



blended to perfection

Half Year 2017

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company information

Board of Directors

Abdul Samad Dawood
Ali Ahmed Khan
Wim Torfs
Ghias Khan
Heidi Van der Kooij
Jaska Marianne de Bakker
Johannes Petrus Fransiscus Laarakker
Piet Johannes Hilarides
Sabrina Dawood

Chairman
Chief Executive Officer
Independent
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director
Non-Executive Director

Auditors

A. F. Ferguson & Company
Chartered Accountants

State Life Building No. 1- C
I.I. Chundrigar Road
Karachi - 74000, Pakistan.
Tel: +92(21) 32426682 -6 / 32426711-5
Fax: +92(21) 32415007 / 32427938

Share Registrar

M/s. FAMCO Associates (Private) Limited
8-F, Next to Hotel Faran, Block-6, PECHS,
Shahrah-e-Faisal Karachi - Pakistan
Tel: +92(21) 34380104-5, 34384621-3
Fax +92(21) 34380106

Chief Financial Officer

Imran Husain

Company Secretary

Sohail Kassamali

Members of Audit Committee

Jaska Marianne de Bakker
Wim Torfs
Ghias Khan

Chairman
Member
Member

The secretary of committee is
Saleem Lallany, GM Internal Audit Department

Bankers

Conventional

Allied Bank Limited
Askari Bank Limited
Bank Al-Falah Limited
Bank Al-Habib Limited
Citibank N.A.
Deutsche Bank AG
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Industrial and Commercial Bank of China Limited
MCB Bank Limited
National Bank of Pakistan
NIB Bank Limited
Samba Bank Limited
Soneri Bank Limited
Standard Chartered Bank Pakistan Limited
Summit Bank Limited
Tameer Micro Finance Bank Limited
The Bank of Punjab
United Bank Limited

Shariah Compliant

Al-Baraka Bank Pakistan Limited
Bank Al-Habib Limited - Islamic Banking
Meezan Bank Limited
Standard Chartered Bank Pakistan Limited - Saadiq

Registered Office

5th Floor, The Harbor Front Building
HC-3, Marine Drive, Block - 4, Clifton
Karachi - 75600, Pakistan.
Tel: +92(21) 35296000 (10 lines)
Fax: +92(21) 35295961-2
e-mail: info@engrofoods.com
Website: www.engrofoods.com



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directors' report

On behalf of the Board of Directors of Engro Foods Limited (a majority owned subsidiary of FrieslandCampina Pakistan Holdings B.V.), we are pleased to submit the report and the condensed interim financial information of the Company for the half year ended June 30, 2017.

BUSINESS REVIEW:

During the period, the Company attained a revenue of Rs. 18 billion versus Rs. 23.1 billion in the same period last year. Gross margin of the Company declined from 27.6% to 17.4%. As a result, the overall profitability of the Company declined to Rs. 186 million from Rs. 1,961 million in the same period last year.

DAIRY AND BEVERAGES SEGMENT

The segment reported a revenue of Rs. 16 billion versus Rs. 21 billion in the corresponding period last year. Pressure on the overall dairy industry, resulted in a volume decline compared to HY 2016. The dairy industry is facing numerous issues including answering to multiple food regulatory regimes and different standards of food laws between the Federation and the provinces. In addition to this, the fact that loose milk is unregulated and untaxed has not only created an uneven playing field but is also a major health hazard for the general public. The move announced in the Federal budget 2016 to exempt dairy products together with the imposition of additional duty on dairy raw material has hampered the growth of dairy industry. Current actions are designed to grow the category through conversion from loose to processed milk despite such conditions together with other tactical measures to gain market share.



ICE CREAM AND FROZEN DESSERTS SEGMENT

The segment reported a revenue of Rs. 1.93 billion versus Rs. 1.96 billion in the corresponding period last year. During the period, the Ice Cream business performed well led by consumer relevant product launches and driving operational excellence in the distribution network. This segment reported a profit of Rs. 100 million versus profit of Rs. 77 million in corresponding period last year.



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DAIRY FARM SEGMENT

The Company's Dairy Farm continued to remain a rich and nutritious source of raw material for our dairy segment. The segment reported the profit of Rs. 50 million in the first half versus a loss of Rs. 48 million in corresponding period last year.



FINANCIAL PERFORMANCE

The financial performance of the company for first half of 2017 is summarized below:

(Rs. in million)	Half year ended June 30		Variation
	2017	2016	
Net Sales	18,005	23,100	(22%)
Operating Profit	583	3,197	(82%)
% of sales	3.2%	13.8%	
Profit after tax	186	1,961	(91%)
% of sales	1.0%	8.5%	
Earnings per share (Rs.)	0.24	2.56	(91%)

FUTURE OUTLOOK

The integration with Friesland Campina has already started bearing fruits for the Company leading to innovation and operational efficiencies resulting in cost savings. These benefits will soon pass to the Pakistani consumer in the shape of safer, healthier and better choices.

The Company is actively working with the dairy industry to engage with the regulatory authorities to align differences between federal and provincial food laws & regulations inconsistencies therein, which pose strategic challenges for the packaged industry and rationalization of the tax laws for a level playing field. The Company reiterates its stance that minimum pasteurization law, which has been implemented all over the world should be considered for implementation in Pakistan to address quality issues of loose milk.

Abdul Samad Dawood
Chairman

Ali Ahmed Khan
Chief Executive

Karachi: August 11, 2017



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auditors' report to the members on review of condensed interim financial information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Engro Foods Limited as at June 30, 2017 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows, together with the notes forming part thereof (here-in-after referred to as the "condensed interim financial information") for the half year then ended. Management is responsible for the preparation and presentation of this condensed 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 condensed interim financial information based on our review.

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended June 30, 2017 and 2016 have not been reviewed, as we are required to review only the cumulative figures for the half year ended June 30, 2017.

