

**CONDENSED INTERIM FINANCIAL INFORMATION
FOR THE HALF YEAR AND QUARTER ENDED 31 DECEMBER 2017**

Moving Forward With Reliability



Synthetic Products Enterprises Limited

Contents

Corporate

Company Information.....	01
Directors' Review.....	02
Directors' Review (Urdu).....	46

Condensed Interim Unconsolidated Financial Information

Auditors' Report to the Members on Review of Interim Financial Information....	06
Condensed Interim Unconsolidated Balance Sheet.....	07
Condensed Interim Unconsolidated Profit and Loss Account.....	09
Condensed Interim Unconsolidated Statement of Comprehensive Income.....	10
Condensed Interim Unconsolidated Cash Flow Statement.....	11
Condensed Interim Unconsolidated Statement of Changes in Equity.....	12
Notes to the Condensed Unconsolidated Interim Financial Information.....	13

Condensed Interim Consolidated Financial Information

Condensed Interim Consolidated Balance Sheet.....	27
Condensed Interim Consolidated Profit and Loss Account.....	29
Condensed Interim Consolidated Statement of Comprehensive Income.....	30
Condensed Interim Consolidated Cash Flow Statement.....	31
Condensed Interim Consolidated Statement of Changes in Equity.....	32
Notes to the Condensed Consolidated Interim Financial Information.....	33

Company Information

The Board of Directors

Mr. Almas Hyder	Chairman
Mr. Zia Hyder Naqi	CEO
Dr. S. M. Naqi	Director
Dr. Syed Salman Ali Shah	Director
Mr. Muhammad Tabassum Munir	Director
Mr. Khawar Anwar Khawaja	Director
Mr. Raza Haider Naqi	Director
Mr. Sheikh Naseer Hyder	Director
Mr. Abid Saleem Khan	Director

Company Secretary

Mr. Khalil Ahmad Hashmi FCA

Audit Committee

Dr. Syed Salman Ali Shah	Committee Chairman
Mr. Almas Hyder	Member
Dr. S. M. Naqi	Member
Mr. Muhammad Tabassum Munir	Member
Mr. Raza Haider Naqi	Member

HR & R Committee

Mr. Almas Hyder	Committee Chairman
Dr. S. M. Naqi	Member
Mr. Zia Hyder Naqi	Member
Mr. Khawar Anwar Khawaja	Member
Mr. Abid Saleem Khan	Member

Finance Committee

Mr. Almas Hyder	Committee Chairman
Dr. Syed Salman Ali Shah	Member
Mr. Khawar Anwar Khawaja	Member
Mr. Zia Hyder Naqi	Member
Mr. Muhammad Tabassum Munir	Member

Registered Office

127-S, Quid-e-Azam Industrial
Estate Kot Lakhpat Lahore
Ph: 042 111 005 005
Fax: 024-35118507

Statutory Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Head of Internal Audit

Mr. Abu Bakar ACA

Tax Advisors

A. F. Ferguson & Co.
Chartered Accountants

Legal Advisors

Cornelius Lane and Mufti

Share Registrar

THK Associates (Private) Limited
1st Floor, 40-C Block 6, P.E.C.H.S.,
Karachi,
Phone: +92 (21) 111-000-322
Email: secretariat@thk.com.pk

Bankers

Habib Bank Limited
MCB Bank Limited
Standard Chartered Bank (Pakistan)
Limited
Bank Islami Pakistan Limited
United Bank Limited
Meezan Bank Limited
Allied Bank Limited

Factory

4-km Off Feroz Pur Road Raiwind
Lilliani Link Road, Pandoki Lahore.

Stock Symbol

SPEL

Website

www.spelgroup.com

SYNTHETIC PRODUCTS ENTERPRISES LIMITED

Directors' Review of the Condensed Interim Financial Information

For the Half Year and Quarter Ended 31 December 2017

Dear Shareholders,

The Directors of Synthetic Products Enterprises Limited are pleased to present your Company's un-audited condensed financial information for the half year and quarter ended 31 December 2017 along with the Auditors' & Directors' review thereon.

Financial Analysis

	Half Year Ended		Quarter Ended	
	31 Dec 2017 PKR Millions	31 Dec 2016 PKR Millions	31 Dec 2017 PKR Millions	31 Dec 2016 PKR Millions
Sales – net	1,348.1	1,219.9	602.0	570.3
Cost of Sales	(1,023.1)	(910.4)	(465.1)	(425.5)
Gross Profit	324.9	309.5	136.9	144.8
Operating Profit	211.3	220.6	80.1	100.8
Profit after tax	162.1	179.8	61.4	89.9
EPS – Basic (PKR)	1.91	2.11	0.72	1.06

The sales revenue for the period under review stood at Rs. 1,348 million registering a growth of 10.5% compared to same period last year, however, the profitability has changed from Rs. 179 million to Rs. 162million mainly due to increase in the prices of raw material, depreciation and overheads. Some of the increased costs are passed on to customers with lag of few months, rest would be recovered through efficiency.

During the quarter under review, the company has invested an amount of Rs. 286 million on expansion and BMR of the manufacturing facilities as planned.

We are pleased to inform that the building of Rahim YarKhan (RYK) Project has been successfully completed during the period under review and the manufacturing facility at Rahim Yar Khan has become operational. The plant & machinery related to RYK unit is being shifted to RYK plant as per requirements of the business. This unit will become a hub for serving our customers in the central and southern parts of Pakistan. The production is being ramped up which would result in better returns in future.

SYNTHETIC PRODUCTS ENTERPRISES LIMITED

Directors' Review of the Condensed Interim Financial Information

For the Half Year and Quarter Ended 31 December 2017

Taxation

The Company has claimed a tax credit under section 65B of the Income Tax Ordinance, 2001 at the rate of 10% of the amount invested in plant and machinery. In addition, the Company is entitled to a tax credit under section 65E of the Income Tax Ordinance, 2001.

Near Term Outlook

Traditionally the second quarter takes a dip in sales mainly due to seasonal impact. We continue to foresee stronger demand in the second half of the financial year 2017-18 considering the growth patterns of the auto and food & FMCG sectors for which we have already increased our production capacities.

We remain committed to supplying quality products and to deliver on time to our customers as that's our promise of reliability.

The foresight on economy is positive. Our customers too are expanding their facilities which should effect our future growth positively.

Acknowledgement

We would like to thank our valued customers for their confidence and trust in the Company's products. We are also thankful to all other stakeholders including dealers, suppliers, bankers, shareholders and employees for providing continuous support.



Zia Hyder Naqi

Chief Executive Officer/Director



Sheikh Naseer Hyder

Director

Lahore
6 February 2018

CONDENSED INTERIM UNCONSOLIDATED FINANCIAL INFORMATION

For the Half Year and Quarter Ended 31 December 2017

Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim unconsolidated balance sheet of Synthetic Products Enterprises Limited ("the Company") as at 31 December 2017 and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement, condensed interim unconsolidated statement of changes in equity and notes to the accounts for the six month period then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this condensed interim unconsolidated 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 unconsolidated financial information based on our review.

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 condensed interim unconsolidated 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 unconsolidated financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim unconsolidated profit and loss account and condensed interim unconsolidated statement of comprehensive income for the quarter ended 31 December 2017, have not been reviewed as we are required to review only the cumulative figures for the half year ended 31 December 2017.

-sd-

Date: 6 February 2018

Lahore

KPMG Taseer Hadi & Co.
Chartered Accountants
(M. Rehan Chughtai)

Condensed Interim Unconsolidated Balance Sheet

As at 31 December 2017

	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	12	2,023,439,750	1,875,867,724
Intangibles		2,293,530	3,241,687
Investments	13	4,490,144	6,321,302
Long term deposits		14,226,469	13,520,169
		2,044,449,893	1,898,950,882
<u>Current assets</u>			
Stores, spares and loose tools		27,428,752	20,454,067
Stock-in-trade	14	524,499,530	427,683,515
Trade debts - unsecured, considered good		255,632,842	339,046,438
Income tax - net		210,784,625	183,515,654
Advances, deposits, prepayments and other receivables	15	54,694,409	57,659,496
Cash and bank balances		40,409,058	57,874,109
		1,113,449,216	1,086,233,279
		3,157,899,109	2,985,184,161

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Unconsolidated Balance Sheet

As at 31 December 2017

EQUITY AND LIABILITIES	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
<u>Share capital and reserves</u>			
Authorized share capital of Rs.10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital	5	850,850,000	850,850,000
Share premium		347,391,050	347,391,050
Accumulated profit		789,365,935	669,744,166
		1,987,606,985	1,867,985,216
Surplus on revaluation of land		226,943,081	226,943,081
<u>Non-Current liabilities</u>			
Long term finance - secured	6.1	-	-
Diminishing musharika - secured	6.2	230,057,967	192,457,749
Liabilities against assets subject to finance lease	7	11,477,739	9,833,951
Deferred taxation		191,334,938	177,367,893
		432,870,644	379,659,593
<u>Current liabilities</u>			
Trade and other payables	8	137,065,692	164,642,782
Short term borrowings - secured	9	329,857,333	303,083,692
Current maturity of non-current liabilities	10	39,964,768	39,229,099
Accrued markup		3,590,606	3,640,698
		510,478,399	510,596,271
		3,157,899,109	2,985,184,161
Contingencies and commitments	11		

