

A vibrant, abstract splash of liquid in shades of blue, orange, yellow, and green, creating a dynamic and colorful background for the text.

blended to perfection

Third Quarter 2017

contents

company information	2
directors' report	4
condensed interim balance sheet	6
condensed interim profit and loss account	7
condensed interim statement of comprehensive income	8
condensed interim statement of changes in equity	9
condensed interim statement of cash flows	10
notes to the condensed interim financial information	11
directors' report (Urdu Version)	23

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
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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CONDENSED INTERIM
FINANCIAL INFORMATION (UNAUDITED)
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2017



engro foods

Third Quarter 2017 Accounts

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 nine months ended September 30, 2017.

BUSINESS REVIEW:

During the period, the Company attained a revenue of Rs. 27.1 billion versus Rs. 33.9 billion in the same period last year. Gross margin of the Company declined from 25.4% to 17.1%. As a result, the overall profitability of the Company declined to Rs. 386 million from Rs. 2,595 million in the same period last year. The Company posted a profit of Rs. 200 million in the third quarter vs a loss of Rs. 145 million in the second quarter.

DAIRY AND BEVERAGES SEGMENT

The segment reported a revenue of Rs. 24 billion versus Rs. 31 billion in the corresponding period last year. The dairy industry itself has seen a volume decline this year on account of various issues faced on multiple fronts. The disharmony between Federal and Provincial food laws and multiple food regulatory regimes has created compliance challenges for the industry. Further, the undocumented and untaxed loose milk sector has created an uneven playing field for the processed industry. Growth also suffered greatly with the tax legislative changes announced in the Federal Budget 2016, exempting dairy products and imposing additional duty on raw materials. Current Company efforts are targeted towards driving loose milk conversion to fuel category growth despite the above challenges, while employing other tactical measures to gain market share. Competition, particularly in relation to the specialized tea



creamer category has been heating up in the recent past with the entry of two major players.

ICE CREAM AND FROZEN DESSERTS SEGMENT

The segment reported a revenue of Rs. 3.1 billion versus Rs. 3.2 billion in the corresponding period last year. A focus on providing new consumer experiences by delivering innovation along with



an efficient communication strategy focussing on the mother brand drove the segment's performance during the period. This segment reported a profit of Rs. 156 million versus profit of Rs. 203 million in corresponding period last year, which is lower due to one-off charges without which, the underlying profit after tax has improved by 9 % versus the corresponding period last year.



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Third Quarter 2017 Accounts

DAIRY FARM SEGMENT

The segment reported a profit of Rs. 38 million versus a loss of Rs. 66 million in the corresponding period last year on the back of being a high yielding, consistent and high quality source of raw material for the Company.



FINANCIAL PERFORMANCE

The financial performance of the company for the nine months ended September 30, 2017 is summarized below:

(Rs. in million)	Nine months ended September 30		Variation
	2017	2016	
Net Sales	27,136	33,947	(20%)
Operating Profit	983	4,175	(76%)
% of sales	3.6%	12.3%	
Profit after tax	386	2,595	(85%)
% of sales	1.4%	7.6%	
Earnings per share (Rs.)	0.50	3.38	(85%)

FUTURE OUTLOOK

The integration with Friesland Campina has started bearing fruits for the Company, paving ways for innovation and operational efficiencies that result in cost savings. This enhanced our ability to offer the Pakistani consumer with more choices of better, healthier and safer dairy products.

The Company is actively working with the dairy industry to engage with regulatory authorities in order to remove the differences between federal and provincial food laws and regulatory inconsistencies. We believe that removing these hurdles and rationalizing tax laws are essential for a level playing field for the formal dairy sector. The Company has also reiterated its stance at multiple forums that minimum pasteurization law, which has been implemented all over the world should be implemented in Pakistan to address quality and safety issues of loose milk.

