

DYNEA PAKISTAN LIMITED

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DYNEA PAKISTAN LIMITED

COMPANY INFORMATION

Board of Directors :

Dr. Donald Jenkin
Mr. Shabbir Abbas
Mr. Tayyeb Afzal
Mr. Sajid Hassan
Syed Ali Azfar Naqvi
Mr. Ameen Bandukda
Mr. Aqeel Loon

Chairman
Chief Executive Officer

Audit Committee :

Mr. Tayyeb Afzal
Dr. Donald Jenkin
Syed Ali Azfar Naqvi

Chairman
Member
Member

Human Resource Committee:

Mr. Sajid Hassan
Dr. Donald Jenkin
Mr. Shabbir Abbas

Chairman
Member
Member

Chief Financial Officer:

Mr. Muhammad Shakeel Uddin

Company Secretary :

Mr. Adnan Husseini

Head of Internal Audit:

Mr. Mujtaba Hassan Ghanchi

Bankers :

M/s. Habib Bank Limited
M/s. Habib Metropolitan Bank Limited
M/s. NIB Bank Limited
M/s. Standard Chartered Bank (Pakistan) Limited
M/s. United Bank Limited
M/s. Dubai Islamic Bank Pakistan Limited

Auditors :

M/s. EY Ford Rhodes
Chartered Accountants

Legal Advisors :

M/s. Sayeed & Sayeed, Advocates & Legal Consultants
M/s. Zahid & Tariq Advocates

Share Registrar :

FAMCO Associates (Pvt) Ltd
Management Consultants & Share Registrars
8-F, Next to Hotel Faran Nursery, Block - 6, P.E.C.H.S
Shahra-e-Faisal, Karachi.
Ph: (92-21) 34380101-5, 34384621-3 (Ext 103) Fax: (92-21) 34380106

Registered Office:

Office No 406, Parsa Tower, Plot No.31/1/A,
Block-6, P.E.C.H.S, Shahrah-e-Faisal,
Karachi-75400.
Ph: (92-21) 34520132 - 35 Fax: (92-21) 34392182

Factories :

- 1) **Hub Unit**
A101 - A105, A132 - A136,
Hub Industrial Trading Estate,
Hub Chowki, Distt. Lasbella, Baluchistan.
Ph: (92-853) 363706-09 Fax: (92-853) 363907
- 2) **Gadoon Unit**
34-A, 34-B & 35, Road-3, Industrial Estate,
Gadoon Amazai, District Swabi, Khyber Pakhtunkhwa.
Ph: (92-938) 270150-52 Fax: (92-938) 270246

DYNEA PAKISTAN LIMITED

DIRECTORS' REPORT

FOR THE NINE MONTHS ENDED MARCH 31, 2017.

The Directors of your company are pleased to present this report along with the unaudited financial results for the third quarter as well as of the nine months ended March 31, 2017.

The profit before tax was Rs.229.08 million and the after tax profit was Rs.156.94 million compared to the profit before tax of Rs.135.59 million and the after tax profit of Rs.92.05 million respectively for the corresponding period last year. The basic and diluted earnings per share increased to Rs.8.32 from Rs.4.88.

Resin Division

Resin Division turnover was Rs.920.63 million compared to Rs.811.36 million for the corresponding period in the previous financial year, showing an increase of 13.46%. The Resin Division earned a profit of Rs.110.64 million compared to Rs.30.81 million for the corresponding period last year.

Aminoplast Moulding Compound Division

Moulding Compound Division turnover was Rs.969.56 million compared to Rs.1,013.21 million for the corresponding period in the previous financial year, showing a decrease of 4.3%. The Moulding Compound Division posted a profit of Rs.204.22 million compared to Rs.204.42 million for the previous financial year.

Future Outlook

The Board of Directors of the company approved expansion in formaldehyde capacity along with production of their basic and ancillary product lines. The total estimated cost of expansion would be about Rs.510 million which includes procurement of plant, equipment, building and civil works. Production is expected to commence in January 2018.

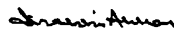
The price of methanol, a key raw material, has increased sharply, causing the cost of production to increase substantially. This is a major concern which may affect the profitability of the company due to the constraint in passing on the increase to the market.