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Unconsolidated Profit & Loss Account

For the half year and quarter ended 31 December 2017 (Un-audited)

	Note	Half year ended		Quarter ended	
		31 December 2017 Rupees	31 December 2016 Rupees	31 December 2017 Rupees	31 December 2016 Rupees
Sales -net	16	1,348,141,482	1,219,999,029	602,074,002	570,354,900
Cost of sales	17	(1,023,145,464)	(910,405,047)	(465,108,963)	(425,502,740)
Gross profit		324,996,018	309,593,982	136,965,039	144,852,160
Administrative expenses		(84,689,659)	(63,263,602)	(43,957,651)	(31,680,820)
Selling and distribution expenses		(28,995,189)	(25,668,355)	(12,840,282)	(12,345,930)
Operating profit		211,311,170	220,662,025	80,167,106	100,825,410
Other income		4,960,226	10,437,696	1,181,324	6,891,558
Other charges		(20,298,693)	(15,304,396)	(4,506,681)	(7,232,657)
Finance cost	18	(19,841,389)	(15,501,095)	(10,443,880)	(8,500,500)
Profit before taxation		176,131,314	200,294,230	66,397,869	91,983,811
Taxation	19	(13,967,045)	(20,478,200)	(4,928,485)	(1,992,068)
Profit after taxation		162,164,269	179,816,030	61,469,384	89,991,743
Earnings per share - Basic and diluted	20	1.91	Restated 2.11	0.72	Restated 1.06

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Unconsolidated Statement of Comprehensive Income

For the half year and quarter ended 31 December 2017 (Un-audited)

	<u>Half year ended</u>		<u>Quarter ended</u>	
	<u>31 December</u> <u>2017</u> <u>Rupees</u>	<u>31 December</u> <u>2016</u> <u>Rupees</u>	<u>31 December</u> <u>2017</u> <u>Rupees</u>	<u>31 December</u> <u>2016</u> <u>Rupees</u>
Profit after taxation	162,164,269	179,816,030	61,469,384	89,991,743
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	162,164,269	179,816,030	61,469,384	89,991,743

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Unconsolidated Cash Flow Statement

For the half year ended 31 December 2017 (Un-audited)

	31 December 2017 Rupees	31 December 2016 Rupees
Cash flow from operating activities		
Profit before tax	176,131,314	200,294,230
<i>Adjustments for non cash items:</i>		
Depreciation on property, plant and equipment	75,536,522	61,723,184
Amortization on intangible asset	948,158	429,103
Finance cost	19,841,389	15,501,095
Impairment loss on investments	1,831,158	44,436
Loss on disposal of fixed assets	6,686,370	1,791,113
Provision for Workers' Profit Participation Fund	9,388,390	10,688,154
Provision for Workers' Welfare Fund	2,248,089	2,780,693
	116,480,076	92,957,778
Cash generated from operations before working capital changes	292,611,390	293,252,008
<i>(Increase) / decrease in current assets:</i>		
Stores, spares and loose tools	(6,974,685)	(766,976)
Stock-in-trade	(96,816,015)	(118,573,608)
Trade debts	83,413,596	15,903,606
Advances, deposits, prepayments and other receivable	2,965,087	(4,766,632)
	(17,412,017)	(108,203,610)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	(6,323,762)	33,287,690
	(23,735,779)	(74,915,920)
Cash generated from operations	268,875,611	218,336,088
Workers Welfare Fund paid	(8,053,127)	(3,350,969)
Workers' Profit Participation Fund paid	(24,875,611)	(21,214,099)
Taxes paid	(27,268,971)	(60,632,932)
Finance cost paid	(19,891,481)	(14,831,157)
Net cash generated from operating activities	188,786,421	118,306,931
Cash flow from investing activities		
Fixed capital expenditure	(229,177,774)	(206,404,874)
Proceeds from disposal of fixed assets	2,820,855	2,653,030
Proceeds from disposal of short term investments	-	72,350,000
Long term deposits- net	(706,300)	4,105,901
Net cash used in investing activities	(227,063,219)	(127,295,943)
Cash flow from financing activities		
Principal repayment of lease liability	(12,534,226)	(9,615,876)
Long term finance	(13,168,455)	(21,292,050)
Diminishing musharika	62,244,356	-
Dividend paid	(42,503,569)	(115,768,698)
Short term borrowings - net	(52,352,843)	138,826,645
Net cash used in financing activities	(58,314,737)	(7,849,979)
Net decrease in cash and cash equivalents	(96,591,535)	(16,838,991)
Cash and cash equivalents at the beginning of the period	23,520,793	792,888
Cash and cash equivalents at the end of the period	(73,070,742)	(16,046,103)

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial information.

Lahore

Chief Executive Officer

Director

Condensed Interim Unconsolidated Statement of Changes in Equity

For the half year and quarter ended 31 December 2017 (Un-audited)

	<u>Capital Reserve</u>		<u>Revenue reserve</u>	<u>Total</u>
	<u>Issued subscribed & paid-up capital</u>	<u>Share Premium</u>	<u>Accumulated profit</u>	
----- Rupees -----				
Balance as at 30 June 2016 - audited	773,500,000	347,391,050	488,500,699	1,609,391,749
<u>Total comprehensive income</u>				
Profit for the half year ended 31 December 2016	-	-	179,816,030	179,816,030
Other comprehensive income for the half year ended 31 December 2016	-	-	-	-
	-	-	179,816,030	179,816,030
<u>Transactions with owners of the Company</u>				
Final cash dividend for year ended 30 June 2016 @ Re 1 per share	-	-	(77,350,000)	(77,350,000)
Interim cash dividend for the year ended 30 June 2017 @ Rs 0.5. per share	-	-	(38,675,000)	(38,675,000)
	-	-	(116,025,000)	(116,025,000)
Balance as at 31 December 2016 - un-audited	773,500,000	347,391,050	552,291,729	1,673,182,779
<u>Total comprehensive income</u>				
Profit for the half year ended 30 June 2017	-	-	237,344,937	237,344,937
Other comprehensive income for the half year ended 30 June 2017	-	-	-	-
	-	-	237,344,937	237,344,937
<u>Transactions with owners of the Company</u>				
Issue of bonus shares @ 10% (i.e. 1 share for every 10 shares held)	77,350,000	-	(77,350,000)	-
Interim cash dividend for the year ended 30 June 2017 @ Rs. 0.5 per share	-	-	(42,542,500)	(42,542,500)
	77,350,000	-	(119,892,500)	(42,542,500)
Balance as at 30 June 2017 - audited	850,850,000	347,391,050	669,744,166	1,867,985,216
<u>Total comprehensive income</u>				
Profit for the half year ended 31 December 2017	-	-	162,164,269	162,164,269
Other comprehensive income for the half year ended 31 December 2017	-	-	-	-
	-	-	162,164,269	162,164,269
<u>Transactions with owners of the Company</u>				
Final cash dividend for the year ended 30 June 2017 @ Rs. 0.5 per share	-	-	(42,542,500)	(42,542,500)
	-	-	(42,542,500)	(42,542,500)
Balance as at 31 December 2017- unaudited	850,850,000	347,391,050	789,365,935	1,987,606,985

The annexed notes from 1 to 26 form an integral part of these condensed interim unconsolidated financial information.

Lahore


Chief Executive Officer


Director

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

1 Reporting entity

Synthetic Products Enterprises Limited ("the Company") was incorporated in Pakistan on 16 May 1982 as a private limited company. The Company converted into public limited company on 21 July 2008 and subsequently listed on Pakistan Stock Exchange on 10 February 2015. The registered office of the Company is situated at 127-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore. The Company is principally engaged in the manufacturing and sale of plastic auto parts, plastic packaging for food and FMCG industry and moulds & dies.

2 Basis of preparation

2.1 This condensed interim unconsolidated financial information comprises the condensed interim unconsolidated balance sheet of the Company, as at 31 December 2017 and the related condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement and condensed interim unconsolidated statement of changes in equity together with the notes forming part thereof.

2.2 This condensed interim unconsolidated financial information of the Company for the six months period ended 31 December 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The Companies Act 2017 ("the Act") was enacted on 30 May 2017 and replaced and repealed the Companies Ordinance, 1984 ("the repealed Ordinance"). However, the Securities and Exchange Commission of Pakistan vide its Circular No. 17 and Circular No. 23 dated 20 July 2017 and 03 October 2017, respectively, and Institute of Chartered Accountants of Pakistan vide its Circular No. 17 dated 06 October 2017, have advised and clarified that the Annual Financial Statements of the Companies whose financial year closes on or before 31 December 2017 and interim financial statements of the Companies for the period ended on or before 31 December 2017, shall be prepared in accordance with the repealed Ordinance.

2.3 This condensed interim unconsolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual unconsolidated financial statements for the year ended 30 June 2017.

