



**PAKISTAN  
GUM AND CHEMICALS  
LIMITED**



**CONDENSED INTERIM FINANCIAL  
STATEMENTS FOR THE  
3rd QUARTER ENDED  
SEPTEMBER 30, 2016**



PAKISTAN GUM & CHEMICALS LIMITED

## **COMPANY INFORMATION**

AS ON SEPTEMBER 30, 2016

### **Board of Directors**

Mohammad Moonis	<i>Chairman</i>
Shuaib Ahmed	<i>Vice-Chairman</i>
Ozair Ahmed Hanafi	<i>Director</i>
Tariq Mohamed Amin	<i>Director</i>
Mohammed Aslam Hanafi	<i>Director</i>
Mohammad Ali Hanafi	<i>Director</i>
Zaeem Ahmad Hanafi	<i>Director</i>
Zahid Zaheer	<i>Director</i>
Zubyr Soomro	<i>Director</i>

### **Chief Executive**

Sajid Iqbal Hussain

### **Audit Committee**

Tariq Mohamed Amin	<i>Chairman</i>
Zaeem Ahmad Hanafi	<i>Member</i>
Zahid Zaheer	<i>Member</i>
Zubyr Soomro	<i>Member</i>

### **Human Resource & Remuneration (HR&R) Committee**

Zahid Zaheer	<i>Chairman</i>
Shuaib Ahmed	<i>Member</i>
Tariq Mohamed Amin	<i>Member</i>
Zubyr Soomro	<i>Member</i>

### **Auditors**

EY Ford Rhodes  
Chartered Accountants

### **Legal Advisor**

Azizuddin Khan

### **Bankers**

Askari Bank Limited  
Habib Bank Limited  
Bank of Punjab  
Habib Metropolitan Bank Limited  
JS Bank Limited  
MCB Bank Limited  
Summit Bank Limited

### **Registrar and Share Transfer Office**

JWAFFS Registrar Services (Pvt.) Limited  
407-408, Al-Ameera Centre, Shahrah-e-Iraq, Saddar, Karachi.  
Phone: (92-21) 35662023-24

### **Registered Office**

B-19/A, Irshad Qadri Road  
S.I.T.E., Karachi-75700  
P.O. Box 3639

Phone: (92-21) 32561124-26  
Fax: (92-21) 32561320  
E-mail: [info@pakchem.com.pk](mailto:info@pakchem.com.pk)  
URL: [www.pakchem.com.pk](http://www.pakchem.com.pk)



### **CHAIRMAN'S REVIEW**

On behalf of the Board of Directors, I present the unaudited accounts for the third quarter ended 30 September, 2016.

Net sales for the period under review were Rs.351 million as compared to Rs.575 million in the corresponding period of 2015. Despite increase in sales volume by 10.4% sales value decreased by 44.9%. This reflects significant fall in selling price which has further increased our losses. This has resulted in Net Loss After Tax of Rs.77 million compared to After Tax loss of Rs.29 million for the same period last year.

As expected, the results for the period under review reflect a declining trend in price for guar products and correspondingly our profit margin. Indian producers are still selling at very low prices which are adversely impacting our sales. The major contributing cause is decline in international crude oil price and the resultant evaporation of demand for industrial grade products from the hydraulic fracturing industry. However, most of our old inventory has been almost consumed. The new orders are being booked at break even or at some margin. If this trend continues, we expect that in the coming months the losses could be substantially lower or there could be even a small profit.

I would like to thank all the employees for their hard work under very trying conditions. I also owe a debt of gratitude to the Board Members for their wise counsel and continued support.

A handwritten signature in black ink, appearing to read "Mohammad Moonis".