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 condensed interim financial information as of and for the half year ended June 30, 2017 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Chartered Accountants
Karachi
Date: August 17, 2017

Engagement Partner: Osama Kapadia

condensed interim balance sheet (unaudited) as at June 30, 2017

(Amounts in thousand)

ASSETS

Non-Current Assets

Property, plant and equipment	4	12,517,262	13,120,693
Biological assets		944,949	932,726
Intangibles		36,910	44,378
Long term advances and deposits		95,323	93,984
Deferred employee share option compensation expense	5	17,299	54,635

Unaudited
June 30,
2017

Audited
December 31,
2016

Rupees

13,611,743

14,246,416

Current Assets

Stores, spares and loose tools	6	875,287	841,394
Stock-in-trade	7	5,386,845	3,763,898
Trade debts		113,240	69,654
Advances, deposits and prepayments		195,568	144,879
Other receivables		157,404	114,661
Sales tax recoverable		2,618,898	2,736,249
Taxes recoverable		2,244,977	2,039,370
Deferred employee share option compensation expense	5	34,902	54,307
Cash and bank balances	8	677,340	702,944

12,304,461

10,467,356

25,916,204

24,713,772

TOTAL ASSETS

EQUITY AND LIABILITIES

Equity

Share capital		7,665,961	7,665,961
Share premium		865,354	865,354
Employee share option compensation reserve		333,638	433,982
Remeasurement of post employment benefits - Actuarial loss		(73,958)	(73,958)
Unappropriated profit		778,813	8,259,180

9,569,808

17,150,519

Non-Current Liabilities

Long term finances	9	4,250,000	500,000
Deferred taxation		1,462,182	1,605,824

5,712,182

2,105,824

Current Liabilities

Current portion of long term finances		831,505	1,695,988
Current portion of deferred income		-	522
Trade and other payables	10	4,270,806	3,664,234
Accrued interest / mark-up on			
- long term finances		58,948	29,063
- short term finances		47,999	2,502
Short term finances	11	5,424,956	65,120

10,634,214

5,457,429

Contingencies and Commitments

TOTAL EQUITY AND LIABILITIES

25,916,204

24,713,772

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chairman


Chief Executive


Chief Financial Officer



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condensed interim profit and loss account (unaudited) for the half year ended June 30, 2017

(Amounts in thousand except for earnings/(loss) per share)

	Note	Quarter ended June 30,		Half year ended June 30,	
		2017	2016	2017	2016
		Rupees		Rupees	
Net sales		9,327,608	11,464,321	18,004,707	23,100,030
Cost of sales		(7,876,055)	(8,395,406)	(14,879,230)	(16,722,581)
Gross profit		1,451,553	3,068,915	3,125,477	6,377,449
Distribution and marketing expenses		(1,267,222)	(1,143,950)	(2,251,364)	(2,541,322)
Administrative expenses		(176,817)	(231,845)	(407,751)	(423,044)
Other operating expenses		1,727	(153,183)	(30,684)	(272,695)
Other income		100,105	335	147,618	56,177
Operating profit		109,346	1,540,272	583,296	3,196,565
Finance costs		(165,542)	(111,450)	(221,857)	(213,647)
Profit before taxation		(56,196)	1,428,822	361,439	2,982,918
Taxation		(89,029)	(575,549)	(175,845)	(1,021,588)
Profit / (Loss) for the period		(145,225)	853,273	185,594	1,961,330
Earnings / (Loss) per share - basic and diluted	13	(0.19)	1.11	0.24	2.56

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chairman


Chief Executive


Chief Financial Officer

condensed interim statement of comprehensive income (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

	Quarter ended June 30,		Half year ended June 30,	
	2017	2016	2017	2016
	Rupees		Rupees	
Profit / (Loss) for the period	(145,225)	853,273	185,594	1,961,330
Other comprehensive income:				
Items that may be reclassified subsequently to profit or loss				
Gain on hedges during the period	-	-	-	-
Less: Adjustments for amounts transferred to initial carrying amounts of hedged items - capital work-in-progress / stock-in-trade	-	-	-	2,604
Income tax relating to hedging reserve	-	-	-	(834)
Other comprehensive income for the period, net of tax	-	-	-	1,770
Total comprehensive income / (loss) for the period	(145,225)	853,273	185,594	1,963,100

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chairman


Chief Executive


Chief Financial Officer

condensed interim statement of changes in equity (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

	Share capital	RESERVES					Total
		CAPITAL		REVENUE			
		Share premium	Employee share option compensation reserve	Hedging reserve	Remeasurement of post employment benefits - Actuarial loss	Unappropriated profit	
		Rupees					
Balance as at January 1, 2016 (Audited)	7,665,961	865,354	595,144	(1,770)	(84,356)	5,872,468	14,912,801
Employee share option scheme	-	-	(97,376)	-	-	-	(97,376)
Profit for the half year ended June 30, 2016	-	-	-	-	-	1,961,330	1,961,330
Other comprehensive income for the half year ended June 30, 2016	-	-	-	1,770	-	-	1,770
Total comprehensive income for the half year ended June 30, 2016	-	-	-	1,770	-	1,961,330	1,963,100
Balance as at June 30, 2016 (Unaudited)	7,665,961	865,354	497,768	-	(84,356)	7,833,798	16,778,525
Employee share option scheme	-	-	(63,786)	-	-	-	(63,786)
Profit for the half year ended December 31, 2016	-	-	-	-	-	425,382	425,382
Other comprehensive income for the half year ended December 31, 2016	-	-	-	-	10,398	-	10,398
Total comprehensive income for the half year ended December 31, 2016	-	-	-	-	10,398	425,382	435,780
Balance as at December 31, 2016 (Audited)	7,665,961	865,354	433,982	-	(73,958)	8,259,180	17,150,519
Employee share option scheme	-	-	(100,344)	-	-	-	(100,344)
Final dividend for the year ended December 31, 2016	-	-	-	-	-	(7,665,961)	(7,665,961)
Profit for the half year ended June 30, 2017	-	-	-	-	-	185,594	185,594
Other comprehensive income for the half year ended June 30, 2017	-	-	-	-	-	-	-
Total comprehensive income for the half year ended June 30, 2017	-	-	-	-	-	185,594	185,594
Balance as at June 30, 2017 (Unaudited)	7,665,961	865,354	333,638	-	(73,958)	778,813	9,569,808