Abdul Samad Dawood
Chairman

Ali Ahmed Khan
Chief Executive

Karachi: October 20, 2017



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Third Quarter 2017 Accounts

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

(Amounts in thousand)

Amounts in thousand)		Unaudited September 30, 2017	Audited December 31, 2016
ASSETS		Note	Rupees
Non-Current Assets			
Property, plant and equipment	4	12,607,823	13,120,693
Biological assets		963,352	932,726
Intangibles		30,845	44,378
Long term advances and deposits		92,040	93,984
Deferred employee share option compensation expense	5	1,462	54,635
		13,695,522	14,246,416
Current Assets			
Stores, spares and loose tools	6	815,242	841,394
Stock-in-trade	7	3,372,682	3,763,898
Trade debts		141,023	69,654
Advances, deposits and prepayments		132,685	144,879
Other receivables		217,131	114,661
Sales tax recoverable		2,049,301	2,736,249
Taxes recoverable		2,184,647	2,039,370
Deferred employee share option compensation expense	5	39,643	54,307
Cash and bank balances	8	522,591	702,944
		9,474,945	10,467,356
TOTAL ASSETS		23,170,467	24,713,772
EQUITY AND LIABILITIES			
Equity			
Share capital		7,665,961	7,665,961
Share premium		865,354	865,354
Employee share option compensation reserve	5	310,771	433,982
Remeasurement of post employment benefits - Actuarial loss		(73,958)	(73,958)
Unappropriated profit		978,977	8,259,180
		9,747,105	17,150,519
Non-Current Liabilities			
Long term finances	9	4,250,000	500,000
Deferred taxation		1,384,504	1,605,824
		5,634,504	2,105,824
Current Liabilities			
Current portion of long term finances		832,626	1,695,988
Current portion of deferred income		-	522
Trade and other payables	10	4,285,236	3,664,234
Accrued interest / mark-up on			
- long term finances		140,118	29,063
- short term finances		33,363	2,502
Short term finances	11	2,497,515	65,120
		7,788,858	5,457,429
Contingencies and Commitments	12		
TOTAL EQUITY AND LIABILITIES		23,170,467	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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Third Quarter 2017 Accounts

condensed interim profit and loss account (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand except for earnings per share)

	Note	Quarter ended September 30,		Nine months ended September 30,	
		2017	2016	2017	2016
		Rupees		Rupees	
Net sales		9,130,794	10,847,451	27,135,501	33,947,481
Cost of sales		(7,626,135)	(8,608,383)	(22,505,365)	(25,330,964)
Gross profit		1,504,659	2,239,068	4,630,136	8,616,517
Distribution and marketing expenses		(934,295)	(1,041,015)	(3,185,659)	(3,582,337)
Administrative expenses		(205,885)	(226,138)	(613,636)	(649,182)
Other operating expenses		(42,497)	(24,059)	(73,181)	(296,754)
Other income		77,632	31,036	225,250	87,213
Operating profit		399,614	978,892	982,910	4,175,457
Finance costs		(169,763)	(79,403)	(391,620)	(293,050)
Profit before taxation		229,851	899,489	591,290	3,882,407
Taxation		(29,687)	(266,035)	(205,532)	(1,287,623)
Profit for the period		200,164	633,454	385,758	2,594,784
Earnings per share - basic and diluted	13	0.26	0.83	0.50	3.38

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 nine months ended September 30, 2017

(Amounts in thousand)

	Quarter ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
	Rupees		Rupees	
Profit for the period	200,164	633,454	385,758	2,594,784
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 for the period	200,164	633,454	385,758	2,596,554

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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Third Quarter 2017 Accounts

condensed interim statement of changes in equity (unaudited) for the nine months ended September 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	-	-	(140,239)	-	-	-	(140,239)
Profit for the nine months ended September 30, 2016	-	-	-	-	-	2,594,784	2,594,784
Other comprehensive income for the nine months ended September 30, 2016	-	-	-	1,770	-	-	1,770
Total comprehensive income for the nine months ended September 30, 2016	-	-	-	1,770	-	2,594,784	2,596,554
Balance as at September 30, 2016 (Unaudited)	7,665,961	865,354	454,905	-	(84,356)	8,467,252	17,369,116
Employee share option scheme	-	-	(20,923)	-	-	-	(20,923)
Profit for the quarter ended December 31, 2016	-	-	-	-	-	(208,072)	(208,072)
Other comprehensive income for the quarter ended December 31, 2016	-	-	-	-	10,398	-	10,398
Total comprehensive income for the quarter ended December 31, 2016	-	-	-	-	10,398	(208,072)	(197,674)
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	-	-	(123,211)	-	-	-	(123,211)
Final dividend for the year ended December 31, 2016	-	-	-	-	-	(7,665,961)	(7,665,961)
Profit for the nine months ended September 30, 2017	-	-	-	-	-	385,758	385,758
Other comprehensive income for the nine months ended September 30, 2017	-	-	-	-	-	-	-
Total comprehensive income for the nine months ended September 30, 2017	-	-	-	-	-	385,758	385,758
Balance as at September 30, 2017 (Unaudited)	7,665,961	865,354	310,771	-	(73,958)	978,977	9,747,105