2.4 Comparative unconsolidated balance sheet numbers are extracted from the annual audited unconsolidated financial statements of the Company for the year ended 30 June 2017, whereas comparatives of condensed interim unconsolidated profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim unconsolidated financial information of the Company for the six months period ended 31 December 2016.

2.5 This condensed interim unconsolidated financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

3 Judgments and estimates

In preparing this interim unconsolidated financial information, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the unconsolidated financial statements for the year ended 30 June 2017.

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

4 Statement of consistency in accounting policies

- 4.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim unconsolidated financial information are same as those applied in the preparation of the unconsolidated financial statements for the year ended 30 June 2017 except that pursuant to the requirements of IAS 7 "Statement of cash flows" a disclosure of reconciliation of movements of liabilities to cash flows arising from financing activities has been given in note 23 to the condensed interim unconsolidated financial information. This change does not have any impact on the figures reported in the financial statements.
- 4.2 There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.
- 4.3 The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below:

Standard or interpretation	Effective date (accounting periods beginning on or after)
IFRS 2 - Share-based Payments	01 January 2018
IAS 40 - Investment Property	01 January 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2018
IFRIC 22 - Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
IFRS 15 - Revenue from Contract with customer	01 July 2018
IFRS 9 - Financial Instruments	01 July 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2019
IFRS 3 - Business Combinations	01 January 2019
IFRS 11 - Joint ventures	01 January 2019
IAS - 12 Income Taxes	01 January 2019
IAS - 23 Borrowing cost	01 January 2019

The Companies Act, 2017 applicable for financial year beginning on 1 January 2017 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of land to bring it in line with the requirements of IAS 16 – Property, plant and equipment. Consequently, surplus on revaluation of land will be recorded in statement of changes in equity.

5 Issued, subscribed and paid-up capital

(Un-audited) 31 December 2017	(Audited) 30 June 2017		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
----- Number of shares -----				
19,791,940	19,791,940	Ordinary shares of Rs. 10 each, fully paid in cash	197,919,400	197,919,400
57,628,060	57,628,060	Fully paid bonus shares of Rs. 10 each	576,280,600	576,280,600
7,665,000	7,665,000	Shares of Rs. 10 each, issued under scheme of amalgamation	76,650,000	76,650,000
<u>85,085,000</u>	<u>85,085,000</u>		<u>850,850,000</u>	<u>850,850,000</u>

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

		(Un-audited) 31 December 2017 Rupees	Audited 30 June 2017 Rupees
6 Long term finance - secured	<i>Note</i>		
These comprise of:			
6.1	Loan from customer	11,373,948	24,542,403
	Less: Current maturity presented under current liabilities	(11,373,948)	(24,542,403)
		<u>-</u>	<u>-</u>
6.1.1	During the period/ year, the Company has made repayments amounting to Rs. 13.1 million (30 June 2017: Rs. 24.96 million).	(Un-audited) 31 December 2017 Rupees	Audited 30 June 2017 Rupees
6.2 Diminishing musharika - secured	<i>Note</i>		
	- United Bank Limited	154,396,657	92,152,301
	- Bank Islami Pakistan Limited (BIPL)	102,000,000	102,000,000
		256,396,657	194,152,301
	Less: Current maturity presented under current liabilities	(26,338,690)	(1,694,552)
		<u>230,057,967</u>	<u>192,457,749</u>
6.2.1	During the period/ year, the Company has made repayments amounting to Rs. Nil (30 June 2017: Rs. Nil).		
6.2.2	During the period/ year, the Company has made repayments amounting to Rs. Nil (30 June 2017: Rs. Nil).		
		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
7 Liabilities against assets subject to finance lease	<i>Note</i>		
	Lease liability	13,729,869	22,826,095
	Less: Current maturity presented under current liabilities	(2,252,130)	(12,992,144)
		<u>11,477,739</u>	<u>9,833,951</u>
7.1	During the period / year, the Company has made repayments amounting to Rs. 12.5 million (30 June 2017: Rs. 9.6 million).	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
8 Trade and other payables			
	Trade creditors - Local	48,336,787	72,318,511
	Accrued liabilities	49,343,832	35,470,069
	Advances from customers	9,360,582	8,628,819
	Workers' Profit Participation Fund	9,388,390	24,875,111
	Workers' Welfare Fund	6,606,757	12,412,295
	Payable to Provident Fund Trust	1,425,130	1,291,311
	Withholding tax payable	1,104,511	672,602
	Unclaimed dividend	605,780	566,849
	Others	10,893,923	8,407,215
		<u>137,065,692</u>	<u>164,642,782</u>

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
9 Short term borrowings - secured	<i>Note</i>		
Running finance		113,479,800	34,353,316
Finance against trust receipt		216,377,533	268,730,376
		<u>329,857,333</u>	<u>303,083,692</u>
9.1 Type of loan			
Interest/mark-up based loans		196,417,947	215,352,067
Islamic mode of financing		133,439,386	87,731,625
		<u>329,857,333</u>	<u>303,083,692</u>
10 Current maturity of non-current liabilities			
Long term finance - secured	6.1	11,373,948	24,542,403
Diminishing Musharika - secured	6.2	26,338,690	1,694,552
Liabilities against assets subject to finance lease	7	2,252,130	12,992,144
		<u>39,964,768</u>	<u>39,229,099</u>

11 Contingencies and commitments

11.1 Contingencies

There is no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2017.

11.2 Commitments

Commitments under irrevocable letters of credit for:

		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
	<i>Note</i>		
- purchase of machinery		143,510,112	75,322,478
- purchase of raw material and its related components		119,597,086	112,121,261
		<u>263,107,198</u>	<u>187,443,739</u>
12 Property, plant and equipment			
Operating fixed assets	12.1	1,866,181,208	1,665,004,747
Capital work in progress - at cost	12.2	157,258,542	210,862,977
		<u>2,023,439,750</u>	<u>1,875,867,724</u>

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

	Note	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
12.1 Operating fixed assets			
Opening written down value		1,665,004,747	1,471,554,511
Add: Additions during the period / year (cost)	12.1.1	286,220,209	335,123,821
Less: Disposals during the period/ year at written down value		(9,507,226)	(9,091,574)
Less: Depreciation charge for the period / year		(75,536,522)	(132,582,011)
Closing written down value		<u>1,866,181,208</u>	<u>1,665,004,747</u>
12.1.1 Additions during the period / year:			
Land		-	16,184,391
Buildings on freehold land		107,234,410	49,451,436
Plant and machinery - owned		169,354,789	241,383,167
Office equipment		3,255,843	3,966,675
Tools and equipment		98,167	1,093,286
Computer equipment		106,500	789,990
Furniture and fittings		-	1,086,363
Vehicles - owned		2,732,500	14,711,303
Vehicles - leased		3,438,000	6,457,210
		<u>286,220,209</u>	<u>335,123,821</u>
12.2 Capital work in progress - at cost			
Balance at the beginning of the period / year		210,862,977	43,782,702
Add: Additions during the period / year		223,007,903	452,955,526
Less: Transfers to fixed assets during the period / year		(276,612,338)	(285,875,251)
		<u>157,258,542</u>	<u>210,862,977</u>
13 Investments			
Investment in subsidiary	13.1	80,807	80,807
Available for sale, listed equity security	13.2	4,409,337	6,240,495
		<u>4,490,144</u>	<u>6,321,302</u>

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

13.1 Investment in subsidiary

SPEL Pharmatec (Private) Limited

600,002 (30 June 2017: 600,002) fully paid ordinary shares of Rs. 10 each Capital held: 100% (30 June 2017: 100%)

	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
Cost	6,000,020	6,000,020
Advance for purchase of shares	2,299,980	2,299,980
	8,300,000	8,300,000
Less: Accumulated impairment	(8,219,193)	(8,219,193)
	80,807	80,807

13.2 Available for sale, listed equity security

Roshan Packages Limited

121,210 (30 June 2017: 111,100) fully paid ordinary shares having face value of Rs. 10 each.