The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chairman


Chief Executive


Chief Financial Officer

condensed interim statement of cash flows (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

Note	Half year ended June 30,	
	2017	2016
	Rupees	

CASH FLOWS FROM OPERATING ACTIVITIES

Cash generated from operations	14	460,698	1,214,962
Finance costs paid		(146,475)	(241,602)
Taxes paid		(525,093)	(668,827)
Retirement benefits paid		(119,029)	(962)
Long term advances and deposits - net		(1,339)	12,129
Net cash (utilized in) / generated from operating activities		(331,238)	315,700

CASH FLOWS FROM INVESTING ACTIVITIES

Purchases of:

- property, plant and equipment
- intangible assets
- biological assets

Proceeds from disposal of:

- property, plant and equipment
- biological assets

Net cash utilized in investing activities

(398,778)	(683,518)
(7,194)	(18,670)
9,725	(3,056)
56,744	33,892
52,911	44,712
(286,592)	(626,640)

CASH FLOWS FROM FINANCING ACTIVITIES

Proceeds from long term finances

Repayments of long term finances

Dividends paid

Net cash utilized in financing activities

Net decrease in cash and cash equivalents

Cash and cash equivalents at beginning of the period

Cash and cash equivalents at end of the period

4,000,000	-
(1,116,689)	(1,384,187)
(7,650,921)	-
(4,767,610)	(1,384,187)
(5,385,440)	(1,695,127)
637,824	(120,708)
(4,747,616)	(1,815,835)

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The annexed notes 1 to 21 form an integral part of this condensed interim financial information.


Chairman


Chief Executive


Chief Financial Officer



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notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

1. LEGAL STATUS AND OPERATIONS

- 1.1 Engro Foods Limited (the Company), is a public listed company incorporated in Pakistan, under the Companies Ordinance, 1984, and its shares are quoted on Pakistan Stock Exchange. The Company is a subsidiary of FrieslandCampina Pakistan Holdings B.V. (the Holding Company) which is a subsidiary of Royal FrieslandCampina N.V. (the Ultimate Parent Company) and its registered office is situated at 5th Floor, The Harbour Front Building, Plot No. HC-3, Block-4, Scheme No. 5, Clifton, Karachi.
- 1.2 The principal activity of the Company is to manufacture, process and sell dairy products, beverages, ice cream and frozen desserts. The Company also owns and operates a dairy farm.

2. BASIS OF PREPARATION

- 2.1 This condensed interim financial information of the Company for the half year ended June 30, 2017 is unaudited and 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 (the Ordinance), as required by circular CLD/CCD/PR(11)/2017 dated July 20, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) and further clarification issued through SECP's press release dated July 20, 2017 that the companies whose financial year, including quarterly and other interim period, closes on or before June 30, 2017 shall prepare their financial statements in accordance with provisions of the Ordinance. In case where requirements differ, the provisions of or directives issued under the Ordinance have been followed. This condensed interim financial information has, however, been subjected to limited scope review by the auditors, as required under the Code of Corporate Governance. This condensed interim financial information does not include all the information required for annual financial statements and therefore should be read in conjunction with the audited annual financial statements of the Company for the year ended December 31, 2016.
- 2.2 The preparation of this condensed interim financial information in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

During preparation of this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty are the same as those that apply to the financial statements for the year ended December 31, 2016, except for change in certain estimates / judgments regarding the Employees Share Options Scheme (ESOS). The estimated fair value of these options and the underlying assumptions are disclosed in note 5. Any changes in these assumptions may materially impact the carrying amount of deferred employee share compensation expense and employee share compensation reserve within the current and next financial year.

3. ACCOUNTING POLICIES

- 3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are consistent with those applied in the preparation of the annual financial statements for the year ended December 31, 2016.
- 3.2 There are certain amendments to published International Financial Reporting Standards and interpretations that are mandatory for the financial year beginning on January 1, 2017. These are considered not to be relevant or to have any significant effect on the Company's financial reporting and operations and are, therefore, not disclosed in this condensed interim financial information.
- 3.3 Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
4. PROPERTY, PLANT AND EQUIPMENT		
Operating assets, at net book value (notes 4.1, 4.2 and 4.3)	11,955,531	12,234,376
Capital work-in-progress (note 4.4)	409,506	732,411
Major spare parts and stand-by equipment	152,225	153,906
	<u>12,517,262</u>	<u>13,120,693</u>

4.1 Following additions, including transfers from capital work-in-progress, were made to operating assets during the period / year:

Buildings on freehold land	118,130	141,628
Plant, machinery and related equipment	529,531	631,309
Office equipment & furniture and fittings	5,926	28,906
Computer equipment	18,275	30,739
Vehicles	51,681	226,960
	<u>723,543</u>	<u>1,059,542</u>

4.2 The details of operating assets disposed-off / written off during the period / year are as follows:

	Cost	Accumulated depreciation / impairment	Net book value	Sales proceeds	Mode of disposal
	Rupees				
Plant , machinery and equipment	236,724	(221,675)	15,049	27,048	Auction / Sales proceeds
Vehicles - owned	69,964	(56,208)	13,756	28,156	Employee buyback / Auction
Computer equipment	779	(714)	65	80	Insurance claims
Building & Civil Work	19,023	(19,023)	-	-	Written off
Office equipment & furniture and fixture	2,193	(749)	1,444	1,460	Insurance claims / Auction
June 30, 2017	<u>328,683</u>	<u>(298,369)</u>	<u>30,314</u>	<u>56,744</u>	
December 31, 2016	<u>405,346</u>	<u>(341,291)</u>	<u>64,055</u>	<u>121,562</u>	