Vend Fee and Permit Fee Case

The case is still pending before the Honorable Supreme Court of Pakistan. In view of the legal merits of the case and the previous two favourable decisions of the Sindh High Court, the management expects the Supreme Court to confirm the previous decisions, thereby not affecting the Company's ability to continue as a going concern.

Acknowledgement

In conclusion, we, the Directors, thank Almighty Allah for all His Blessings and convey our appreciation to all our stakeholders for their continued support and the confidence reposed in the management of the Company. We also wish to express our heartfelt appreciation for the efforts of our employees who continue to strive hard to achieve better results.



Shabbir Abbas
Chief Executive

Karachi: April 22, 2017

On behalf of the Board



Dr. Donald Jenkin
Chairman

ڈانیا پاکستان لمیٹڈ

ڈائریکٹرز رپورٹ

31 مارچ 2017 کو ختم ہونے والی نو ماہی کے لئے

آپ کی کہنی کے ڈائریکٹرز ہسرت یہ رپورٹ مع غیر آڈٹ شدہ مالی نتائج باہت تیسری سہ ماہی و نو ماہی 31 مارچ 2017 پیش کرتے ہیں۔ اس نو ماہ میں نقل ادیکس منافع 229.08 ملین روپے اور بھارا نقل منافع 156.94 ملین روپے رہا۔ جبکہ گزشتہ سال اسی مدت میں نقل ادیکس منافع 135.59 ملین روپے اور بھارا نقل منافع 92.05 ملین روپے رہا تھا۔ فی حصہ (شیر) بنیادی اور احتساب شدہ آمدنی 4.88 روپے سے بڑھ کر 8.32 روپے ہوئی۔

ریزن ڈویژن

ریزن ڈویژن کی کل بکری (فرن اور) 920.63 ملین روپے رہی جبکہ گزشتہ سال اسی عرصہ میں اس کی مقدار 811.36 ملین روپے رہی تھی۔ ایسے اس میں 13.46 فی صد اضافہ ہوا۔ اس ڈویژن کو اسی مدت میں 110.64 ملین روپے کا منافع ہوا جب کہ گزشتہ سال منافع کی مقدار 30.81 ملین روپے تھی۔

ایجنٹس مولاڈنگ کمپاؤنڈ ڈویژن

اس مدت میں ایجنٹس مولاڈنگ کمپاؤنڈ ڈویژن کی کل بکری (فرن اور) 969.56 ملین روپے رہی جب کہ گزشتہ سال اسی عرصہ میں اس کی مقدار 1,013.21 ملین روپے رہی تھی۔ ایسے اس میں 4.3 فی صد کمی واقع ہوئی۔ مولاڈنگ کمپاؤنڈ ڈویژن کا منافع 204.22 ملین روپے رہا جو کہ گزشتہ مالی سال میں منافع 204.42 ملین روپے تھا۔

مستقبل پر ایک نظر

کہنی کے بورڈ آف ڈائریکٹرز نے فارملڈ ہما پیڈ اور اس کی بنیادی اور ذیلی مصنوعات کے کارخانے میں توسیع کی منظوری دی ہے۔ اس توسیع کا تخمینہ 510 ملین روپے ہے جس میں پلانٹ، ایکٹیوٹھ، عمارت اور سول ورکس شامل ہے۔ پلانٹ اور جنوری 2018 میں شروع ہے۔ میکانول کی قیمت، جو کہ ایک بنیادی نام مال ہے، جیزی سے بڑھ رہی ہے جس کی وجہ سے پلانٹ اور کی لاگت کافی بڑھ جائے گی۔ یہ امر باعث تشویش ہے جو کہ کہنی کے منافع کو متاثر کر سکتا ہے کیوں کہ اس جیزی کو فی الوقت نکل نہیں کیا جاسکتا۔

ویٹرنی اور پرمٹ فی کیس

کیس معزز پریم کورٹ آف پاکستان میں زیر سماعت ہے۔ کیس کی قانونی مشیروں اور سندھ ہائی کورٹ کے پہلے دو موافق فیصلوں کی بدولت ججمنٹ توقع کہنی ہے کہ پریم کورٹ، سندھ ہائی کورٹ کے پہلے کے فیصلوں کی تائید کرے گی جس سے کہنی کی ایک کارگر ادارہ ہونے کی صلاحیت متاثر نہیں ہوگی۔