	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
Cost	9,582,375	9,582,375
Accumulated Impairment - opening balance	(3,341,880)	-
Impairment for the period charged to profit and loss account	(1,831,158)	(3,341,880)
Accumulated Impairment - closing balance	(5,173,038)	(3,341,880)
Fair value	4,409,337	6,240,495

14 Stock-in-trade

Raw and packing material	362,756,994	303,792,891
Stock in transit	103,134,986	75,100,903
Work in process	24,182,575	15,444,755
Finished goods	34,424,975	33,344,966
	524,499,530	427,683,515

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
15 Advances, deposits, prepayments and other receivables		
<i>Advances - unsecured, considered good</i>		
- to employees	523,585	235,040
- to suppliers for raw material	4,512,507	8,510,639
Amounts paid against future shipments	16,031,414	14,794,751
Short term deposits	915,592	7,483,948
Sales tax receivable - net	18,886,186	18,171,037
Prepaid insurance	3,080,142	3,407,767
Other receivables	10,744,983	5,056,314
	54,694,409	57,659,496
	Half year ended (Un-audited)	
	31 December 2017 Rupees	31 December 2016 Rupees
16 Sales - net		
Local sales	1,575,764,629	1,422,995,249
Export sales	7,350,542	8,338,437
Less: Sales tax	(234,973,689)	(211,334,657)
	1,348,141,482	1,219,999,029
17 Cost of sales		
Raw and packing materials consumed	764,778,170	674,516,992
Stores, spare parts and loose tools consumed	5,222,313	4,377,513
Salaries, wages and benefits	104,231,831	98,004,450
Electricity, fuel and water charges	69,545,615	69,571,559
Depreciation on property, plant and equipment	68,686,904	55,472,988
Repair and maintenance	14,284,182	16,548,625
Sorting charges	481,060	728,612
Insurance	4,643,620	2,971,228
Oil and lubricants	1,089,598	1,449,945
	1,032,963,293	923,641,912
<i>Work in process:</i>		
- At beginning of the period	15,444,755	11,658,090
- At end of the period	(24,182,575)	(18,174,511)
Cost of goods manufactured	1,024,225,473	917,125,491
<i>Finished goods:</i>		
- At beginning of the period	33,344,966	19,298,362
- At end of the period	(34,424,975)	(26,018,806)
Cost of sales	1,023,145,464	910,405,047

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

	Half year ended (Un-audited)	
	31 December 2017 Rupees	31 December 2016 Rupees
18 Finance cost		
<i>Mark-up on:</i>		
- short term borrowings	10,305,084	11,725,648
- long term finance - secured	716,647	2,067,479
- diminishing musharika	7,418,610	51,083
- lease finance	586,184	1,046,632
Bank charges	814,864	610,253
	19,841,389	15,501,095

19 Taxation		
<i>Tax expense for the period comprises:</i>		
Current tax	-	3,001,798
Deferred tax	13,967,045	17,476,402
	13,967,045	20,478,200

20 Earnings per share - basic and diluted			
20.1 Basic earnings per share	<i>Unit</i>	2017	2016
Profit for the year after taxation	<i>Rupees</i>	162,164,269	179,816,030
			Restated
Weighted average number of ordinary shares in issue during the period	<i>Number</i>	85,085,000	85,085,000
			Restated
Earnings per share	<i>Rupees</i>	1.91	2.11

Basic earnings per share has been calculated by dividing the profit attributable to equity holders of the Company by weighted average number of ordinary shares in issue during the year. The Company has issued Bonus Shares @ 10% during the year 2016-17 accordingly, the earnings per share of the comparative period have been re-stated.

20.2 Diluted earnings per share

There is no dilutive effect on the basic earnings per share of the company.

	(Un-audited) 31 December 2017 Rupees	(Un-audited) 31 December 2016 Rupees
21 Cash and cash equivalents		
Short term running finance- secured	(113,479,800)	(55,885,829)
Cash and bank balances	40,409,058	39,839,726
	(73,070,742)	(16,046,103)

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

22 Financial instruments-fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Half year ended 31 December 2017 (Un-audited)					
	Loans and receivables	Other financial liabilities	Total	Fair Value		
				Level 1	Level 2	Level 3
	----- Rupees -----					
On-Balance sheet financial instruments						
31 December 2017 - (Un-audited)						
Financial assets measured at fair value						
Available for sale investment	-	-	-	-	-	-
	4,409,337	-	4,409,337	4,409,337	-	-
	4,409,337	-	4,409,337	4,409,337	-	-
Financial assets not measured at fair value						
Bank balances	40,337,458	-	40,337,458	-	-	-
Deposits and other receivables	11,660,575	-	11,660,575	-	-	-
Long term deposits	14,226,469	-	14,226,469	-	-	-
Trade debts - unsecured, considered good	255,632,842	-	255,632,842	-	-	-
	321,857,344	-	321,857,344	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities measured at fair value						
Financial liabilities not measured at fair value						
Long term finances and diminishing musharika	-	267,770,605	267,770,605	-	-	-
Liabilities against assets subject to finance lease	-	13,729,869	13,729,869	-	-	-
Trade and other payables	-	110,605,452	110,605,452	-	-	-
Short term borrowing	-	329,857,333	329,857,333	-	-	-
Accrued mark up	-	3,590,606	3,590,606	-	-	-
	-	725,553,865	725,553,865	-	-	-

Note

22.2

22.2

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

	30 June 2017 (Audited)			Fair Value		
	Carrying Amount	Level 1	Level 2	Level 1	Level 2	Level 3
	Loans and receivables	Other financial liabilities	Total	Rupees		
22.1	Note					
On-Balance sheet financial instruments						
30 June 2017 - (Audited)						
Financial assets measured at fair value						
Available for sale investment	-	-	-	-	-	-
	6,240,495	-	6,240,495	6,240,495	-	-
	6,240,495	-	6,240,495	6,240,495	-	-
Financial assets not measured at fair value						
Bank balances	57,849,109	-	57,849,109	-	-	-
Deposits and other receivables	12,540,262	-	12,540,262	-	-	-
Long term deposits	13,520,169	-	13,520,169	-	-	-
Trade debts - unsecured, considered good	339,046,438	-	339,046,438	-	-	-
	422,955,978	-	422,955,978	-	-	-
22.2	Note					
Financial liabilities measured at fair value						
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Financial liabilities not measured at fair value						
Long term finances and diminishing musharika	-	218,694,704	218,694,704	-	-	-
Liabilities against assets subject to finance lease	-	22,826,095	22,826,095	-	-	-
Trade and other payables	-	118,053,955	118,053,955	-	-	-
Short term borrowing	-	303,083,692	303,083,692	-	-	-
Accrued mark up	-	3,640,698	3,640,698	-	-	-
	-	666,299,144	666,299,144	-	-	-
22.2	Note					

22.2 The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

22.3 Land has been carried at revalued amounts determined by professional valuers (level 3 measurement) based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Company. The valuation experts used a market based approach to arrive at the fair value of the Company's land. The effect of changes in the unobservable inputs used in the valuation can not be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in this condensed interim unconsolidated financial information.

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

23 Reconciliation of movements of liabilities to cash flows arising from financing activities.

	Half year ended 31 December 2017 (Un-audited)					
	Liabilities					
	Long term finances	Diminishing Musharka	Liabilities against assets subject to finance lease	Short term borrowings	Unclaimed dividend	Total
Balance as at 01 July 2017	24,542,403	194,152,301	22,826,095	303,083,692	566,949	545,171,340
Changes from financing activities						
Repayment of short term borrowings - net	-	-	-	(52,352,843)	-	(52,352,843)
Long term loans repaid	(13,168,455)	-	-	-	-	(13,168,455)
Diminishing Musharka receipts	-	62,244,356	-	-	-	62,244,356
Repayment of finance lease liabilities	-	-	(12,534,226)	-	-	(12,534,226)
Finance cost paid	-	-	-	-	-	-
Dividends paid	-	-	-	-	(42,503,569)	(42,503,569)
Profit for the year	-	-	-	-	-	-
Total changes from financing cash flows	(13,168,455)	62,244,356	(12,534,226)	(52,352,843)	(42,503,569)	(58,314,737)
Other changes						
Change in running finance	-	-	-	79,126,484	-	79,126,484
New finance leases	-	-	3,438,000	-	-	3,438,000
Dividend declared	-	-	-	-	42,542,500	42,542,500
Interest expense	-	-	-	-	-	-
Total liability related other changes	-	-	3,438,000	79,126,484	42,542,500	125,106,984
Closing as at 31 December 2017	11,373,948	256,396,657	13,729,869	329,857,333	605,780	611,963,587

Balance as at 01 July 2017

Changes from financing activities

Repayment of short term borrowings - net
Long term loans repaid
Diminishing Musharka receipts
Repayment of finance lease liabilities
Finance cost paid
Dividends paid
Profit for the year

Total changes from financing cash flows

Other changes

Change in running finance
New finance leases
Dividend declared
Interest expense

Total liability related other changes

Closing as at 31 December 2017

Notes to the Condensed Interim Unconsolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

24 Transactions with related parties

Related parties comprise of subsidiary company, associated undertaking, key management personnel (including chief executive and directors), post employment benefit plan and entities in which the directors have significant influence. Details of transactions and balances with related parties are as follows:

		<u>Half year ended (Un-audited)</u>	
		31 December 2017	31 December 2016
24.1 Related parties	Nature of transaction	Rupees	Rupees
Provident Fund Trust	Contribution	8,354,193	7,268,870
Directors	Dividend - as shareholders	30,242,057	82,854,953
Remuneration of Key Management Personnel	Remuneration		
- Directors		23,894,606	19,706,100
- Executive employees		20,008,380	16,837,656
		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
24.2 Balances with related parties			
Advance for purchase of shares - subsidiary company		2,299,980	2,299,980
Provident Fund Trust		1,425,130	1,291,311

25 Date of authorization

This condensed interim unconsolidated financial information has been approved by the Board of Directors of the Company and authorized for issue in their meeting held on 6 February 2018.

26 General

Figures have been rounded off to the nearest rupee.