**Mohammad Moonis**  
*Chairman*

Karachi: October 26, 2016



PAKISTAN GUM & CHEMICALS LIMITED

## چئیرمین کا جائزہ


میں بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2016 کو ختم ہونے والے تیسرے سہ ماہی غیر آڈیٹڈ مالیاتی گوشوارے پیش کر رہا ہوں۔

اس معیاد کی حتمی فروخت 351 ملین رہی جو کہ گزشتہ سال اس دوران 557 ملین تھی۔ فروختی کے حجم کی شرح میں 10.40% اضافہ کے باوجود مالیت میں 44.90% کی کمی رہی جو کہ اس بات کی عکاسی کرتا ہے کہ ہماری مصنوعات کی قیمتوں میں شدید کمی آئی ہے جس نے ہمارے خصارہ میں مزید اضافہ کر دیا ہے۔ اس کے نتیجہ میں کمپنی کو گیس کی ادائیگی کے بعد 77 ملین کا خصارہ ہوا جو کہ گزشتہ سال اس دوران 29 ملین تھا۔

متوقع طور پر اس مدت کے نتائج اس بات کی عکاسی کرتے ہیں کہ گوار کی مصنوعات کی قیمتوں میں کمی آئی ہے جس نے اس ہی شرح سے ہمارے منافعوں کو بھی متاثر کیا ہے۔ ہندوستانی صنعتکاروں نے اپنی مصنوعات کی فروخت بہت کم قیمتوں پر جاری رکھی ہوئی ہے جس نے ہماری فروخت کو بری طرح متاثر کیا ہے۔ اس کی بنیادی وجہ بیرون ملک خام تیل کی قیمتوں میں کمی ہے جس نے ہائڈروک فیکچرنگ صنعت کی جانب سے ہماری مصنوعات کی مانگ کو یکسر ختم کر دیا ہے۔

بہر حال ہم اپنی پرانی انونٹری کا کثیر حصہ استعمال کر چکے ہیں۔ نئی فروخت یا تولید اوری لاگت پر یا تھوڑے منافع پر کی جارہی ہے۔ اگر آنے والے سودے اس ہی تناسب سے ہوتے رہیں تو امید ہے کہ آئندہ اس خصارہ کو کم کیا جاسکے گا یا آخری سہ ماہی میں کچھ منافع بھی ہو سکے گا۔

میں مشکور ہوں بورڈ پر موجود اپنے ساتھیوں کا جن کے تعاون، محنت اور مشوروں کی بدولت میں اپنے کام کی انجام دہی کر سکا ہوں۔ میں معترف ہوں کمپنی کی مینجمنٹ اور کارکنان کا جو کہ ان مشکل حالات کا انتھک محنت سے مقابلہ کرتے رہے۔

  
محمد منس  
چئیرمین

کراچی: مورخہ 26 اکتوبر، 2016



PAKISTAN GUM &amp; CHEMICALS LIMITED

## CONDENSED INTERIM BALANCE SHEET AS AT SEPTEMBER 30, 2016

	Note	Sep. 30, 2016	Dec. 31, 2015
		-----Rupees in '000----- (Un-audited)	(Audited)
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment	4	115,450	128,356
Long-term deposits	5	878	878
		<u>116,328</u>	<u>129,234</u>
<b>CURRENT ASSETS</b>			
Stores and spare parts		5,641	7,172
Stock-in-trade	6	78,584	142,348
Trade debts	7	31,988	46,373
Loans and advances		1,764	1,114
Short-term prepayments		919	862
Other receivables		8,151	6,563
Short-term investment		130,646	115,368
Taxation-net		32,002	34,280
Cash and bank balances	8	14,904	17,822
		<u>304,599</u>	<u>371,902</u>
<b>TOTAL ASSETS</b>		<u>420,927</u>	<u>501,136</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
<b>Share capital</b>			
<b>Authorised</b>			
10,000,000 Ordinary shares of Rs.10 each		<u>100,000</u>	<u>100,000</u>
<b>Issued, subscribed and paid-up capital</b>		42,486	42,486
<b>Reserves</b>		<u>323,197</u>	<u>400,302</u>
		365,683	442,788
<b>NON-CURRENT LIABILITIES</b>			
Deferred taxation		2,523	2,848
<b>CURRENT LIABILITIES</b>			
Trade and other payables	9	52,721	55,500
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>420,927</u>	<u>501,136</u>
<b>CONTINGENCIES AND COMMITMENT</b>	10		

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Mohammad Moonis**  
Chairman

  
**Sajid Iqbal Hussain**  
Chief Executive



PAKISTAN GUM &amp; CHEMICALS LIMITED

**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT  
FOR THE 3rd QUARTER ENDED SEPTEMBER 30, 2016  
( UN-AUDITED )**