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

- 4.3 During the period, the Company has recorded an impairment charge, net of reversal, amounting to Rs. 32,026 (June 30, 2016: Rs. 57,480) against idle assets, determined on the basis of fair value of the assets less cost of disposal. The Company based on a review for impairment on the operating assets identified that the carrying values of certain operating assets in Dairy and Beverages segment exceed their estimated recoverable amounts. These assets were deemed as idle primarily due to discontinuation of certain SKUs to rationalize product portfolio of the Company. In addition, the Company identified that carrying value of certain previously impaired assets in Ice cream segment is lower than their estimated recoverable amounts. Accordingly, provision / reversal for impairment was recognized thereagainst. The recoverable amount of these assets amounted to Rs. 2,974, determined on the basis of fair value less cost of disposal of underlying assets which is based on the historical experience of net recovery proceeds on similar nature of assets. The valuation is considered to be level 3 in the fair value hierarchy due to unobservable inputs used in the valuation.

- 4.4 Movement in capital work-in-progress during the period / year:

Balance as at the beginning of the period / year

Additions:

Building on freehold land
Plant, machinery and related equipment
IS and milk automation projects
Office equipment, furniture & fittings and
computers equipment
Vehicles

Less:

Transfers to:

- Operating assets
- Intangible assets

Balance as at the end of the period / year

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
Balance as at the beginning of the period / year	732,411	419,755
Additions:		
Building on freehold land	116,654	114,424
Plant, machinery and related equipment	239,851	944,321
IS and milk automation projects	7,194	31,342
Office equipment, furniture & fittings and computers equipment	21,519	61,668
Vehicles	20,754	228,347
	405,972	1,380,102
Less:		
Transfers to:		
- Operating assets	(723,543)	(1,059,542)
- Intangible assets	(5,334)	(7,904)
Balance as at the end of the period / year	409,506	732,411

5. EMPLOYEES' SHARE OPTION SCHEME

In 2013, the shareholders of the Company approved Employees' Share Option Scheme (the Scheme) for granting of options to certain critical employees up to 16.9 million new ordinary shares, to be determined by the Board Compensation Committee.

Under the Scheme, options were to be granted in the years 2013 to April 2015. 50% of the options granted were to vest in two years whereas the remaining 50% were to vest in three years from the date of the grant of options. These options are exercisable within 3 years from the end of vesting period. During the period, 125,000 share options were granted to an employee and 300,000 previously granted share options lapsed due to resignation of an employee. Further, during the period, 1,000,000 vested share options, granted in 2013, expired due to non-exercise by an ex-employee within the exercise period.

The details of share options granted to date under the Scheme, which remained outstanding as at June 30, 2017 are as follows:

- number of options 11,725,000
- range of exercise price Rs. 182.85 - Rs. 354.90
- weighted average remaining contractual life 3.38 years

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

The weighted average fair value of options granted to date, as estimated at the date of grant using the Black-Scholes model was Rs. 28.46 per option. The following weighted average assumptions have been used in calculating the fair values of the options:

	Options granted in 2013	Options granted in 2015	Options granted in 2016	Options granted in 2017
Options granted and outstanding:				
- number of options	3,400,000	800,000	7,400,000	125,000
- share price	Rs. 133.58	Rs. 107.67	Rs. 156.85	Rs. 168.19
- exercise price	Rs. 191.89	Rs. 182.85	Rs. 230.76	Rs. 268.36
- expected volatility	32.54%	30.32%	34.86%	25.74%
- expected life	3 years	3.5 years	3.5 years	3.5 years
- annual risk free interest rate	9.42%	7.93%	6.15%	6.12%

The volatility has been measured as the standard deviation of quoted share prices over the last one year from each respective / expected grant date.

The time period under the Scheme for granting of share options expired in April 2015. However, the Company obtained approval of shareholders for extension in share options grant period for further 3 years in the Annual General Meeting held on April 27, 2015. The approval from SECP for aforementioned modification in the Scheme and the related vesting period has also been received through letter dated August 31, 2015.

As of June 30, 2017, 4,175,000 options remained ungranted which will lapse in option year 2018 with the expiry of scheme.

In respect of the Scheme, Employee share option compensation reserve and the related deferred expense amounting to Rs. 333,638 has been recognized, out of which Rs. 281,437 has been amortized to date, including reversal of Rs 43,602 in current period owing to change in fair value of options granted and lapsed during the period, net of charge in respect of employees services received to the balance sheet date.

6. STORES, SPARES AND LOOSE TOOLS

These are net of provision against slow moving spares amounting to Rs. 53,276 (December 31, 2016: Rs. 51,373).

7. STOCK-IN-TRADE

Raw and packaging material (note 7.1)
Work in process (note 7.2)
Finished goods (notes 7.3 and 7.4)

	Unaudited June 30, 2017	Audited December 31, 2016
	Rupees	
	3,046,405	2,668,770
	2,102,781	429,762
	237,659	665,366
	<u>5,386,845</u>	<u>3,763,898</u>

7.1 Includes Rs. 1,135,177 (December 31, 2016: Rs. 378,869) in respect of raw and packaging material held by third parties.

7.2 Includes Rs. 606,937 (December 31, 2016: Nil) in respect of semi-finished stock held by third parties.

7.3 Includes Rs. 25,476 (December 31, 2016: Rs. 162,111) in respect of finished goods held by third parties and Nil (December 31, 2016: Rs. 169,082) in respect of finished goods carried at net realizable value.

7.4 These are net of provision against expired / obsolete stock amounting to Rs. 35,403 (December 31, 2016: Rs. 48,088). Stock amounting to Rs. 60,455 (December 31, 2016: Rs. 57,734) has been written off against provision during the period.