Lahore


Chief Executive Officer


Director

CONDENSED INTERIM CONSOLIDATED FINANCIAL INFORMATION

For the half year and quarter ended 31 December 2017 (Un-audited)

Condensed Interim Consolidated Balance Sheet

As at 31 December 2017

	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
EQUITY AND LIABILITIES			
<u>Share capital and reserves</u>			
Authorized share capital of Rs.10 each		1,000,000,000	1,000,000,000
Issued, subscribed and paid up capital	5	850,850,000	850,850,000
Share premium		347,391,050	347,391,050
Accumulated profit		786,900,178	667,278,409
		1,985,141,228	1,865,519,459
Surplus on revaluation of land		226,943,081	226,943,081
<u>Non-Current liabilities</u>			
Long term finance - secured	6.1	-	-
Diminishing musharika - secured	6.2	230,057,967	192,457,749
Liabilities against assets subject to finance lease	7	11,477,739	9,833,951
Deferred taxation		193,800,695	179,833,650
		435,336,401	382,125,350
<u>Current liabilities</u>			
Trade and other payables	8	137,115,692	164,692,782
Short term borrowings - secured	9	329,857,333	303,083,692
Current maturity of non-current liabilities	10	39,964,768	39,229,099
Accrued markup		3,590,606	3,640,698
		510,528,399	510,646,271
		3,157,949,109	2,985,234,161
<u>Contingencies and commitments</u>			
	11		

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Consolidated Balance Sheet

As at 31 December 2017

	Note	Un-audited 31 December 2017 Rupees	Audited 30 June 2017 Rupees
ASSETS			
<u>Non-current assets</u>			
Property, plant and equipment	12	2,023,454,789	1,875,882,763
Intangibles		2,293,530	3,241,687
Investments	13	4,409,337	6,240,495
Long term deposits		14,226,469	13,520,169
		2,044,384,125	1,898,885,114
<u>Current assets</u>			
Stores, spares and loose tools		27,428,752	20,454,067
Stock-in-trade	14	524,499,530	427,683,515
Trade debts - unsecured, considered good		255,632,842	339,046,438
Income tax - net		210,881,423	183,612,452
Advances, deposits, prepayments and other receivables	15	54,694,409	57,659,496
Cash and bank balances		40,428,028	57,893,079
		1,113,564,984	1,086,349,047
		3,157,949,109	2,985,234,161

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Consolidated Profit & Loss Account

For the half year and quarter ended 31 December 2017 (Un-audited)

	Note	Half year ended		Quarter ended	
		31 December 2017 Rupees	31 December 2016 Rupees	31 December 2017 Rupees	31 December 2016 Rupees
Sales -net	16	1,348,141,482	1,219,999,029	602,074,002	570,354,900
Cost of sales	17	(1,023,145,464)	(910,405,047)	(465,108,963)	(425,502,740)
Gross profit		324,996,018	309,593,982	136,965,039	144,852,160
Administrative expenses		(84,689,659)	(63,263,602)	(43,957,651)	(31,637,384)
Selling and distribution expenses		(28,995,189)	(25,668,355)	(12,840,282)	(12,345,930)
Operating profit		211,311,170	220,662,025	80,167,106	100,868,846
Other income		4,960,226	10,437,696	1,181,324	6,891,558
Other charges		(20,298,693)	(15,304,396)	(4,506,681)	(7,277,093)
Finance cost	18	(19,841,389)	(15,501,095)	(10,443,880)	(8,499,500)
Profit before taxation		176,131,314	200,294,230	66,397,869	91,983,811
Taxation	19	(13,967,045)	(20,478,200)	(4,928,485)	(1,992,068)
Profit after taxation		162,164,269	179,816,030	61,469,384	89,991,743

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Consolidated Statement of Comprehensive Income

For the half year and quarter ended 31 December 2017 (Un-audited)

	Half year ended		Quarter ended	
	31 December 2017 Rupees	31 December 2016 Rupees	31 December 2017 Rupees	31 December 2016 Rupees
Profit after taxation	162,164,269	179,816,030	61,469,384	89,991,743
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	162,164,269	179,816,030	61,469,384	89,991,743

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial information.

Lahore


Chief Executive Officer


Director

Condensed Interim Consolidated Cash Flow Statement

For the half year ended 31 December 2017 (Un-audited)

	31 December 2017 Rupees	31 December 2016 Rupees
<u>Cash flow from operating activities</u>		
Profit before tax	176,131,314	200,249,794
<i>Adjustments for non cash items:</i>		
Depreciation on property, plant and equipment	75,536,522	61,723,620
Amortization on intangible asset	948,158	429,103
Finance cost	19,841,389	15,501,095
Impairment loss on investments	1,831,158	44,436
Loss on disposal of fixed assets	6,686,370	1,791,113
Provision for Workers' Profit Participation Fund	9,388,390	10,688,154
Provision for Workers' Welfare Fund	2,248,089	2,780,693
	116,480,076	92,958,214
Cash generated from operations before working capital changes	292,611,390	293,208,008
<i>(Increase) / decrease in current assets:</i>		
Stores, spares and loose tools	(6,974,685)	(766,976)
Stock-in-trade	(96,816,015)	(118,573,608)
Trade debts	83,413,596	15,903,606
Advances, deposits, prepayments and other receivable	2,965,087	(4,766,633)
	(17,412,017)	(108,203,611)
<i>Increase / (decrease) in current liabilities:</i>		
Trade and other payables	(6,323,762)	33,244,491
	(23,735,779)	(74,959,120)
Cash generated from operations	268,875,611	218,248,888
Workers Welfare Fund paid	(8,053,127)	(3,350,969)
Workers' Profit Participation Fund paid	(24,875,611)	(21,214,099)
Taxes paid	(27,268,971)	(60,632,933)
Finance cost paid	(19,891,481)	(14,831,157)
Net cash generated from operating activities	188,786,421	118,219,730
<u>Cash flow from investing activities</u>		
Fixed capital expenditure	(229,177,774)	(206,404,874)
Proceeds from disposal of fixed assets	2,820,855	2,653,030
Proceeds from disposal of short term investments	-	72,350,000
Long term deposits- net	(706,300)	4,105,901
Net cash used in investing activities	(227,063,219)	(127,295,943)
<u>Cash flow from financing activities</u>		
Principal repayment of lease liability	(12,534,226)	(9,615,876)
Long term mchur	(13,168,455)	(21,292,050)
Diminishing musharika	62,244,356	-
Dividend paid	(42,503,569)	(115,768,698)
Short term borrowings - net	(52,352,843)	138,826,645
Net cash used in financing activities	(58,314,737)	(7,849,979)
Net decrease in cash and cash equivalents	(96,591,535)	(16,926,192)
Cash and cash equivalents at the beginning of the period	23,539,763	925,317
Cash and cash equivalents at the end of the period 20	(73,051,772)	(16,000,875)

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial information.

Lahore

Chief Executive Officer

Director

Condensed Interim Consolidated Statement of Changes in Equity

For the half year ended 31 December 2017 (Un-audited)

	<u>Capital Reserve</u>		<u>Revenue reserve</u>	<u>Total</u>
	<u>Issued subscribed & paid-up capital</u>	<u>Share Premium</u>	<u>Accumulated profit</u>	
	----- Rupees -----			
Balance as at 30 June 2016 -audited	773,500,000	347,391,050	486,142,173	1,607,033,223
<u>Total comprehensive income</u>				
Profit for the half year ended 31 December 2016	-	-	179,816,030	179,816,030
Other comprehensive income for the half year ended 31 December 2016	-	-	-	-
	-	-	179,816,030	179,816,030
<u>Transactions with owners of the Company</u>				
Final cash dividend for year ended 30 June 2016 @ Re 1 per share	-	-	(77,350,000)	(77,350,000)
Interim cash dividend for the year ended 30 June 2017 @ Rs 0.5. per share	-	-	(38,675,000)	(38,675,000)
	-	-	(116,025,000)	(116,025,000)
Balance as at 31 December 2016 - un-audited	773,500,000	347,391,050	549,933,203	1,670,824,253
<u>Total comprehensive income</u>				
Profit for the half year ended 30 June 2017	-	-	237,237,706	237,237,706
Other comprehensive income for the half year ended 30 June 2017	-	-	-	-
	-	-	237,237,706	237,237,706
<u>Transactions with owners of the Company</u>				
Issue of bonus shares @ 10% (i.e. 1 share for every 10 shares held)	77,350,000	-	(77,350,000)	-
Interim cash dividend for the year ended 30 June 2017 @ Rs. 0.5 per share	-	-	(42,542,500)	(42,542,500)
	77,350,000	-	(119,892,500)	(42,542,500)
Balance as at 30 June 2017 -audited	850,850,000	347,391,050	667,278,409	1,865,519,459
<u>Total comprehensive income</u>				
Profit for the half year ended 31 December 2017	-	-	162,164,269	162,164,269
Other comprehensive income for the half year ended 31 December 2017	-	-	-	-
	-	-	162,164,269	162,164,269
<u>Transactions with owners of the Company</u>				
Final cash dividend for the year ended 30 June 2017 @ Rs. 0.5 per share	-	-	(42,542,500)	(42,542,500)
	-	-	(42,542,500)	(42,542,500)
Balance as at 31 December 2017- unaudited	850,850,000	347,391,050	786,900,178	1,985,141,228

The annexed notes from 1 to 25 form an integral part of these condensed interim consolidated financial information.