	Note	<u>Period ended</u>		<u>Quarter ended</u>	
		Sep 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015
		----- (Rupees in '000) -----			
NET SALES	11	351,450	574,768	140,424	131,363
Cost of sales	12	(384,974)	(550,636)	(157,771)	(147,045)
GROSS (LOSS) / PROFIT		(33,524)	24,132	(17,347)	(15,682)
Shipping expenses		(11,432)	(12,283)	(3,871)	(2,106)
Administrative expenses		(33,369)	(36,813)	(10,546)	(11,801)
Other expenses		(87)	-	-	421
Other income		5,967	3,404	1,935	883
Finance costs	13	(1,125)	(1,469)	(445)	(485)
		(40,046)	(47,161)	(12,927)	(13,088)
(LOSS) / PROFIT BEFORE TAX		(73,570)	(23,029)	(30,274)	(28,770)
Taxation-current	14	(3,535)	(6,265)	(1,691)	(1,401)
(LOSS) / PROFIT FOR THE PERIOD		(77,105)	(29,294)	(31,965)	(30,171)
		----- (Rupees) -----			
(Loss) / earning per share - Basic and Diluted		(18.15)	(6.89)	(7.52)	(7.10)

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Mohammad Moonis**  
Chairman

  
**Sajid Iqbal Hussain**  
Chief Executive



PAKISTAN GUM & CHEMICALS LIMITED

**CONDENSED INTERIM STATEMENT OF  
COMPREHENSIVE INCOME  
FOR THE 3rd QUARTER ENDED SEPTEMBER 30, 2016  
( UN-AUDITED )**

	<u>Period ended</u>		<u>Quarter ended</u>	
	<b>Sep 30,</b>	<b>Sep 30,</b>	<b>Sep 30,</b>	<b>Sep 30,</b>
	<b>2016</b>	<b>2015</b>	<b>2016</b>	<b>2015</b>
	----- (Rupees in '000) -----			
(Loss) / profit for the period	<b>(77,105)</b>	(29,294)	<b>(31,965)</b>	(30,171)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive (loss) / income for the period</b>	<u><b>(77,105)</b></u>	<u>(29,294)</u>	<u><b>(31,965)</b></u>	<u>(30,171)</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Mohammad Moonis**  
Chairman

  
**Sajid Iqbal Hussain**  
Chief Executive



PAKISTAN GUM &amp; CHEMICALS LIMITED

**CONDENSED INTERIM CASH FLOW STATEMENT  
FOR THE 3rd QUARTER ENDED SEPTEMBER 30, 2016  
( UN-AUDITED )**

	Sep 30, 2016	Sep 30, 2015
	-----Rupees in '000-----	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
(Loss) / profit before taxation	<b>(73,570)</b>	(23,029)
<b>Adjustments for:</b>		
Depreciation	<b>10,603</b>	12,468
Finance costs	<b>1,125</b>	1,469
Provision for compensated absences	<b>1,800</b>	2,277
Profit on financial assets	<b>(6,036)</b>	(2,170)
Gain/(loss) on sale of operating fixed assets	<b>79</b>	(419)
	<b>7,571</b>	13,625
<b>(Loss) / profit before working capital changes</b>	<b>(65,999)</b>	(9,404)
<b>Working capital changes</b>		
<b>Decrease / (increase) in current assets</b>		
Stores and spare parts	<b>1,531</b>	1,305
Stock-in-trade	<b>63,764</b>	181,810
Trade debts	<b>14,385</b>	(10,467)
Loans and advances	<b>(650)</b>	448
Short-term prepayments	<b>(57)</b>	(301)
Other receivables	<b>(1,588)</b>	1,645
	<b>77,385</b>	174,440
<b>Increase/ (decrease) in current liabilities</b>	<b>(4,127)</b>	(84,207)
<b>Cash (used in) / generated from operations</b>	<b>7,259</b>	80,829
Income tax received / (paid)	<b>(1,582)</b>	(17,002)
Payment in respect of compensated absences	<b>(452)</b>	(2,509)
Finance costs paid	<b>(1,125)</b>	(1,469)
	<b>(3,159)</b>	(20,980)
<b>Net cash (used in) / generated from operating activities</b>	<b>4,100</b>	59,849
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of operating fixed assets	<b>-</b>	(4,770)
Proceeds from disposal of operating fixed assets	<b>2,278</b>	451
Profit received on bank accounts and TDRs	<b>6,036</b>	2,838
Lease obligation paid	<b>-</b>	(634)
<b>Net cash generated from / (used in) investing activities</b>	<b>8,314</b>	(2,115)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	<b>-</b>	(21,243)
<b>Net cash used in financing activities</b>	<b>-</b>	(21,243)
<b>Net decrease in cash and cash equivalents</b>	<b>12,414</b>	36,491
<b>Cash and cash equivalents at the beginning of the period</b>	<b>127,822</b>	79,262
<b>Cash and cash equivalents at the end of the period</b>	<b>140,236</b>	115,753