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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Third Quarter 2017 Accounts

condensed interim statement of cash flows (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

		Nine months ended September 30,	
Note		2017	2016
		Rupees	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	14	3,902,948	4,472,412
Finance costs paid		(249,704)	(320,493)
Taxes paid		(572,130)	(701,563)
Retirement benefits paid		(121,154)	(1,417)
Long term advances and deposits - net		1,944	(662)
Net cash generated from operating activities		2,961,904	3,448,277
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchases of:			
- property, plant and equipment		(958,764)	(954,750)
- intangible assets		(9,366)	(26,967)
- biological assets		16,179	(3,495)
Proceeds from disposal of:			
- property, plant and equipment		69,023	59,050
- biological assets		80,302	61,324
Net cash utilized in investing activities		(802,626)	(864,838)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from long term finances		4,000,000	-
Repayments of long term finances		(1,116,689)	(2,462,938)
Dividends paid		(7,655,337)	-
Net cash utilized in financing activities		(4,772,026)	(2,462,938)
Net decrease in cash and cash equivalents		(2,612,748)	120,501
Cash and cash equivalents at beginning of the period		637,824	(120,708)
Cash and cash equivalents at end of the period	15	(1,974,924)	(207)

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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Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 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 nine months ended September 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 October 4, 2017 issued by the Securities and Exchange Commission of Pakistan (SECP) and further clarification issued by ICAP through circular no. 17/2017 dated October 6, 2017, that the companies whose financial year closes on or before December 31, 2017 shall prepare their financial statements, including interim 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 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.



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Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

		Unaudited September 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)	11,901,848	12,234,376			
	Capital work-in-progress (note 4.4)	549,014	732,411			
	Major spare parts and stand-by equipment	156,961	153,906			
		<u>12,607,823</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	123,757	141,628			
	Plant, machinery and related equipment	905,707	631,309			
	Office equipment & furniture and fittings	8,406	28,906			
	Computer equipment	29,613	30,739			
	Vehicles	78,369	226,960			
		<u>1,145,852</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	256,735	(240,591)	16,144	32,946	Auction / Sales proceeds / Writeoff
	Vehicles - owned	86,518	(68,258)	18,260	34,430	Employee buyback / Auction
	Computer equipment	913	(847)	66	106	Insurance claims / Writeoff
	Building & Civil Work	19,023	(19,023)	-	-	Written off
	Office equipment & furniture and fixture	4,181	(2,627)	1,554	1,541	Insurance claims / Auction
	September 30, 2017	<u>367,370</u>	<u>(331,346)</u>	<u>36,024</u>	<u>69,023</u>	
	December 31, 2016	<u>509,988</u>	<u>(439,613)</u>	<u>70,375</u>	<u>121,562</u>	



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Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

- 4.3 During the period, the Company has recorded an impairment charge, net of reversal, amounting to Rs. 29,844 (September 30, 2016: Rs. 56,330) 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. 16,407, 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.

	Unaudited September 30, 2017	Audited December 31, 2016
	Rupees	
4.4 Movement in capital work-in-progress during the period / year:		
Balance as at the beginning of the period / year	732,411	419,755
Additions:		
Building on freehold land	124,085	114,424
Plant, machinery and related equipment	739,671	944,321
IS and milk automation projects	9,366	31,342
Office equipment, furniture & fittings and computers equipment	47,869	61,668
Vehicles	47,139	228,347
	968,130	1,380,102
Less:		
Transfers to:		
- Operating assets	(1,145,852)	(1,059,542)
- Intangible assets	(5,675)	(7,904)
Balance as at the end of the period / year	549,014	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, 1,800,000 vested share options, granted in 2013, expired due to non-exercise by ex-employees within the exercise period.

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

- number of options	10,925,000
- range of exercise price	Rs. 182.85 - Rs. 354.90
- weighted average remaining contractual life	3.40 years



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Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 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. 28.45 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	2,600,000	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	3.0 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 September 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. 310,771 has been recognized, out of which Rs. 269,667 has been amortized to date, including reversal of Rs. 55,371 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 expired / obsolete stores and spares amounting to Rs. 65,342 (December 31, 2016: Rs. 51,373). Spares amounting to Rs. 3,454 (December 31, 2016: Nil) have been written off against provision during the period.