Lahore

Chief Executive Officer

Director

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

1 Reporting entity

1.1 Synthetic Products Enterprises Limited was incorporated in Pakistan on 16 May 1982 under the Companies Act 1913 (now the Companies Ordinance, 1984) as a private limited company. The Company converted into public limited company on 21 July 2008 and subsequently listed on Pakistan Stock Exchange on 10 February 2015. The registered office of the Company is situated at 127-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore. The Company is principally engaged in the manufacturing and sale of plastic auto parts, plastic packaging for food and FMCG industry and moulds & dies.

1.2 SPEL Pharmatec (Private) Limited - ("the Subsidiary Company")

SPEL Pharmatec (Private) Limited was incorporated on 01 November 2013 under the Companies Ordinance, 1984 as a private limited company. The principal business of the Subsidiary company is trading and manufacturing of medical devices, machines, disposable items, surgical instruments, drugs and pharmaceuticals. The registered office of the Company is situated at 127-S, Quaid-e-Azam Industrial Estate, Kot Lakhpat, Lahore. The Board of Directors of the Subsidiary Company in its meeting held on 31 July 2017 has decided to liquidate the Subsidiary Company within twelve month of the balance sheet date. Accordingly, the financial statements of the Subsidiary Company has been prepared using non-going concern basis of accounting and the auditor of the Subsidiary Company in their auditor's report has included an emphasis of matter paragraph referring to this fact in the Subsidiary Company's financial statements.

2 Basis of preparation

2.1 This condensed interim consolidated financial information comprises the condensed interim consolidated balance sheet of the Company, as at 31 December 2017 and the related condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity together with the notes forming part thereof.

2.2 This condensed interim consolidated financial information of the Company for the six months period ended 31 December 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

The Companies Act 2017 ("the Act") was enacted on 30 May 2017 and replaced and repealed the Companies Ordinance, 1984 ("the repealed Ordinance"). However, the Securities and Exchange Commission of Pakistan vide its Circular No. 17 and Circular No. 23 dated 20 July 2017 and 03 October 2017, respectively, and Institute of Chartered Accountants of Pakistan vide its Circular No. 17 dated 06 October 2017, have advised and clarified that the Annual Financial Statements of the Companies whose financial year closes on or before 31 December 2017 and interim financial statements of the Companies for the period ended on or before 31 December 2017, shall be prepared in accordance with the repealed Ordinance.

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

- 2.3** This condensed interim consolidated financial information does not include all of the information required for full annual financial statements and should be read in conjunction with the annual consolidated financial statements for the year ended 30 June 2017.
- 2.4** Comparative consolidated balance sheet numbers are extracted from the annual audited consolidated financial statements of the Company for the year ended 30 June 2017, whereas comparatives of condensed interim consolidated profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from unaudited condensed interim consolidated financial information of the Company for the six months period ended 31 December 2016.
- 2.5** This condensed interim consolidated financial information is unaudited and being submitted to the shareholders as required under Section 237 of the Companies Act, 2017 and the Listing Regulations of Pakistan Stock Exchange Limited.

3 Judgments and estimates

In preparing this interim consolidated financial information, management has made judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those applied to the consolidated financial statements for the year ended 30 June 2017.

4 Statement of consistency in accounting policies

- 4.1** The accounting policies and the methods of computation adopted in the preparation of this condensed interim consolidated financial information are same as those applied in the preparation of the consolidated financial statements for the year ended 30 June 2017 except that pursuant to the requirements of IAS 7 "Statement of cash flows" a disclosure of reconciliation of movements of liabilities to cash flows arising from financing activities has been given in note 23 to the condensed interim consolidated financial information. This change does not have any impact on the figures reported in the financial statements.
- 4.2** There were certain other new standards and amendments to the approved accounting standards which became effective during the period but are considered not to be relevant or have any significant effect on the Company's operations and are, therefore, not disclosed.

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

- 4.3 The following amendments and interpretations of approved accounting standards will be effective for accounting periods as detailed below :

Standard or interpretation	Effective date (accounting periods beginning on or after)
IFRS 2 - Share-based Payments	01 January 2018
IAS 40 - Investment Property	01 January 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2018
IFRIC 22 - Foreign Currency Transactions and Advance Consideration	01 January 2018
IFRIC 23 - Uncertainty over Income Tax Treatments	01 January 2019
IFRS 15 - Revenue from Contract with customer	01 July 2018
IFRS 9 - Financial Instruments	01 July 2018
IAS 28 - Investments in Associates and Joint Ventures	01 January 2019
IFRS 3 - Business Combinations	01 January 2019
IFRS 11 - Joint ventures	01 January 2019
IAS - 12 Income Taxes	01 January 2019
IAS - 23 Borrowing cost	01 January 2019

The Companies Act, 2017 applicable for financial year beginning on 1 January 2017 requires certain additional disclosures and Section 235 of the repealed Companies Ordinance, 1984 relating to treatment of surplus arising out of revaluation of assets has not been carried forward in the Companies Act, 2017. This would require change in accounting policy relating to surplus on revaluation of land to bring it in line with the requirements of IAS 16 – Property, plant and equipment. Consequently, surplus on revaluation of land will be recorded in statement of changes in equity.

5 Issued, subscribed and paid-up capital

(Un-audited) 31 December 2017	(Audited) 30 June 2017		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
---- Number of shares ----				
19,791,940	19,791,940	Ordinary shares of Rs. 10 each, fully paid in cash	197,919,400	197,919,400
57,628,060	57,628,060	Fully paid bonus shares of Rs. 10 each	576,280,600	576,280,600
7,665,000	7,665,000	Shares of Rs. 10 each, issued under scheme of amalgamation	76,650,000	76,650,000
85,085,000	85,085,000		850,850,000	850,850,000

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

		(Un-audited) 31 December 2017 Rupees	Audited 30 June 2017 Rupees
6 Long term finance - secured	<i>Note</i>		
These comprise of:			
6.1	Loan from customer	11,373,948	24,542,403
	Less: Current maturity presented under current liabilities	(11,373,948)	(24,542,403)
		<u>-</u>	<u>-</u>
6.1.1	During the period/ year, the Company has made repayments amounting to Rs. 13.1 million (30 June 2017: Rs. 24.96 million).		
		(Un-audited) 31 December 2017 Rupees	Audited 30 June 2017 Rupees
6.2 Diminishing musharika - secured	<i>Note</i>		
	- United Bank Limited	154,396,657	92,152,301
	- Bank Islami Pakistan Limited (BIPL)	102,000,000	102,000,000
		256,396,657	194,152,301
	Less: Current maturity presented under current liabilities	(26,338,690)	(1,694,552)
		<u>230,057,967</u>	<u>192,457,749</u>
6.2.1	During the period/ year, the Company has made repayments amounting to Rs. Nil (30 June 2017: Rs. Nil).		
6.2.2	During the period/ year, the Company has made repayments amounting to Rs. Nil (30 June 2017: Rs. Nil).		
		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
7 Liabilities against assets subject to finance lease	<i>Note</i>		
	Lease liability	13,729,869	22,826,095
	Less: Current maturity presented under current liabilities	(2,252,130)	(12,992,144)
		<u>11,477,739</u>	<u>9,833,951</u>
7.1	During the period / year, the Company has made repayments amounting to Rs. 12.5 million (30 June 2017: Rs. 9.6 million).		
		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
8 Trade and other payables			
	Trade creditors - Local	48,336,787	72,318,511
	Accrued liabilities	49,343,832	35,520,069
	Advances from customers	9,360,582	8,628,819
	Workers' Profit Participation Fund	9,388,390	24,875,111
	Workers' Welfare Fund	6,606,757	12,412,295
	Payable to Provident Fund Trust	1,425,130	1,291,311
	Withholding tax payable	1,104,511	672,602
	Unclaimed dividend	605,780	566,849
	Others	10,943,923	8,407,215
		<u>137,115,692</u>	<u>164,692,782</u>

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
9 Short term borrowings - secured	<i>Note</i>		
Running finance		113,479,800	34,353,316
Finance against trust receipt		216,377,533	268,730,376
		<u>329,857,333</u>	<u>303,083,692</u>
9.1 Type of loan			
Interest/mark-up based loans		196,417,947	215,352,067
Islamic mode of financing		133,439,386	87,731,625
		<u>329,857,333</u>	<u>303,083,692</u>
10 Current maturity of non-current liabilities			
Long term finance - secured	6.1	11,373,948	24,542,403
Diminishing Musharika - secured	6.2	26,338,690	1,694,552
Liabilities against assets subject to finance lease	7	2,252,130	12,992,144
		<u>39,964,768</u>	<u>39,229,099</u>
11 Contingencies and commitments			
11.1 Contingencies			
There is no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2017.			
11.2 Commitments			
<i>Commitments under irrevocable letters of credit for:</i>			
	<i>Note</i>	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
- purchase of machinery		143,510,112	75,322,478
- purchase of raw material and its related components		119,597,086	112,121,261
		<u>263,107,198</u>	<u>187,443,739</u>
12 Property, plant and equipment			
Operating fixed assets	12.1	1,866,196,247	1,665,019,786
Capital work in progress - at cost	12.2	157,258,542	210,862,977
		<u>2,023,454,789</u>	<u>1,875,882,763</u>