اعتراف

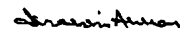
آخر میں ہم ڈائریکٹرز اللہ تعالیٰ کی اس مشکل وقت میں تمام مہربانیوں پر شکر ہیں اور اپنے حصص یافتگان، کمرز، مالیاتی اداروں اور دیگر اسٹیک ہولڈرز کی مسلسل معاونت اور کہنی کی ججمنٹ پران کے اتحاد کے لئے بدیہ تریک پیش کرتے ہیں۔ ہم اپنی منجھٹ مہم کی سہمائی کے لیے بھی تہنوں سے معترف ہیں کہ یہ مستقل بہتر نتائج کے لیے ہمیں مستعد رہتے ہیں۔

بورڈ آف ڈائریکٹرز کی جانب سے



ڈاکٹر ڈونلڈ جیمینگن

چیئرمین



شیر عباس


چیف ایگزیکٹو

کراچی، 22 اپریل 2017

DYNEA PAKISTAN LIMITED
CONDENSED INTERIM BALANCE SHEET
AS AT MARCH 31, 2017

	Note	March 31, 2017	June 30, 2016
ASSETS		(Rupees in '000)	
NON-CURRENT ASSETS		(Un-audited)	(Audited)
Property, plant and equipment	4	203,477	238,956
Intangible assets		1,822	3,163
Long-term loans		165	73
Long-term deposits		6,725	6,355
Deferred tax asset		9,873	3,515
		<u>222,062</u>	<u>252,062</u>
CURRENT ASSETS			
Stores and spares		20,324	14,650
Stock-in-trade		377,895	323,917
Trade debts		461,740	381,871
Loans and advances		17,536	3,991
Deposits and prepayments		6,827	4,764
Taxation - net		36,572	47,510
Cash and bank balances		238,510	161,240
		<u>1,159,404</u>	<u>937,943</u>
TOTAL ASSETS		<u>1,381,466</u>	<u>1,190,005</u>
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorised capital			
40,000,000 (June 30, 2016: 40,000,000) ordinary shares of Rs.5/- each		<u>200,000</u>	<u>200,000</u>
Issued, subscribed and paid-up capital		94,362	94,362
Reserves		940,705	830,942
		<u>1,035,067</u>	<u>925,304</u>
NON-CURRENT LIABILITIES			
Long-term financing	5	-	-
CURRENT LIABILITIES			
Trade and other payables		325,906	198,979
Accrued mark-up		6	279
Short-term running finance		-	647
Sales tax payable		20,487	17,921
Current portion of long term financing	5	-	46,875
		<u>346,399</u>	<u>264,701</u>
CONTINGENCIES AND COMMITMENTS	6		
TOTAL EQUITY AND LIABILITIES		<u>1,381,466</u>	<u>1,190,005</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements .



Chief Executive



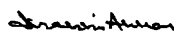
Chairman

Karachi : April 22, 2017

DYNEA PAKISTAN LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	--(Rupees in '000)--		--(Rupees in '000)--	
Turnover - net	1,890,192	1,824,564	777,733	690,354
Cost of sales	<u>(1,516,583)</u>	<u>(1,524,959)</u>	<u>(610,766)</u>	<u>(571,762)</u>
Gross Profit	373,609	299,605	166,967	118,592
Distribution costs	<u>(80,614)</u>	<u>(83,227)</u>	<u>(31,226)</u>	<u>(22,641)</u>
Administrative expenses	<u>(51,654)</u>	<u>(58,977)</u>	<u>(17,818)</u>	<u>(26,611)</u>
	<u>(132,268)</u>	<u>(142,204)</u>	<u>(49,044)</u>	<u>(49,252)</u>
Other income	8,543	2,122	6,215	181
Operating Profit	249,884	159,523	124,138	69,521
Finance costs	<u>(2,637)</u>	<u>(11,112)</u>	<u>(523)</u>	<u>(3,219)</u>
Other charges	<u>(18,166)</u>	<u>(12,817)</u>	<u>(8,956)</u>	<u>(4,498)</u>
	<u>(20,803)</u>	<u>(23,929)</u>	<u>(9,479)</u>	<u>(7,717)</u>
Profit before taxation	229,081	135,594	114,659	61,804
Taxation				
- current	<u>(77,512)</u>	<u>(57,503)</u>	<u>(36,438)</u>	<u>(21,604)</u>
- prior	<u>(983)</u>	<u>(628)</u>	<u>-</u>	<u>-</u>
- deferred	<u>6,358</u>	<u>14,582</u>	<u>880</u>	<u>1,943</u>
	<u>(72,137)</u>	<u>(43,549)</u>	<u>(35,558)</u>	<u>(19,661)</u>
Profit after taxation	156,944	92,045	79,101	42,143
Basic and diluted earnings per share (Rupees)	8.32	4.88	4.19	2.23

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements .