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Mohammad Moonis**  
Chairman

  
**Sajid Iqbal Hussain**  
Chief Executive





PAKISTAN GUM & CHEMICALS LIMITED

**CONDENSED INTERIM STATEMENT OF  
CHANGES IN EQUITY  
FOR THE 3rd QUARTER ENDED SEPTEMBER 30, 2016  
( UN-AUDITED )**

		CAPITAL RESERVE	REVENUE RESERVES		
	Issued, subscribed and paid-up capital	Share premium	General	Unappro- priated profit/(loss)	Total
	----- (Rupees in '000) -----				
Balance as at January 01, 2015	42,486	17,553	409,785	74,297	544,121
Final dividend for the year ended December 31, 2014 @ Rs.5 per ordinary share	-	-	-	(21,243)	(21,243)
Net (loss) for the period	-	-	-	(29,294)	(29,294)
Other comprehensive income/(loss) for the period	-	-	-	-	-
Total comprehensive (loss) for the period	-	-	-	(29,294)	(29,294)
Balance as at September 30, 2015	42,486	17,553	409,785	23,760	493,584
Balance as at January 01, 2016	42,486	17,553	462,839	(80,090)	442,788
Net loss for the quarter ended	-	-	-	(77,105)	(77,105)
Other comprehensive income/(loss) for the period	-	-	-	-	-
Total comprehensive (loss) for the period	-	-	-	(77,105)	(77,105)
Balance as at September 30, 2016	42,486	17,553	462,839	(157,195)	365,683

The annexed notes from 1 to 17 form an integral part of these condensed interim financial statements.

  
**Mohammad Moonis**  
Chairman

  
**Sajid Iqbal Hussain**  
Chief Executive



**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE 3rd QUARTER ENDED SEPTEMBER 30, 2016  
(UN-AUDITED)**

**1. THE COMPANY AND ITS OPERATIONS**

Pakistan Gum and Chemicals Limited (the Company) was incorporated in Pakistan as a public limited company, under the Companies Ordinance, 1984 (the Ordinance). The shares of the Company are quoted on the Pakistan Stock Exchange. The Company is principally engaged in the production and sale of guar gum and its allied products. The registered office of the Company is situated at B-19/A, Irshad Qadri Road, S.I.T.E Karachi.

**2. STATEMENT OF COMPLIANCE**

The condensed interim financial information has been presented in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance, 1984. This condensed interim financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual financial statements as at and for the year ended December 31, 2015.

**3. SIGNIFICANT ACCOUNTING POLICIES**

**New / Revised Standards, Interpretations and Amendments**

The Company has adopted the following standards and amendment to IFRSs which became effective for the current period:

- IFRS 10- Consolidated Financial Statements, IFRS 12 Disclosure of Interests in Other Entities and IAS 28 Investment in Associates- Investment Entities: Applying the Consolidation Exception (Amendment)
- IFRS 10- Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendment)
- IFRS 11- Joint Arrangements - Accounting for Acquisition of Interest in Joint Operation (Amendment)
- IAS 1- Presentation of Financial Statements - Disclosure Initiative (Amendment)
- IAS 16- Property, Plant and Equipment and IAS 38 intangible assets - Clarification of Acceptable Method of Depreciation and Amortization (Amendment)
- IAS 16- Property, Plant and Equipment and IAS 41 Agriculture - Agriculture: Bearer Plants (Amendment)
- IAS 27- Separate Financial Statements Equity Method in Separate Financial Statements (Amendment)

**Improvements to Accounting Standards**

- IFRS 5- Non-current Assets Held for Sale and Discontinued Operations - Changes in methods of disposal
- IFRS 7- Financial Instruments: Disclosures - Servicing contracts
- IFRS 7- Financial Instruments: Disclosures - Applicability of the offsetting disclosures to condensed interim financial statements



IAS 19- Employee Benefits - Discount rate: regional market issue  
IAS 34- Interim Financial Reporting - Disclosure of information 'elsewhere  
in the interim financial report

The adoption of the above amendment to accounting standards did not  
have any material effect on the condensed interim financial statements.