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notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

	Unaudited June 30, 2017	Audited December 31, 2016
8. CASH AND BANK BALANCES	Rupees	
Cash at bank in:		
- current accounts - note 8.1	196,798	308,015
- savings accounts - note 8.2	480,542	394,929
	<u>677,340</u>	<u>702,944</u>
8.1 Includes balance in foreign currency account of Rs. 98,504 (December 31, 2016: Rs. 98,449).		
8.2 Includes balance in foreign currency account of Rs. 244,780 (December 31, 2016: Rs. 221,668).		
9. LONG TERM FINANCES		
During the period, the Company availed long term finances from Habib Bank Limited and Bank Al-Habib Limited amounting to Rs. 2,000,000 each to finance the working capital requirements of the Company. These finances carry mark up at the rate of 6 months KIBOR plus 0.05% per annum. These finances are secured against property, plant and equipment of the Company.		
10. TRADE AND OTHER PAYABLES		
This includes Rs. 15,040 (December 31, 2016: Nil) on account of the final dividend payable for the year ended December 31, 2016.		
11. SHORT TERM FINANCES - secured		
11.1 The facilities for short term running finance available from various banks, which represent the aggregate sale price of all mark-up arrangements, amounts to Rs. 7,945,782 (December 31, 2016: Rs. 7,467,073). The unutilized balance against these facilities as at June 30, 2017 was Rs. 2,520,826 (December 31, 2016: Rs. 7,401,953). The rates of mark-up on these finances are KIBOR based and range from 6.10% to 6.28% (December 31, 2016: 6.04% to 6.24%) per annum. These facilities are secured by way of hypothecation upon all the present and future current assets of the Company.		
11.2 The facilities for opening letters of credit and bank guarantees as at June 30, 2017 amounts to Rs. 6,569,218 (December 31, 2016: Rs. 6,547,927), of which the amount remaining unutilized as at June 30, 2017 was Rs. 4,700,294 (December 31, 2016: Rs. 5,138,457).		
12. CONTINGENCIES AND COMMITMENTS		
12.1 As at June 30, 2017, the Company has provided bank guarantees to:		
- Sui Southern Gas Company Limited amounting to Rs. 74,828 (December 31, 2016: Rs. 74,828) under the contract for supply of gas;		
- Sui Northern Gas Company Limited amounting to Rs. 34,350 (December 31, 2016: Rs. 34,350) under the contract for supply of gas;		
- Collector of Sales Tax, Large Tax Payers Unit (LTU), Karachi amounting to Rs. 258,712 (December 31, 2016: Rs. 258,712) under Sales Tax Rules 2006, against refund claim of input sales tax. Against these guarantees, sales tax refunds amounting to Rs.172,000 (December 31, 2016: Rs. 172,000) have been received to-date;		
- Controller Military Accounts, Rawalpindi amounting to Nil (December 31, 2016: Rs. 4,675), as collateral against supplies;		
- Parco Pearl Gas Co. (Private) Limited amounting to Rs. 1,000 (December 31, 2016: Rs. 1,000) as collateral against supplies; and		
- Collector of Customs MCC (Model Customs Collectorate) Port Qasim amounting to Nil (December 31, 2016: 11,125) as collateral against clearance of imported goods.		

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

- Punjab Skills Development Fund amounting to Rs. 32,415 (December 31, 2016: Nil) as collateral against the advance received against provision of services.
- 12.2 During the period the Company has received an order from Competition Commission of Pakistan, imposing a penalty of Rs. 62,293 in respect of Company's marketing activities relating to one of its products. The Company has filed an appeal against the aforementioned order. The Company, based on the opinion of its legal counsel, is confident of a favorable outcome of the appeal, and accordingly no provision has been recognized in the condensed interim financial information in this respect.
- 12.3 Commitments in respect of capital expenditure contracted for but not incurred as at June 30, 2017 amounts to Rs. 790,216 (December 31, 2016: Rs. 578,767).
- 12.4 Commitments in respect of purchase of certain commodities as at June 30, 2017 amounts to Rs. 1,413,801 (December 31, 2016: Rs. 631,248).
- 12.5 Commitments for rentals payable under the Ijarah agreement as at June 30, 2017 amounts to Rs. 72,531 (December 31, 2016: Rs. 119,825).
- 12.6 Following is the position of the Company's open tax assessments / matters as at June 30, 2017:
 - a) The Company in accordance with section 59 B (Group Relief) of the Income Tax Ordinance (ITO), 2001 has surrendered to Engro Corporation Limited (ECL), the associated company (previously the holding company), its tax losses amounting to Rs. 4,288,134 out of the total tax losses of Rs. 4,485,498 for the years ended December 31, 2006, 2007 and 2008 (Tax years 2007, 2008 and 2009) for cash consideration aggregating Rs. 1,500,847, being equivalent to tax benefit/effect thereof.

The Company had been designated as part of the Group of ECL by the Securities and Exchange Commission of Pakistan (SECP) through its letter dated February 26, 2010. Such designation was mandatory for availing Group tax relief under section 59 B(2)(g) of the Ordinance and a requirement under the Group Companies Registration Regulations, 2008 (the Regulations) notified by the SECP on December 31, 2008.

Further, the Appellate Tribunal, in respect of surrender of aforementioned tax losses by the Company to ECL for the years ended December 31, 2006 and 2007, decided the appeals in 2010 in favour of ECL, whereby, allowing the surrender of tax losses by the Company to ECL. The tax department has filed reference application there against before the Sindh High Court, which are under the process of hearings. However, in any event, should the reference application be upheld and the losses are returned to the Company, it will only culminate into recognition of deferred income tax asset thereon with a corresponding liability to ECL for refund of the consideration received. As such there will be no effect on the results of the Company.

In 2013, the Appellate Tribunal also decided similar appeal filed by ECL for the year ended December 31, 2008 in favour of ECL.