Chief Executive



Chairman

Karachi: April 22, 2017

DYNEA PAKISTAN LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

	Nine months ended		Quarter ended	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	--(Rupees in '000)--		--(Rupees in '000)--	
Profit after taxation for the period	156,944	92,045	79,101	42,143
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	<u>156,944</u>	<u>92,045</u>	<u>79,101</u>	<u>42,143</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive



Chairman

Karachi: April 22, 2017

DYNEA PAKISTAN LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)

	March 31, 2017	March 31, 2016
	--(Rupees in '000)--	
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	229,081	135,594
Adjustments for:		
Depreciation and amortisation	47,153	58,859
(Reversal) / provision for doubtful debts	(4,070)	9,175
Finance costs	2,637	11,112
Gain on disposal of operating fixed assets	(177)	(413)
	45,543	78,733
	274,624	214,327
 (Increase) / decrease in current assets		
Stores and spares	(5,674)	(1,657)
Stock-in-trade	(53,978)	6,767
Trade debts	(75,798)	(101,149)
Loans and advances	(13,545)	19,473
Deposits and prepayments	(2,063)	(3,593)
Other receivables	-	(1,321)
	(151,058)	(81,480)
Increase in current liabilities		
Trade and others payables	129,492	18,111
	253,058	150,958
Finance costs paid	(2,909)	(10,659)
Income tax (paid)/ refund	(67,557)	35,044
Long-term loans and deposits	(462)	(84)
Net cash generated from operating activities	182,130	175,259
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(10,348)	(3,585)
Proceeds from disposal of operating fixed assets	191	1,074
Net cash used in investing activities	(10,157)	(2,511)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of long-term financing	(46,875)	(140,625)
Dividends paid	(47,181)	(47,200)
Net cash used in financing activities	(94,056)	(187,825)
Net increase / (decrease) in cash and cash equivalents	77,917	(15,077)
Cash and cash equivalents at the beginning of the period	160,593	66,932
Cash and cash equivalents at the end of the period	238,510	51,855
 CASH AND CASH EQUIVALENTS COMPRISE:		
Cash and bank balances	238,510	58,157
Short-term running finance	-	(6,302)
	238,510	51,855

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive

Karachi: April 22, 2017

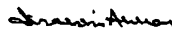


Chairman

DYNEA PAKISTAN LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED MARCH 31, 2017
(UN-AUDITED)

	Issued subscribed and paid- up capital	Revenue reserves			Total equity
		General reserve	Unappropriated profit	Total	
----- (Rupees in '000') -----					
Balance as at June 30, 2015	94,362	501,000	241,776	742,776	837,138
Final dividend for the year ended June 30, 2015 @ Rs.2.50 per share	-	-	(47,181)	(47,181)	(47,181)
Profit after taxation for the period	-	-	92,045	92,045	92,045
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	92,045	92,045	92,045
Transferred to general reserve	-	190,000	(190,000)	-	-
Balance as at March 31, 2016	<u>94,362</u>	<u>691,000</u>	<u>96,640</u>	<u>787,640</u>	<u>882,002</u>
Balance as at June 30, 2016	94,362	691,000	139,942	830,942	925,304
Final dividend for the year ended June 30, 2016 @ Rs.2.50 per share	-	-	(47,181)	(47,181)	(47,181)
Profit after taxation for the period	-	-	156,944	156,944	156,944
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	156,944	156,944	156,944
Balance as at March 31, 2017	<u>94,362</u>	<u>691,000</u>	<u>249,705</u>	<u>940,705</u>	<u>1,035,067</u>

The annexed notes from 1 to 10 form an integral part of these condensed interim financial statements.