	Note	September 30, 2016	December 31, 2015
		-----Rupees in '000-----	
		(Un-audited)	(Audited)
<b>4. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	4.1	109,425	122,331
Capital work-in-progress		6,025	6,025
		<u>115,450</u>	<u>128,356</u>
<b>4.1 Operating fixed assets</b>			
Opening net book value		122,331	134,801
Additions during the period / year		-	5,431
		<u>122,331</u>	<u>140,232</u>
Disposal during the period / year	4.1.1	(2,303)	(1,779)
Depreciation charged during the period / year		(10,603)	(16,122)
		<u>(12,906)</u>	<u>(17,901)</u>
		<u>109,425</u>	<u>122,331</u>
<b>4.1.1 Disposals during the period / year</b>			
Vehicles		(186)	(1,779)
Equipments		(114)	-
Plant and machinery		(2,003)	-
		<u>(2,303)</u>	<u>(1,779)</u>

#### 5. LONG-TERM DEPOSITS

These represent, security deposits paid to various parties.

	Note	September 30, 2016	December 31, 2015
		-----Rupees in '000-----	
		(Un-audited)	(Audited)
<b>6. STOCK IN TRADE</b>			
Raw material		28,074	-
Packing material		2,299	2,320
Finished goods		48,211	140,028
		<u>78,584</u>	<u>142,348</u>

#### 7. TRADE DEBTS

##### Considered good

Secured against letters of credit	30,976	40,160
Unsecured	1,012	6,213
	<u>31,988</u>	<u>46,373</u>

##### Considered doubtful

Unsecured	10	10
Provision against doubtful debts	(10)	(10)
	<u>-</u>	<u>-</u>
	<u>31,988</u>	<u>46,373</u>



## PAKISTAN GUM &amp; CHEMICALS LIMITED

	Note	September 30, 2016	December 31, 2015
		-----Rupees '000----- (Un-audited)	(Audited)
<b>8. CASH AND BANK BALANCES</b>			
<b>Cash in hand:</b>			
Local currency		78	249
<b>Cash at bank in:</b>			
<b>Current accounts</b>			
Local currency		6,964	8,770
Foreign currency		51	94
		7,015	8,864
<b>Savings account</b>			
Local currency		7,811	8,709
		<u>14,904</u>	<u>17,822</u>
<b>9. TRADE AND OTHER PAYABLES</b>			
Creditors		7,070	4,728
Accrued liabilities		8,943	11,783
Provision for compensated absences		4,330	2,982
Bonus to employees		2,257	4,000
Due to Employees' Gratuity Fund		11,972	10,623
Due to Employees' Pension Fund		3,049	2,918
Advances from customers		62	1,988
Workers' Welfare Fund		11,794	11,794
Tax deducted at source		251	292
Unclaimed dividend		1,506	2,912
Employees' car and motorcycle loan schemes		1,487	1,480
		<u>52,721</u>	<u>55,500</u>
<b>10. CONTINGENCIES AND COMMITMENTS</b>			
<b>10.1 Contingencies</b>			
The status of contingencies as at September 30, 2016 is the same as reported in the annual financial statements for the year ended December 31, 2015.			
		September 30, 2016	December 31, 2015
		-----Rupees in '000----- (Un-audited)	(Audited)
<b>10.2 Commitment</b>			
<b>10.2.1</b> Commitment for capital expenditure		635	635
<b>10.2.2</b> Letter of guarantee		<u>5,118</u>	<u>5,118</u>