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
12.1 Operating fixed assets			
Opening written down value		1,665,019,786	1,471,571,292
Add: Additions during the period / year (cost)	12.1.1	286,220,209	335,123,821
Less: Disposals during the period / year at written down value		(9,507,226)	(9,091,574)
Less: Depreciation charge for the period / year		(75,536,522)	(132,583,753)
Closing written down value		1,866,196,247	1,665,019,786
12.1.1 Additions during the period / year:			
Land		-	16,184,391
Buildings on freehold land		107,234,410	49,451,436
Plant and machinery - owned		169,354,789	241,383,167
Office equipment		3,255,843	3,966,675
Tools and equipment		98,167	1,093,286
Computer equipment		106,500	789,990
Furniture and fittings		-	1,086,363
Vehicles - owned		2,732,500	14,711,303
Vehicles - leased		3,438,000	6,457,210
		286,220,209	335,123,821
12.2 Capital work in progress - at cost			
Balance at the beginning of the period / year		210,862,977	43,782,702
Add: Additions during the period / year		223,007,903	452,955,526
Less: Transfers to fixed assets during the period / year		(276,612,338)	(285,875,251)
		157,258,542	210,862,977
13 Investments			
Available for sale, listed equity security	13.1	4,409,337	6,240,495
		4,409,337	6,240,495

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

13.1 Available for sale, listed equity security

Roshan Packages Limited

121,210 (30 June 2017: 111,100) fully paid ordinary shares having face value of Rs. 10 each.

	(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees
Cost	9,582,375	9,582,375
Accumulated Impairment - opening balance	(3,341,880)	-
Impairment for the period charged to profit and loss account	(1,831,158)	(3,341,880)
Accumulated Impairment - closing balance	(5,173,038)	(3,341,880)
Fair value	<u>4,409,337</u>	<u>6,240,495</u>
14 Stock-in-trade		
Raw and packing material	362,756,994	303,792,891
Stock in transit	103,134,986	75,100,903
Work in process	24,182,575	15,444,755
Finished goods	34,424,975	33,344,966
	<u>524,499,530</u>	<u>427,683,515</u>
15 Advances, deposits, prepayments and other receivables		
<i>Advances - unsecured, considered good</i>		
- to employees	523,585	235,040
- to suppliers for raw material	4,512,507	8,827,835
Amounts paid against future shipments	16,031,414	14,794,751
Short term deposits	915,592	7,483,948
Sales tax receivable - net	18,886,186	18,171,037
Prepaid insurance	3,080,142	3,407,767
Other receivables	10,744,983	5,056,314
	<u>54,694,409</u>	<u>57,976,692</u>
Provision against doubtful receivables	-	(317,196)
	<u>54,694,409</u>	<u>57,659,496</u>

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

	Half year ended (Un-audited)	
	31 December 2017 Rupees	31 December 2016 Rupees
16 Sales - net		
Local sales	1,575,764,629	1,422,995,249
Export sales	7,350,542	8,338,437
Less: Sales tax	(234,973,689)	(211,334,657)
	1,348,141,482	1,219,999,029
17 Cost of sales		
Raw and packing materials consumed	764,778,170	674,516,992
Stores, spare parts and loose tools consumed	5,222,313	4,377,513
Salaries, wages and benefits	104,231,831	98,004,450
Electricity, fuel and water charges	69,545,615	69,571,559
Depreciation on property, plant and equipment	68,686,904	55,472,988
Repair and maintenance	14,284,182	16,548,625
Sorting charges	481,060	728,612
Insurance	4,643,620	2,971,228
Oil and lubricants	1,089,598	1,449,945
	1,032,963,293	923,641,912
<i>Work in process:</i>		
- At beginning of the period	15,444,755	11,658,090
- At end of the period	(24,182,575)	(18,174,511)
	1,024,225,473	917,125,491
Cost of goods manufactured		
<i>Finished goods:</i>		
- At beginning of the period	33,344,966	19,298,362
- At end of the period	(34,424,975)	(26,018,806)
	1,023,145,464	910,405,047
18 Finance cost		
<i>Mark-up on:</i>		
- short term borrowings	10,305,084	11,725,648
- long term finance - secured	716,647	2,067,479
- diminishing musharika	7,418,610	51,083
- lease finance	586,184	1,046,632
Bank charges	814,864	610,253
	19,841,389	15,501,095
19 Taxation		
<i>Tax expense for the period comprises:</i>		
Current tax	-	3,001,798
Deferred tax	13,967,045	17,476,402
	13,967,045	20,478,200
20 Cash and cash equivalents		
Short term running finance- secured	(113,479,800)	(55,885,829)
Cash and bank balances	40,428,028	39,884,954
	(73,051,772)	(16,000,875)

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

21 Financial instruments-fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Half year ended 31 December 2017 (Un-audited)			
	Loans and receivables	Other financial liabilities	Total	Fair Value
				Level 1
				Level 2
				Level 3
				Rupees
On-Balance sheet financial instruments				
31 December 2017- (Un-audited)				
Financial assets measured at fair value				
Available for sale investment	-	-	-	-
	4,409,337	-	4,409,337	4,409,337
	4,409,337	-	4,409,337	
Financial assets not measured at fair value				
Bank balances	40,356,428	-	40,356,428	-
Deposits and other receivables	11,660,575	-	11,660,575	-
Long term deposits	14,226,469	-	14,226,469	-
Trade debts - unsecured, considered good	255,632,842	-	255,632,842	-
	321,876,314	-	321,876,314	
	-	-	-	-
	-	-	-	-
	-	-	-	-
Financial liabilities measured at fair value				
Financial liabilities not measured at fair value				
Long term finances and diminishing musharika	-	267,770,605	267,770,605	-
Liabilities against assets subject to finance lease	-	-	-	-
Trade and other payables	-	13,729,869	13,729,869	-
Short term borrowing	-	110,655,452	110,655,452	-
Accrued mark up	-	329,857,333	329,857,333	-
	-	3,590,606	3,590,606	-
	-	725,603,865	725,603,865	-

Note

21.2

21.2

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

21.1

On-Balance sheet financial Instruments 30 June 2017 - (Audited)

Note

Financial assets measured at fair value

Available for sale investment

Financial assets not measured at fair value

Bank balances
Deposits and other receivables
Long term deposits
Trade debts - unsecured, considered good

21.2

Financial liabilities measured at fair value

Financial liabilities not measured at fair value

Long term finances and diminishing musharika
Liabilities against assets subject to finance lease
Trade and other payables
Short term borrowing
Accrued mark up

21.2

The Company has not disclosed the fair values of these financial assets and liabilities as these are for short term or reprice over short term. Therefore, their carrying amounts are reasonable approximation of fair value.

21.3

Land has been carried at revalued amounts determined by professional valuers (level 3 measurement) based on their assessment of the market values. The valuations are conducted by the valuation experts appointed by the Company. The valuation experts used a market based approach to arrive at the fair value of the Company's land. The effect of changes in the unobservable inputs used in the valuation can not be determined with certainty, accordingly a qualitative disclosure of sensitivity has not been presented in this condensed interim consolidated financial information.

	30 June 2017 (Audited)			Fair Value		
	Carrying Amount	Level 1	Level 2	Level 1	Level 2	Level 3
Loans and receivables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
Total	6,240,495	6,240,495	6,240,495	6,240,495	6,240,495	-
----- Rupees -----						
Bank balances	57,868,079	-	-	-	-	-
Deposits and other receivables	12,540,262	-	-	-	-	-
Long term deposits	13,520,169	-	-	-	-	-
Trade debts - unsecured, considered good	339,046,438	-	-	-	-	-
Total	422,974,948	422,974,948	422,974,948	422,974,948	422,974,948	-
----- Rupees -----						
Long term finances and diminishing musharika	-	-	-	-	-	-
Liabilities against assets subject to finance lease	-	-	-	-	-	-
Trade and other payables	-	-	-	-	-	-
Short term borrowing	-	-	-	-	-	-
Accrued mark up	-	-	-	-	-	-
Total	218,694,704	218,694,704	218,694,704	218,694,704	218,694,704	-
Total	666,349,144	666,349,144	666,349,144	666,349,144	666,349,144	-