Chief Executive



Chairman

Karachi: April 22, 2017

DYNEA PAKISTAN LIMITED

NOTES TO THE INTERIM CONDENSED FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED MARCH 31, 2017 (UN-AUDITED)

1. THE COMPANY AND ITS OPERATIONS

Dynea Pakistan Limited (the Company) was incorporated in Pakistan on June 20, 1982 as a public limited company under the Companies Act, 1913 (now the Companies Ordinance, 1984), and is listed on Pakistan Stock Exchange. It is engaged in the manufacture and sale of formaldehyde, urea/melamine formaldehyde and aminoplast compound. The registered office of the Company is situated at Office No. 406, Parsa Tower, Plot No. 31/1/A, Block-6, P.E.C.H.S, Shahrah-e-Faisal, Karachi, Pakistan.

2. BASIS OF PREPARATION

2.1 These condensed interim financial statements have 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 the requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed.

2.2 These condensed interim financial statements do not include all the information and disclosures required in the annual financial statements, and should be read in conjunction with the Company's annual financial statements for the year ended June 30, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of these condensed interim financial statements are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2016 except as follows:

New, Amended and Revised Standards and Interpretations of IFRSs

The Company has adopted the following amendments and interpretation of IFRSs which became effective during the period:

- IFRS 10 - Consolidated Financial Statements, IFRS 12-Disclosure of Interests in Other Entities and IAS 27-Separate Financial Statements: Investment Entities: Applying the Consolidation Exception (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)

The adoption of the above amended standard / improvement and interpretation did not have any material effect on the condensed interim financial statements.

4. PROPERTY, PLANT AND EQUIPMENT

	Note	March 31, 2017 (Un-audited) (Rupees in '000)	June 30, 2016 (Audited)
Operating fixed assets	4.1	199,859	238,398
Capital work-in-progress		3,618	558
		<u>203,477</u>	<u>238,956</u>

4.1 The following additions and deletions were made in operating fixed assets during the period:

	Additions at cost		Deletions at book value	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	(Rupees in '000)		(Rupees in '000)	
Operating fixed assets:				
Building on leasehold land	4,404	-	-	-
Plant and machinery	78	740	-	-
Furniture and fittings	1,803	-	-	-
Office equipments	502	-	-	-
Computer and accessories	474	339	-	42
Vehicles	27	129	14	619
	<u>7,288</u>	<u>1,208</u>	<u>14</u>	<u>661</u>

March 31, 2017 (Un-audited) (Rupees in '000)	June 30, 2016 (Audited)

5. LONG-TERM FINANCING - secured

Long-term loan	-	46,875
Current maturity	-	(46,875)
	<u>-</u>	<u>-</u>

5.1 The last installment of long term loan was paid off in March, 2017.

6. CONTINGENCIES AND COMMITMENTS

6.1. Contingencies

There were no major changes in the status of contingencies as reported in the annual financial statements of the Company for the year ended June 30, 2016, except for the following:

6.1.1 The Company is exposed to pay vend and permit fee amounting to Rs.1,321.05 million (June 30, 2016: Rs.1,262.90 million) on methanol consumed since July 1990. The Company, based on the lawyer's advice, is expecting a favourable outcome of the case pending in the Honourable Supreme Court of Pakistan. Accordingly, based on the management expectation, provision for any liability arising from unfavorable outcome has not been made in these condensed interim financial statements. Further, the management is making necessary efforts to resolve this matter and is confident that the Company will be able to continue as a going concern.

	Note	March 31, 2017 (Rupees in '000) (Un-audited)	June 30, 2016 (Audited)
6.1.2. Outstanding bank guarantees		<u>10,584</u>	<u>10,584</u>
6.2. Commitments			
Outstanding letters of credit	6.2.1	<u>247,502</u>	<u>74,769</u>
Post dated cheques issued in favour of Collector of Customs		<u>64,363</u>	<u>25,307</u>
Commitments for rental under Ijarah finance agreements			
- Within one year		<u>2,117</u>	<u>3,514</u>
- After one year but not more than five years		<u>1,251</u>	<u>2,704</u>
	6.2.2	<u>3,368</u>	<u>6,218</u>

6.2.1. Includes letter of credit for capital expenditure amounting to Rs. 202 million (June 30, 2016: Nil)

6.2.2. Represent Ijarah finance facility entered into with First Habib Modaraba in respect of vehicles. Total Ijarah payments due under the agreement is Rs.3.37 million (June 30, 2016:Rs.6.22 million) and are payable in monthly installments latest by January 2019. These liabilities are secured by on demand promissory note for the entire amount of the lease rentals.