- b) The Company's appeal against the order of Commissioner Inland Revenue (CIR) for reduction of tax loss from Rs. 1,224,964 to Rs. 1,106,493 for the tax year 2007, is currently in the process of being heard. However, the Company, based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and hence the balance of taxes recoverable has not been reduced by the effect of the aforementioned disallowance.
- c) In 2013, the Commissioner Inland Revenue raised a demand of Rs. 223,369 for tax year 2009 by disallowing the provision for advances, stock written-off, repair and maintenance, sales promotion and advertisement expenses etc. During 2015, in response to the appeal filed against the audit proceedings, the Commissioner Appeals issued an appellate order in favour of the Company holding the selection of case for audit to be illegal and without jurisdiction. The tax department has filed an appeal against the order with the Appellate Tribunal Inland Revenue, however, no hearing has been conducted to date. The Company, based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- d) In 2013, the Sindh High Court, in respect of another company, has overturned the interpretation of the Appellate Tribunal on Section 113 (2) (c) of the Income Tax Ordinance, 2001 and has decided that the minimum tax paid cannot be carried forward



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(Amounts in thousand)

in respect of the year where no tax has been paid on account of loss for the year. Further, during last year Deputy Commissioner Inland Revenue disallowed minimum turnover tax credit for tax years 2008, 2010 and 2011 claimed by the Company in tax year 2013 on the basis of aforementioned judgement of Sindh High Court, which has been confirmed during the period by CIR (Appeals) against the Company on the same basis. The Company's management, based on the opinion of its legal advisor, is of the view that the above order is not correct and would not be maintained by the Supreme Court, which they intend to approach, if required. Therefore, the Company has maintained the adjustment of carried forward minimum turnover tax amounting to Rs. 1,026,701 made in prior years.

- e) In 2014, the Additional Commissioner Inland Revenue (ACIR) raised a demand of Rs. 713,341 for tax year 2012 by disallowing the initial allowance and depreciation on certain additions to property, plant and equipment, provision for retirement benefits, marketing support reimbursements, purchase expenses, sales promotion and advertisement and other expenses etc. The Company has obtained a stay order from the Sindh High Court against the recovery proceedings and also filed an appeal there against before the Commissioner Appeals. During the period, CIR (Appeals) upheld the decision of ACIR in respect of provision for retirement benefits and marketing support reimbursements. The Company intends to file an appeal with Appellate Tribunal Inland Revenue (ATIR) against the order of CIR (Appeals) and based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- f) In 2015, the Additional Commissioner Inland Revenue raised a demand of Rs. 73,962 for tax year 2014 by disallowing the loss on sales of raw milk considered as trading activity, depreciation on certain additions to property, plant and equipment and tax credit under 65B etc. The Company has filed an appeal against the order and based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- g) In 2016, the Deputy Commissioner Inland Revenue (DCIR) raised a demand of Rs. 541,221 for tax year 2013 by disallowing the loss on sales of raw milk considered as trading activity, stock written-off, finance cost allocation against advance for purchase of Engro Foods Netherlands and certain other items, research and business expenses, adjustment of tax losses for tax year 2011 and minimum turnover tax credit for tax years 2008, 2010 and 2011 etc against which the Company filed an appeal with CIR (Appeals). During the period, CIR (Appeals) upheld the decision of DCIR in respect of minimum turnover tax credit and finance cost allocation. The Company intends to file an appeal with Appellate Tribunal Inland Revenue (ATIR) against the order of CIR (Appeals) and based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- h) In 2016, the Additional Commissioner Inland Revenue raised a demand of Rs. 59,772 for tax year 2010, primarily on account of disallowance of sales promotion and freight expenses. The Company has filed an appeal against the order and based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.
- i) In 2016, the Additional Commissioner Inland Revenue raised a demand of Rs. 34,134 for tax year 2011 by disallowing depreciation on certain additions to property, plant and equipment, provision for retirement and other service benefits, sales promotion and advertisement and other expenses etc. The Company has filed an appeal against the order and based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly taxes recoverable have not been reduced by the effect of the aforementioned disallowances.

12.7 Sales tax

In 2016, the Deputy Commissioner Inland Revenue after conducting sales tax audit for the year ended December 2013 raised sales tax demand amounting to Rs. 143,125 including penalty. The demand primarily arose on account of (i) mismatch of input tax claimed with suppliers output tax on FBR portal; (ii) alleged unlawful adjustment of input tax; and (iii) alleged non-withholding of sales tax on certain supplies. The Company has filed an appeal against the order and based on the opinion of its tax consultant, is confident of a favourable outcome of the appeal, and, accordingly sales tax recoverable has not been reduced by the effect of aforementioned order.



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(Amounts in thousand)

	Unaudited June 30, 2017	Unaudited June 30, 2016
	Rupees	
13. EARNINGS PER SHARE - Basic and diluted		
There is no dilutive effect on the basic earnings per share of the Company, which is based on:		
Profit for the period	185,594	1,961,330
Weighted average number of ordinary shares for determination of basic & diluted EPS (in thousand)	766,596	766,596
14. CASH GENERATED FROM OPERATIONS		
Profit before taxation	361,439	2,982,918
Adjustment for non-cash charges and other items:		
- Depreciation	940,047	975,079
- Impairment of operating assets - net	32,026	57,480
- Amortization of intangible assets	12,801	15,234
- Amortization of deferred income	(522)	(1,915)
- Amortization of arrangement fees on long term finances	2,206	2,218
- Reversal of amortization of employee share option compensation reserve	(43,602)	(17,098)
- Loss / (Gain) on death / disposal of biological assets	3,555	(1,921)
- Gain on disposal of operating assets	(26,430)	(12,773)
- (Gain) / Loss arising from changes in fair value less estimated point-of-sale costs of biological assets	(78,414)	47,507
- Provision for retirement and other service benefits	54,281	50,593
- Provision for stock-in-trade	47,760	10,676
- Provision for slow moving spares	1,903	963
- Provision for impairment of trade debts	433	249
- Finance costs	221,857	213,647
Working capital changes (note 14.1)	(1,068,642)	(3,107,895)
	460,698	1,214,962