7. STOCK-IN-TRADE

	Unaudited September 30, 2017	Audited December 31, 2016
	Rupees	
Raw and packaging material (note 7.1)	2,234,776	2,668,770
Work in process (note 7.2)	742,784	429,762
Finished goods (notes 7.3 and 7.4)	395,122	665,366
	<u>3,372,682</u>	<u>3,763,898</u>

7.1 Includes Rs. 201,056 (December 31, 2016: Rs. 378,869) in respect of raw and packaging material held by third parties.

7.2 Includes Rs. 230,571 (December 31, 2016: Nil) in respect of semi-finished stock held by third parties.

7.3 Includes Rs. 24,578 (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. 41,733 (December 31, 2016: Rs. 48,088). Stock amounting to Rs. 61,528 (December 31, 2016: Rs. 57,734) has been written off against provision during the period.



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Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

	Unaudited September 30, 2017	Audited December 31, 2016
	Rupees	
8. CASH AND BANK BALANCES		
Cash at bank in:		
- current accounts - note 8.1	152,760	308,015
- savings accounts - note 8.2	369,831	394,929
	<u>522,591</u>	<u>702,944</u>
8.1 Includes balance in foreign currency account of Rs. 97,577 (December 31, 2016: Rs. 98,449).		
8.2 Includes balance in foreign currency account of Rs. 257,055 (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. 10,624 (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. 7,945,215 (December 31, 2016: Rs. 7,467,073). The unutilized balance against these facilities as at September 30, 2017 was Rs. 5,447,700 (December 31, 2016: Rs. 7,401,953). The rates of mark-up on these finances are KIBOR based and range from 6.14% to 6.26% (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 September 30, 2017 amounts to Rs. 7,569,785 (December 31, 2016: Rs. 6,547,927), of which the amount remaining unutilized as at September 30, 2017 was Rs. 4,063,423 (December 31, 2016: Rs. 5,138,457).		
12. CONTINGENCIES AND COMMITMENTS		
12.1 As at September 30, 2017, the Company has provided bank guarantees to:		
- Sui Southern Gas Company Limited amounting to Rs. 75,395 (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;		



engro foods

Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

- Collector of Customs MCC (Model Customs Collectorate) Port Qasim amounting to Nil (December 31, 2016: 11,125) as collateral against clearance of imported goods; and
 - 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 September 30, 2017 amounts to Rs. 489,789 (December 31, 2016: Rs. 578,767).
- 12.4 Commitments in respect of purchase of certain commodities as at September 30, 2017 amounts to Rs. 273,027 (December 31, 2016: Rs. 631,248).
- 12.5 Commitments for rentals payable under the Ijarah agreement as at September 30, 2017 amounts to Rs. 64,037 (December 31, 2016: Rs. 119,825).
- 12.6 Following is the position of the Company's open tax assessments / matters as at September 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.



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notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

- 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 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 has filed 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 filed 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.



engro foods

Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

	Unaudited September 30, 2017	Unaudited September 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	385,758	2,594,784
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	591,290	3,882,407
Adjustment for non-cash charges and other items:		
- Depreciation	1,412,511	1,450,814
- Impairment of operating assets - net	29,844	56,330
- Amortization of intangible assets	19,207	21,321
- Amortization of deferred income	(522)	(2,566)
- Amortization of arrangement fees on long term finances	3,327	3,339
- Reversal of amortization of employee share option compensation reserve	(55,371)	(24,317)
- Loss on death / disposal of biological assets	15,345	996
- Gain on disposal of operating assets	(32,999)	(20,250)
- Gain arising from changes in fair value less estimated point-of-sale costs of biological assets	(142,452)	(15,312)
- Provision for retirement and other service benefits	82,163	78,166
- Provision for stock-in-trade	55,173	10,932
- Provision for slow moving spares	17,423	3,928
- Provision for impairment of trade debts	145	1,108
- Finance costs	391,620	293,050
Working capital changes (note 14.1)	1,516,244	(1,267,534)
	<u>3,902,948</u>	<u>4,472,412</u>

notes to the condensed interim financial information (unaudited) for the nine months ended September 30, 2017

(Amounts in thousand)