7. SEGMENT INFORMATION

7.1. Operating segments

	Nine months ended					
	March 31, 2017			March 31, 2016		
	Resin Division	Aminoplast Division	Total	Resin Division	Aminoplast Division	Total
	(Rupees in '000) (Un-audited)			(Rupees in '000) (Un-audited)		
Turnover - net	<u>920,631</u>	<u>969,561</u>	<u>1,890,192</u>	<u>811,355</u>	<u>1,013,209</u>	<u>1,824,564</u>
Segment results	<u>110,636</u>	<u>204,219</u>	<u>314,855</u>	<u>30,814</u>	<u>204,416</u>	<u>235,230</u>
Unallocated expenses:						
Distribution costs			<u>(17,789)</u>			<u>(18,852)</u>
Administrative expenses			<u>(51,654)</u>			<u>(58,977)</u>
Other income			<u>4,472</u>			<u>2,122</u>
Finance costs			<u>(2,637)</u>			<u>(11,112)</u>
Other charges			<u>(18,166)</u>			<u>(12,817)</u>
Taxation			<u>(72,137)</u>			<u>(43,549)</u>
Profit after taxation			<u>156,944</u>			<u>92,045</u>

Capital expenditure	4,748	3,083	7,831	2,800	399	3,199
Unallocated capital expenditure			2,517			386
Total capital expenditure			10,348			3,585
Depreciation	21,812	23,247	45,059	28,485	28,488	56,973
Unallocated depreciation			2,094			1,886
Total depreciation			47,153			58,859

Quarter Ended

	March 31, 2017			March 31, 2016		
	Resin Division	Aminoplast Division	Total	Resin Division	Aminoplast Division	Total
	----- (Rupees in '000) -----			----- (Rupees in '000) -----		
	(Un-audited)			(Un-audited)		
Turnover- net	391,862	385,871	777,733	318,094	372,260	690,354
Segment results	56,909	88,771	145,680	22,822	79,291	102,113
Unallocated expenses:						
Distribution costs			(5,868)			(6,162)
Administrative expenses			(17,818)			(26,611)
Other income			2,144			181
Finance costs			(523)			(3,219)
Other charges			(8,956)			(4,498)
Taxation			(35,558)			(19,661)
Profit after taxation			79,101			42,143
Capital expenditure	1,531	2,620	4,151	1,127	81	1,208
Unallocated capital expenditure			-			-
Total capital expenditure			4,151			1,208
Depreciation	7,163	6,904	14,067	9,497	9,500	18,997
Unallocated depreciation			723			613
Total depreciation			14,790			19,610

7.2. Segment Assets and Liabilities

	March 31, 2017			June 30, 2016		
	Resin Division	Aminoplast Division	Total	Resin Division	Aminoplast Division	Total
	----- (Rupees in '000) ----- (Un-audited)			----- (Rupees in '000) ----- (Un-audited)		
Segment assets	595,486	444,471	1,039,957	498,938	443,927	942,865
Unallocated assets			341,509			247,140
Total assets			<u>1,381,466</u>			<u>1,190,005</u>
Segment liabilities	188,258	19,688	207,946	69,068	4,740	73,808
Unallocated liabilities			138,453			190,893
Total liabilities			<u>346,399</u>			<u>264,701</u>

8. TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise companies with common directorship, retirement funds, directors and key management personnel. Detail of transactions with related parties during the period, are as follows:

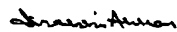
	March 31, 2017 (Un-audited) (Rupees in '000')	March 31, 2016 (Un-audited) (Rupees in '000')
Remuneration of key management personnel	<u>10,934</u>	<u>9,659</u>
Provident fund contributions	<u>5,247</u>	<u>4,743</u>

9. DATE OF AUTHORIZATION FOR ISSUE

These condensed interim financial statements were authorised for issue on April 22, 2017 by the Board of Directors of the Company.

10. GENERAL

Figures have been rounded off to the nearest thousand Rupees, unless otherwise stated.



Chief Executive



Chairman

Karachi : April 22, 2017