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

	Unaudited June 30, 2017	Unaudited June 30, 2016
	Rupees	
14.1 Working capital changes		
(Increase) / Decrease in current assets		
- Stores, spares and loose tools	(34,115)	(68,699)
- Stock-in-trade	(1,670,707)	(2,916,887)
- Trade debts	(44,019)	40,691
- Advances, deposits and prepayments	(50,689)	(81,209)
- Other receivables	(42,743)	486,407
- Sales tax recoverable	117,351	(418,100)
	<u>(1,724,922)</u>	<u>(2,957,797)</u>
Increase / (Decrease) in current liabilities		
- Trade and other payables	656,280	(150,098)
	<u>(1,068,642)</u>	<u>(3,107,895)</u>
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	677,340	301,806
Short term finances	(5,424,956)	(2,117,641)
	<u>(4,747,616)</u>	<u>(1,815,835)</u>

16. FINANCIAL RISK MANAGEMENT AND FINANCIAL INSTRUMENTS

16.1 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk.

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

16.2 Fair value of financial assets and liabilities

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

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

17. TRANSACTIONS WITH RELATED PARTIES

17.1 Transactions with related parties, other than those which have been disclosed elsewhere in this condensed interim financial information, are as follows:

		Unaudited June 30, 2017	Unaudited June 30, 2016
		Rupees	
Nature of relationship	Nature of transactions		
Ultimate Parent Company	Fee for technical assistance	461,504	-
Holding company	Dividend paid	3,909,640	-
Associated companies	Arrangement for sharing of premises, utilities, personnel and assets	116,051	113,702
	Reimbursement of expense paid on behalf of	8,017	51,743
	Purchases of goods and services	64,188	26,765
	Donation	250	4,500
	Dividend paid	3,060,759	-
Contribution to staff retirement funds	Managed and operated by ECL:		
	- Gratuity fund contribution	119,029	1,996
	- Provident fund contribution	157,725	143,545
Key management personnel	Managed and operated by the Company:		
	- Gratuity fund contribution	-	8,199
	Managerial remuneration	69,387	71,105
	Contribution for staff retirement benefits	7,208	6,837
Directors	Bonus payment	14,889	67,487
	Other benefits	509	680
	Fee	848	15,723

17.2 Related party transactions from Engro Corporation Limited and FrieslandCampina Pakistan (Holding) B.V. are shown in accordance with the status of the relation at the time of the transaction.

17.3 There are no transactions with key management personnel other than under the terms of the employment.



notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

18. SEGMENT INFORMATION

18.1 The basis of segmentation and reportable segments presented in this condensed interim financial information are the same which were disclosed in annual financial statements for the year ended December 31, 2016.

Unallocated assets include long and short term advances, deposits and prepayments, other receivables, taxes recoverable and cash and bank balances.

Liabilities are not segment-wise reported to the Board of Directors. All the unallocated results and assets are reported to the Board of Directors at entity level. Inter-segment sales of processed milk and powder are made by Dairy & Beverages to Ice cream & frozen desserts and inter-segment sales of raw milk are made by Dairy farm to Dairy, at market value.

18.2 Information regarding the Company's operating segments is as follows:

	Unaudited Half year ended June 30, 2017				Unaudited Half year ended June 30, 2016			
	Dairy and Beverages	Ice cream & frozen desserts	Dairy farm	Total	Dairy and Beverages	Ice cream & frozen desserts	Dairy farm	Total
	Rupees							
Results for the period								
Net sales	16,102,856	1,929,473	607,400	18,639,729	21,127,256	1,958,465	513,312	23,599,033
Inter-segment sales	(48,164)	-	(607,400)	(655,564)	(5,984)	-	(513,312)	(519,296)
	16,054,692	1,929,473	-	17,984,165	21,121,272	1,958,465	-	23,079,737
Raw milk sales	20,542	-	-	20,542	20,293	-	-	20,293
	16,075,234	1,929,473	-	18,004,707	21,141,565	1,958,465	-	23,100,030
Net profit / (loss) after tax	35,695	100,053	49,846	185,594	1,932,252	77,042	(47,964)	1,961,330
	Unaudited June 30, 2017				Audited December 31, 2016			
	Rupees							
Assets								
- Segment assets	15,987,566	2,005,797	1,964,135	19,957,498	14,683,089	2,079,166	2,030,254	18,792,509
- Un-allocated assets	-	-	-	5,958,706	-	-	-	5,921,263
	15,987,566	2,005,797	1,964,135	25,916,204	14,683,089	2,079,166	2,030,254	24,713,772

notes to the condensed interim financial information (unaudited) for the half year ended June 30, 2017

(Amounts in thousand)

19. SEASONALITY

The Company's 'Ice Cream' and 'Beverages' business are subject to seasonal fluctuation, with demand of ice cream and beverages products increasing in summer. The Company's dairy business is also subject to seasonal fluctuation due to lean and flush cycles of milk collection. Therefore, revenues and profits as at June 30, 2017 are not necessarily indicative of result to be expected for the full year.

20. CORRESPONDING FIGURES

20.1 In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet has been compared with the balances of annual financial statements of preceding financial year, whereas the condensed interim statement of profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows have been compared with the balances of comparable period of immediately preceding financial year.

20.2 For better presentation, following reclassifications have been made in this condensed interim financial information:

Description	Rupees	Head of account in condensed interim financial information for the period ended June 30, 2016	Head of account in condensed interim financial information for the period ended June 30, 2017
Profit and loss account			
Trade discounts and rebates	230,897	Distribution and marketing expenses	Net sales
Freight charges	211,176	Cost of sales	Distribution and marketing expenses

21. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on August 11, 2017 by the Board of Directors of the Company.


