13,187
(3,583,136)	(567,838)

Increase / (decrease) in current liabilities

Trade and other payables

**Net (increase) / decrease in working capital**

(251,796)	(274,921)
(3,834,932)	(842,759)

**Cash (used in) / generated from operations**

(2,268,398)	750,347
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# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

## For the three months ended March 31, 2019 (Un-audited)

### 9. TRANSACTIONS WITH RELATED PARTIES AND ASSOCIATES

The related parties comprise parent company, related group companies, local associated company, directors of the company, key management personnel and staff retirement funds. Details of transaction with related parties, other than those disclosed else where in these financial statements are as follows.

Name of parties	Nature of relationship	Basis of relationship	Nature and description of related party transaction	Total value of transactions		Closing Balance [asset/(liability)]	
				2019	2018	31 Mar. 2019	31 Dec. 2018
				January to March			
(Rupees in thousands)							
Ingredion Inc. U.S.A.	Holding Company	Shareholding of 71.04% shares	Services received	31,220	24,583	(23,236)	(45,862)
Ingredion Inc. U.S.A.	-do-	-Do-	Dividend	-	811,780	-	(12,205)
Ingredion Inc. U.S.A.	-do-	-do-	Imports	29,359	8,905	(33,361)	(23,806)
Ingredion Inc. U.S.A.	-do-	-do-	Services provided	1,032	-	1,032	-
Unilever Pakistan Food Ltd.	Associate	Common directorship	Sales	434,116	402,672	161,042	116,332
Ingredion Holding LLC Kenya	-do-	-do-	Export sales	199,499	105,252	240,608	146,669
Ingredion Holding LLC Kenya	-do-	-do-	Services provided	948	315	948	1,566
Ingredion Holding LLC Kenya	-do-	-do-	Imports	-	305	-	-
Ingredion Singapore PTE. Ltd.	-do-	-do-	Export sales	2,379	-	(11,336)	(6,978)
Ingredion Germany GMBH	-do-	-do-	Imports	2,060	8,993	(4,168)	(2,079)
Ingredion Germany GMBH	-do-	-do-	Services received	53	-	(506)	(457)
National Starch & Chemical Thailand Ltd	-do-	-do-	Imports	4,283	5,961	(2,308)	(2,082)
National Starch & Chemical Thailand Ltd	-do-	-do-	Export sales	14,163	2,649	5,189	3,419
Ingredion Philippines, Inc	-do-	-do-	Export sales	-	6,696	-	-
Ingredion Malaysia Sdn Bhd	-do-	-do-	Export sales	5,874	5,737	1,641	5,404
Ingredion China Limited	-do-	-do-	Export sales	-	-	-	4,056
PT. Ingredion Indonesia	-do-	-do-	Export sales	22,673	35,697	22,854	12,967
Employees Benefits	-do-	Employee retirement fund	Contribution to Funds	30,472	23,162	(17,403)	(12,699)
Key Management Personnel	other related parties	Key management personnel	Remuneration	87,243	85,682	-	-

- The transactions were carried out at an arm's length basis.
- No buying and selling commission has been paid to any associated undertaking.

10. a) These financial statements have been prepared on the basis of single reportable segment.  
b) All non current assets of the company as at 31 March 2019 are located in Pakistan.

### 11. FINANCIAL RISK MANAGEMENT


The Company's financial risk management objective and policies are consistent with that disclosed in financial Statements as at and for the year 31 December 2018.

### 12. AUTHORIZATION

This un-audited condensed interim financial information was authorized for issue by the Board of Directors on April 15, 2019.

### 13. GENERAL

Figures in these accounts have been rounded off to the nearest thousand of rupees.

  
Muhammad Asdaf  
Director

  
Usman Qayyum  
Chief Executive &  
Managing Director

  
Zufikar Mannoo  
Director

# COMPANY INFORMATION



## Plants:

### Rakh Canal Plant

Rakh Canal East Road, Faisalabad-38860.

Ph: (92-41) 8540121-22-23

Fax: (92-41) 8711016 - 8502197

### Cornwala Plant

5-Km Jaranwala-Khurrianwala Road,

Jaranwala - 37250.

Ph: (92-41) 4710121 & 23-27

### Mehran Plant

K.B. Feeder Road, Kotri,

Jamshoro-76090.

Ph: (92-223) 870894-98

## Board Of Directors

Pierre Perez y Landazuri Non-Executive  
Chairman

Usman Qayyum Executive  
Chief Executive & Managing Director

## Members:

James D. Gray	Non-Executive
Andrea Astrid Miriam Pohnl	Non-Executive
Marcel Hergett	Non-Executive
Zulfikar Mannoo	Non-Executive
Mian M. Adil Mannoo	Non-Executive
Wisal A. Mannoo	Non-Executive
Muhammad Asdaf	Executive
Tabish Gauhar	Independent & Non-Executive
Tahir Jawaidd	Independent & Non-Executive

## Chief Financial Officer

Muhammad Asdaf

## Secretary

M. Yasin Anwar

## Audit Committee

Tabish Gauhar	Chairman
James D. Gray	Member
Marcel Hergett	Member
Zulfikar Mannoo	Member

## Human Resource & Remuneration Committee

Tahir Jawaidd	Chairman
Pierre Perez y Landazuri	Member
Usman Qayyum	Member
Andrea Astrid Miriam Pohnl	Member
Zulfikar Mannoo	Member

## Shares Transfer Committee

Usman Qayyum	Chairman
Muhammad Asdaf	Member

## Bankers

Citibank, N.A.  
Habib Bank Ltd.  
Meezan Bank Ltd.  
MCB Bank Ltd.  
MCB Islamic Bank Ltd.  
National Bank of Pakistan  
Standard Chartered Bank (Pakistan) Ltd.

## Auditors

KPMG Taseer Hadi & Co.  
Chartered Accountants  
Lahore - Karachi

## Legal Advisor

M. Ali Seena  
C/o Surridge & Beecheno, Karachi-74000

## Shares Registrar

FAMCO Associates (Pvt.) Ltd.  
8-F, Next to Hotel Faran, Nursery,  
Block-6, P.E.C.H.S., Shahrah-e-Faisal, Karachi-75400  
Tel: (92-21) 34380101-5  
Fax: (92-21) 34380106  
E-mail: info.shares@famco.com.pk

## Registered Office & Shares Department

Rakh Canal East Road, Faisalabad.  
Ph: (92-41) 8540121-22-23  
Fax: (92-41) 8711016 - 8502197  
Website: www.rafranmaize.com  
E-mail: corporate@rafranmaize.com