PAKISTAN GUM & CHEMICALS LIMITED

	Period ended		Quarter ended	
	Sep 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015
	----- Rupees in '000 -----			
	----- Un-audited -----			
<b>11. NET SALES</b>				
<b>Gross sales</b>				
Local	91,669	157,997	32,870	33,890
Export	269,827	423,603	111,697	100,675
	361,496	581,600	144,567	134,565
Sales commission	(2,029)	(3,035)	(694)	(656)
Sales tax	(8,017)	(3,797)	(3,449)	(2,546)
	351,450	574,768	140,424	131,363
<b>12. COST OF SALES</b>				
<b>Raw material consumed</b>				
Opening stock	-	129,291	12,753	36,798
Purchases	214,164	242,604	69,364	37,577
	214,164	371,895	82,117	74,375
Closing stock	(28,074)	-	(28,074)	-
	186,090	371,895	54,043	74,375
<b>Packing material consumed</b>				
Opening stock	2,320	4,382	2,127	3,620
Purchases	9,261	8,041	3,157	2,038
	11,581	12,423	5,284	5,658
Closing stock	(2,299)	(2,827)	(2,299)	(2,827)
	9,282	9,596	2,985	2,831
	195,372	381,491	57,028	77,206
<b>Manufacturing overheads</b>				
Stores and spares consumed	3,137	6,722	1,237	2,541
Salaries, wages and benefits	29,580	32,674	9,657	9,185
Utilities	48,367	57,154	17,906	14,969
Depreciation	8,268	9,879	2,301	3,166
Repairs and maintenance	1,282	1,679	439	501
Handling charges	3,374	3,749	1,213	843
Rent, rates and taxes	171	2,283	27	27
Insurance	684	750	228	254
Travelling and conveyance	1,391	1,580	437	489
Laboratory expenses	156	199	3	45
Research and development cost	166	815	65	95
Communication	133	141	41	52
Entertainment	136	160	11	129
Provision against slow moving stores and spares	913	331	418	295
Others	28	65	8	13
	97,786	118,181	33,991	32,604
<b>Cost of goods manufactured</b>	293,158	499,672	91,019	109,810
Opening stock of finished goods	140,027	247,048	114,963	233,319
	433,185	746,720	205,982	343,129
Closing stock	(48,211)	(196,084)	(48,211)	(196,084)
	384,974	550,636	157,771	147,045



## PAKISTAN GUM &amp; CHEMICALS LIMITED

	Period ended		Quarter ended	
	Sep 30, 2016	Sep 30, 2015	Sep 30, 2016	Sep 30, 2015
	Rupees in '000			
	Un-audited			

**13. FINANCE COSTS**

Mark-up on obligations under:

finance leases

Bank charges

-	16	-	-
<b>125</b>	<b>1,453</b>	<b>445</b>	<b>485</b>
<b>125</b>	<b>1,469</b>	<b>445</b>	<b>485</b>

**14. TAXATION**

Current

Deferred

<b>3,860</b>	<b>5,631</b>	<b>1,691</b>	<b>1,401</b>
<b>(325)</b>	<b>634</b>	<b>-</b>	<b>-</b>
<b>3,535</b>	<b>6,265</b>	<b>1,691</b>	<b>1,401</b>

**15. TRANSACTIONS WITH RELATED PARTIES**

Related parties of the Company comprise the holding company (East West Group Holdings Inc, British Virgin Islands), local associated companies, staff retirement funds, directors, executives and key management personnel. The Company in the normal course of business carries out transactions at normal market price with various related parties. Transactions with related parties are given below:

		3rd Quarter ended	
		Sep 30, 2016	Sep 30, 2015
		----- Rupees in '000 -----	
Relationship	Nature of transaction		
Holding Company	Dividend paid to holding company	-	12,746
Associated Undertaking	Commission on Sale	1,812	2,943
	Sale of goods	1,427	2,188
	Freight Forwarding	15	12
	Transportation	872	728
Staff Retirement Benefit Plan, Key management personnel	Contribution to staff retirement funds	1,103	1,065
	Remuneration	16,287	19,645

**16. DATE OF AUTHORIZATION**

These Condensed interim financial statements were authorized for issue on 26 October 2016 by the Board of Directors of the company.

**17. GENERAL**

Figures presented in these condensed interim financial statements have been rounded off to the nearest thousand rupees.

**Mohammad Moonis**  
Chairman

**Sajid Iqbal Hussain**  
Chief Executive