	Unaudited September 30, 2017	Unaudited September 30, 2016
	Rupees	
14.1 Working capital changes		
Decrease / (Increase) in current assets		
- Stores, spares and loose tools	5,674	(53,667)
- Stock-in-trade	336,043	(1,239,912)
- Trade debts	(71,514)	46,659
- Advances, deposits and prepayments	12,194	(62,481)
- Other receivables	(102,470)	458,526
- Sales tax recoverable	686,948	(445,393)
	<u>866,875</u>	<u>(1,296,268)</u>
Increase / (Decrease) in current liabilities		
- Trade and other payables	649,369	28,734
	<u>1,516,244</u>	<u>(1,267,534)</u>
15. CASH AND CASH EQUIVALENTS		
Cash and bank balances	522,591	300,976
Short term finances	<u>(2,497,515)</u>	<u>(301,183)</u>
	<u>(1,974,924)</u>	<u>(207)</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.



engro foods

notes to the condensed interim financial information (unaudited) for the nine months ended September 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 September 30, 2017	Unaudited September 30, 2016
		Rupees	
Nature of relationship	Nature of transactions		
Ultimate Parent Company	Fee for technical assistance	696,399	-
Holding company	Dividend paid	3,909,640	-
Associated companies	Arrangement for sharing of premises, utilities, personnel and assets	161,289	168,743
	Reimbursement of expense paid on behalf of	10,283	76,826
	Purchases of goods and services	117,106	34,663
	Donation	9,250	9,000
	Dividend paid	3,060,759	-
Contribution to staff retirement funds	Managed and operated by ECL:		
	- Gratuity fund contribution	121,154	2,450
	- Provident fund contribution	240,253	216,609
	Managed and operated by the Company:		
	- Gratuity fund contribution	-	8,199
Key management personnel	Managerial remuneration	136,087	105,061
	Contribution for staff retirement benefits	11,140	10,384
	Bonus payment	17,311	67,487
	Other benefits	509	1,180
Directors	Fee	1,062	21,037

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 nine months ended September 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 Nine months ended September 30, 2017				Unaudited Nine months ended September 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	24,130,525	3,060,842	791,561	27,982,928	30,779,405	3,161,023	669,447	34,609,875
Inter-segment sales	(76,408)	-	(791,561)	(867,969)	(19,042)	-	(669,447)	(688,489)
	24,054,117	3,060,842	-	27,114,959	30,760,364	3,161,023	-	33,921,386
Raw milk sales	20,542	-	-	20,542	26,095	-	-	26,095
	<u>24,074,659</u>	<u>3,060,842</u>	<u>-</u>	<u>27,135,501</u>	<u>30,786,459</u>	<u>3,161,023</u>	<u>-</u>	<u>33,947,481</u>
Net profit / (loss) after tax	<u>191,137</u>	<u>156,146</u>	<u>38,475</u>	<u>385,758</u>	<u>2,458,098</u>	<u>202,849</u>	<u>(66,163)</u>	<u>2,594,784</u>
	Unaudited September 30, 2017				Audited December 31, 2016			
	Rupees							
Assets								
- Segment assets	14,232,246	1,821,486	2,033,473	18,087,205	14,683,089	2,079,166	2,030,254	18,792,509
- Un-allocated assets	-	-	-	5,083,262	-	-	-	5,921,263
	<u>14,232,246</u>	<u>1,821,486</u>	<u>2,033,473</u>	<u>23,170,467</u>	<u>14,683,089</u>	<u>2,079,166</u>	<u>2,030,254</u>	<u>24,713,772</u>



engro foods

Third Quarter 2017 Accounts

notes to the condensed interim financial information (unaudited) for the nine months ended September 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 September 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 September 30, 2016	Head of account in condensed interim financial information for the period ended September 30, 2017
Profit and loss account			
Trade discounts and rebates	363,551	Distribution and marketing expenses	Net sales
Freight charges	333,419	Cost of sales	Distribution and marketing expenses

21. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 20, 2017 by the Board of Directors of the Company.