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

22 Reconciliation of movements of liabilities to cash flows arising from financing activities.

	Half year ended 31 December 2017 (Un-audited)					
	Liabilities					
	Long term finances	Diminishing Musharika	Liabilities against assets subject to finance lease	Short term borrowings	Unclaimed dividend	Total
	Rupees					
Balance as at 01 July 2017	24,542,403	194,152,301	22,826,095	303,083,692	566,849	545,171,340
Changes from financing activities						
Repayment of short term borrowings - net	-	-	-	(52,352,843)	-	(52,352,843)
Long term loans repaid	(13,168,455)	-	-	-	-	(13,168,455)
Diminishing Musharika receipts	-	62,244,356	-	-	-	62,244,356
Repayment of finance lease liabilities	-	-	(12,534,226)	-	-	(12,534,226)
Finance cost paid	-	-	-	-	-	-
Dividends paid	-	-	-	-	(42,503,569)	(42,503,569)
Profit for the year	-	-	-	-	-	-
Total changes from financing cash flows	(13,168,455)	62,244,356	(12,534,226)	(52,352,843)	(42,503,569)	(58,314,737)
Other changes						
Change in running finance	-	-	-	79,126,484	-	79,126,484
New finance leases	-	-	3,438,000	-	-	3,438,000
Dividend declared	-	-	-	-	42,542,500	42,542,500
Interest expense	-	-	-	-	-	-
Total liability related other changes	-	-	3,438,000	79,126,484	42,542,500	125,106,984
Closing as at 31 December 2017	11,373,948	256,396,657	13,729,869	329,857,333	605,780	611,963,587

Notes to the Condensed Interim Consolidated Financial Information

For the half year and quarter ended 31 December 2017 (Un-audited)

23 Transactions with related parties

Related parties comprise of subsidiary company, associated undertaking, key management personnel (including chief executive and directors), post employment benefit plan and entities in which the directors have significant influence. Details of transactions and balances with related parties are as follows:

		Half year ended (Un-audited)	
		31 December 2017	31 December 2016
23.1 Related parties	Nature of transaction	Rupees	Rupees
Provident Fund Trust	Contribution	8,354,193	7,268,870
Directors	Dividend - as shareholders	30,242,057	82,854,953
Remuneration of Key Management Personnel	Remuneration		
- Directors		23,894,606	19,706,100
- Executive employees		20,008,380	16,837,656
		(Un-audited) 31 December 2017 Rupees	(Audited) 30 June 2017 Rupees

23.2 Balances with related parties

Provident Fund Trust	1,425,130	1,291,311
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24 Date of authorization

This condensed interim consolidated financial information has been approved by the Board of Directors of the Company and authorized for issue in their meeting held on 6 February 2018.

25 General

Figures have been rounded off to the nearest rupee.

Lahore


Chief Executive Officer


Director

ڈائریکٹرز کا جائزہ

مستقبل قریب کا جائزہ

روایتی طور پر دوسری سہ ماہی میں سیلز میں کمی آتی ہے جو کہ کاروباری رجحان ہے۔ ہم مالی سال 2017-18 کے دوسرے نصف حصہ میں آٹو انڈسٹری میں ترقی کے بیڑن اور اپنی پیداواری صلاحیت کی ترقی کیلئے پرعزم ہیں۔ ہم اپنے گاہکوں کو بروقت اور معیاری مصنوعات فراہم کرنے کیلئے کوشاں ہیں یہی ہمارے قابل اعتماد ہونے کی دلیل ہے۔ معیشت مثبت انداز میں بڑھ رہی ہے۔ ہمارے گاہک اپنی پیداواری وسعت کی جانب گامزن ہیں جس کی وجہ سے مثبت نتائج کی امید ہے۔

اعتراف

ہم کمپنی کی مصنوعات پر اعتماد کیلئے اپنے صارفین کا شکریہ ادا کرتے ہیں۔ ہم اپنے ڈیلرز، سپلائرز، بنکاروں، حصص یافتگان اور ملازمین سمیت دیگر تمام اسٹیک ہولڈرز کے شکرگزار ہیں۔

محمد ناصر

شیخ نصیر حیدر
ڈائریکٹر

ضیاء حیدر نقی

چیف ایگزیکٹو آفیسر / ڈائریکٹر

لاہور

6 فروری 2018

ڈائریکٹرز کا جائزہ

محترم شیئر ہولڈرز

سینٹھنیک پراڈکٹس انٹرپرائزز لمیٹڈ کے بورڈ آف ڈائریکٹرز 31 دسمبر 2017 کو ختم ہونے والی سہ ماہی اور نصف سال کے لئے آپ کی کمپنی کی غیر آڈٹ شدہ مالیاتی معلومات ڈائریکٹرز اور آڈیٹر کے جائزے کے ساتھ پیش کر رہے ہیں۔

مالی تجزیہ

	Half Year Ended		Quarter Ended	
	31 Dec 2017 PKR Millions	31 Dec 2016 PKR Millions	31 Dec 2017 PKR Millions	31 Dec 2016 PKR Millions
Sales – net	1,348.1	1,219.9	602.0	570.3
Cost of Sales	(1,023.1)	(910.4)	(465.1)	(425.5)
Gross Profit	324.9	309.5	136.9	144.8
Operating Profit	211.3	220.6	80.1	100.8
Profit after tax	162.1	179.8	61.4	89.9
EPS – Basic (PKR)	1.91	2.11	0.72	1.06

زیر جائزہ مدت کے دوران سیلز آمدنی 1,348 ملین روپے ہوئی جو کہ گزشتہ سال کی اسی مدت کے مقابلے میں 10.5 فیصد زیادہ ہے۔ تاہم منافع 179 ملین روپے سے 162 ملین روپے ہو گیا ہے جس کی بنیادی وجہ خام مال کی قیمتوں اور دیگر اور ہیڈز میں اضافہ ہے۔ اضافی لاگت کا کچھ حصہ چند ماہ میں گاہکوں کو منتقل ہو جائے گا جبکہ بقیہ حصہ پر بہتر کارکردگی سے قابو پایا جائے گا۔

زیر جائزہ مدت کے دوران کمپنی نے 286 ملین روپے کی رقم سرمایہ کاری مینوفیکچرنگ کی سہولیات کی توسیع کے لئے خرچ کی ہے۔

زیر جائزہ مدت کے دوران رجیم یارخان پراجیکٹ کی بلڈنگ کی تعمیر مکمل ہو گئی ہے اور مینوفیکچرنگ کی سہولیات آپریشنل ہو گئی ہیں۔

متعلقہ پلانٹ اور مشینری کو کاروبار کی ضروریات کے مطابق رجیم یارخان یونٹ پر شفٹ کیا جا رہا ہے۔ یہ یونٹ پاکستان کے مرکزی اور جنوبی حصوں میں اپنے گاہکوں کی خدمت کا مرکز بن جائے گا۔ پیداوار کے اضافے کی وجہ سے مستقبل میں بہتری کی امید ہے۔

ٹیکسیشن

کمپنی نے انکم ٹیکس آرڈیننس، 2001 کے سیکشن 65B کے تحت پلانٹ اور مشینری میں سرمایہ کاری کے 10 فیصد ٹیکس کریڈٹ کلیم کیا ہے۔ اس کے علاوہ کمپنی انکم ٹیکس آرڈیننس، 2001 کے سیکشن 65E کے تحت ٹیکس کریڈٹ کی اہل ہے۔

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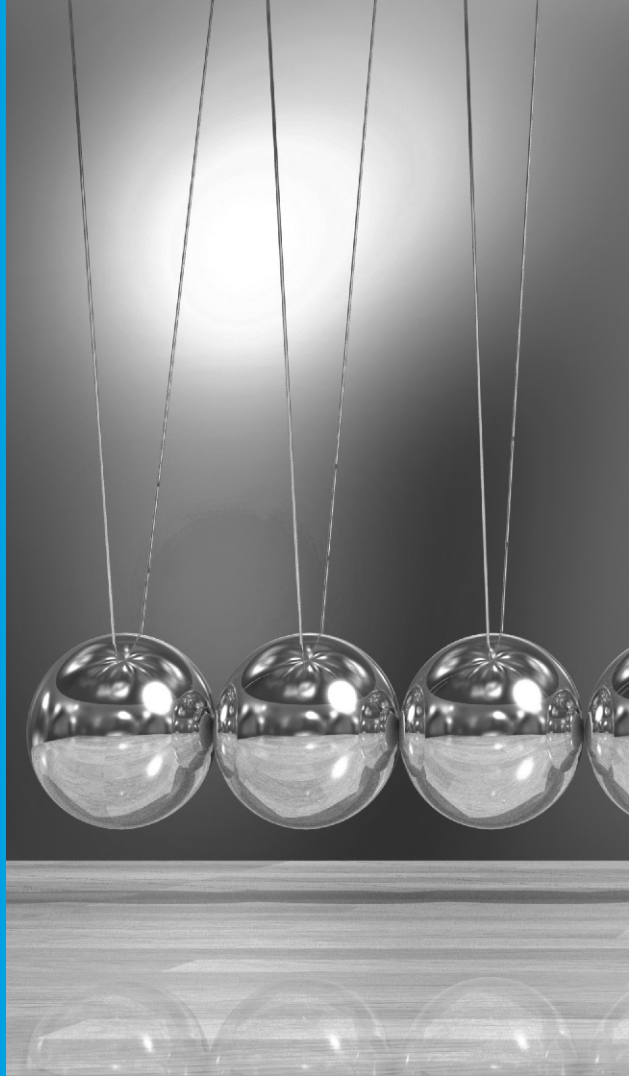


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