Chairman


Chief Executive


Chief Financial Officer



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ڈائریکٹرز رپورٹ

اینگرو فوڈز لمیٹڈ (فریز لینڈ کمپینا پاکستان ہولڈنگس پی۔وی۔ کی اکثریت ملکیتی ماتحت کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے کمپنی کے مالیاتی گوشواروں کی ششماہی رپورٹ اور عبوری معلومات بمسرت پیش کی جا رہی ہیں، جس کا اختتام 30 جون 2017 کو ہوا۔

کاروباری تجزیہ:

مذکورہ مدت میں کمپنی کے آمدنی 18 بلین روپے رہی جبکہ گزشتہ برس اسی مدت میں آمدنی 23.1 بلین روپے تھی۔ کمپنی کے گروس مارجن میں گزشتہ سال اسی مدت 27.6% کے مقابلے میں 17.4% رہا جس کی وجہ سے کمپنی کا منافع 186 ملین روپے رہا جو گزشتہ برس اسی مدت میں 1,961 ملین روپے تھا۔

ڈیری اور مشروبات کا شعبہ

اس سیکٹ نے 16 بلین روپے کی آمدنی رپورٹ کی جو کہ پچھلے سال اسی عرصے میں 21 بلین تھی۔ مجموعی طور پر ڈیری صنعت پر دباؤ کی وجہ سے 2016 کے مقابلے میں حجم میں کمی واقع ہوئی۔ ڈیری صنعت بہت سے مسائل کا سامنا کر رہی ہے، بشمول کئی فوڈ ریگولیٹری ریجیمز اور فیڈریشن اور صوبوں کے درمیان مختلف معیار کے نوڈ قوانین کی جوابدہی۔ اس کے علاوہ، یہ حقیقت ہے کہ کھلا دودھ غیر منظم اور غیر ٹیکس شدہ ہونے کی وجہ سے ناصرف غیر جانبدار ماحول پیدا کرتا ہے بلکہ عام عوام کے لئے بھی مضر صحت ہونے کا خطرہ ہے۔ فیڈرل بجٹ 2016 میں ڈیری مصنوعات پر سیلز ٹیکس کی شرح بدلنے اور ان کے خام میٹیریل پر اضافی ڈیوٹی لگانے نے ڈیری انڈسٹری کی ترقی کو روک دیا ہے۔ کمپنی کی موجودہ حکمت عملی سے کھلے دودھ کو پراسیسڈ دودھ میں بدلنے کے شعبے کو فروغ دینے اور دوسرے حربوں کے ہمراہ مارکیٹ شیئر کو بڑھانے میں مدد ملے گی۔

آئس کریم اور محفوظ منجمد میٹھوں (FROZEN DESSERTS) کا شعبہ:

اس سیکٹ نے 1.93 بلین روپے آمدنی رپورٹ کی جو کہ پچھلے سال اسی عرصے 1.96 بلین روپے تھی۔ ان چھ ماہ کے دوران جن کا اختتام 30 جون 2017 کو ہوا آئس کریم کی کھپت میں اضافہ ہوا، جس کی وجہ صارف کی من چاہی مصنوعات کی فراہمی اور متعلقہ برانڈز کی تقسیم و ترسیل رہی۔ اس شعبے میں منافع 100 ملین روپے رہا جو گزشتہ برس اسی مدت میں 77 ملین روپے تھا۔

ڈیری فارم کا شعبہ:

کمپنی کا ڈیری فارم حسب سابق ہماری ڈیری مصنوعات کے لیئے بھرپور اور باغذائیت خام مال کی فراہمی کا ماخذ رہا۔ اس شعبے میں 50 ملین روپے کا فائدہ ہوا جو گزشتہ برس اسی مدت میں 48 ملین روپے کا نقصان تھا۔



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مالیاتی کارکردگی کے گوشوارے

ان چھ ماہ کے دوران جن کا اختتام 30 جون 2017 کو ہوا کمپنی کی مالیاتی کارکردگی کے گوشواروں کا خلاصہ درج ذیل ہے:

رقم ملین میں	۳۰ جون ۲۰۱۷ کو اختتام پذیر ششماہی مدت		تبدیلی
	۲۰۱۷	۲۰۱۶	
خالص فروخت	18,005	23,100	(22%)
آپریٹنگ منافع	583	3,197	(82%)
فروخت کی شرح	3.2%	13.8%	
منافع بعد از ٹیکس	186	1,961	(91%)
فروخت کی شرح	1.0%	8.5%	
آمدنی فی شیئر Rs.	0.24	2.56	(91%)

مستقبل کا عکس:

فریڈ لینڈ کیمینا سہ انضمام کے فوائد جدتہ لاگت میں کمی اور آپریشنل استعداد کار کی صورت میں نظر آنا شروع ہو گئے ہیں۔ یہ فوائد جلد پاکستانی صارفین کو محفوظ، توانائی سے بھرپور اور بہتر انتخاب کے مواقع کی صورت میں منتقل ہوں گے۔ کمپنی دودھ کی صنعت کے ریگولیٹری اداروں کے ساتھ مستقل طور پر وفاقی اور صوبائی حکومتوں کے غذائی اجناس کے متعلق قوانین میں مشابہت پیدا کرنے اور ٹیکس قوانین میں یکسانیت لانے کے لئے مشغول ہے تاکہ کمپنی کو ترقی کرنے کے لئے موضوع مواقع دستیاب ہوں۔ کمپنی کم از کم پیسچرائزیشن کے قوانین جو دنیا بھر میں رائج ہیں کے پاکستان میں نفاذ کے لئے پرعزم ہے۔ جس سے دودھ کے معیار کو بہتر بنانے میں مدد ملے گی۔



علی احمد خان
چیف ایگزیکٹو



عبدالصمد داؤد
چیرمین

کراچی: 11 اگست 2017



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Half Year 2017 Accounts

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