Chairman


Chief Executive


Chief Financial Officer



engro foods

Third Quarter 2017 Accounts

ڈائریکٹرز رپورٹ

اینگرو فوڈز لمیٹڈ (فریز لینڈ کمپینا پاکستان ہولڈنگ بی۔وی۔کی اکثریت ملکیتی ماتحت کمپنی) کے بورڈ آف ڈائریکٹرز کی جانب سے ہم 30 ستمبر 2017 کو اختتام پذیر نو ماہ کی عبوری مالی معلومات اور ڈائریکٹرز رپورٹ پیش کرنے پر مسرت محسوس کرتے ہیں۔

کاروباری تجزیہ:

مذکورہ مدت میں کمپنی کے آمدنی 27.1 بلین روپے رہی جو کہ گزشتہ برس اسی مدت میں 33.9 بلین روپے تھی۔ کمپنی کا گروس مارجن گزشتہ سال اسی مدت میں 25.4% کے مقابلے میں 17.1% رہا جس کی وجہ سے کمپنی کا منافع 386 ملین روپے رہا جو گزشتہ برس اسی مدت میں 2,595 ملین روپے تھا۔ کمپنی نے دوسری سہ ماہی کے 145 ملین روپے کے نقصان کے مقابلے میں تیسری سہ ماہی میں 200 ملین روپے کا منافع دکھایا۔

ڈیری اور مشروبات کا شعبہ

اس سیکٹ نے 24 ارب روپے کی آمدنی دکھائی جو کہ گزشتہ سال اسی مدت کے دوران 31 ارب روپے تھی۔ اس سال ڈیری کی صنعت نے مختلف محاذوں پر متعدد مسائل کی بناء پر حجم کی کمی کا سامنا کیا ہے۔ وفاقی اور صوبائی غذائی قوانین اور متعدد انتظامی حکومتی انتظام میں ہم آہنگی نہ ہونے کے وجہ سے صنعت کے لیے ان کی تعمیل کے لیے مسائل پیدا کر دیے ہیں۔ مزید یہ کہ غیر منظم اور غیر ٹیکس شدہ دودھ کے سیلٹرنے منظم ڈیری صنعت کے لیے ناموافق کاروباری ماحول پیدا کر دیا ہے۔ وفاقی بجٹ 2016 میں اعلان کردہ محصول کے قوانین میں تبدیلی کی وجہ سے بھی صنعت کی نموری طرح متاثر ہوئی ہے۔

کمپنی کی موجودہ کاوشیں کھلے دودھ سے پراسیسڈ دودھ پہ منتقل کرنے، اور مذکورہ بالا مسائل کے باوجود، مارکیٹ شیئر بڑھانے پر مرکوز ہیں۔ ٹی کریمر کیٹیگری میں دو نئے حریفوں کے آنے کی وجہ سے انڈسٹری کو زیادہ مسابقت کا سامنا ہے۔

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

اس سیکٹ نے گزشتہ سال اسی مدت کی 3.2 ارب روپے کی آمدنی کے مقابلے میں 3.1 ارب روپے آمدنی رپورٹ کی۔ اس مدت میں کمپنی کی توجہ گاہکوں کے نئے ایکسپیرننس اور برانڈ کی موثر مارکیٹنگ کی وجہ سے سیکٹ کی کارکردگی بہتر رہی۔ سیکٹ نے گزشتہ سال اسی مدت میں 203 ملین روپے کے منافع کے مقابلے میں 156 ملین روپے کا منافع رپورٹ کیا اور اس کمی کی وجہ ایک دفعہ کے اخراجات ہیں، جس کے بغیر سیکٹ کے منافع میں گزشتہ سال کے مقابلے میں 9 فیصد بہتری آئی۔



engro foods

Third Quarter 2017 Accounts

ڈیری فارم کا شعبہ:

اس سیگنٹ نے گزشتہ سال اسی مدت کے 66 ملین روپے کے نقصان کے مقابلے میں 38 ملین روپے کا منافع رپورٹ کیا۔ یہ سیگنٹ کمپنی کے لیے مسلسل زیادہ پیداوار اور بلند معیار کے خام مال کا ماخذ ہے۔

مالیاتی کارکردگی کے گوشوارے

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

رقم ملین میں	۳۰ ستمبر ۲۰۱۷ کو اختتام پذیر نوامہ کی مدت		تبدیلی
	۲۰۱۷	۲۰۱۶	
خالص فروخت	27,136	33,947	(20%)
آپریٹنگ منافع	983	4,175	(76%)
فروخت کی شرح	3.6%	12.3%	
منافع بعد از ٹیکس	386	2,595	(85%)
فروخت کی شرح	1.4%	7.6%	
آمدنی فی شیئر Rs.	0.50	3.38	(85%)

مستقبل کا عکس:

فریز لینڈ کمپنی سے انضمام کے فوائد جدت، 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: 20 اکتوبر 2017



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