



**PAKISTAN
GUM AND CHEMICALS
LIMITED**



**CONDENSED INTERIM FINANCIAL
STATEMENTS FOR THE
3rd QUARTER ENDED
SEPTEMBER 30, 2017**



PAKISTAN GUM & CHEMICALS LIMITED

COMPANY INFORMATION

AS ON SEPTEMBER 30, 2017

Board of Directors

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

Chief Executive

Sajid Iqbal Hussain

Audit Committee

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

Human Resource & Remuneration (HR&R) Committee

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

Chief Financial Officer

Manzoor Ahmed

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisor

Azizuddin Khan

Bankers

Askari Bank Limited
Habib Bank Limited
MCB Bank Limited

Registrar and Share Transfer Office

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

Registered Office

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

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



PAKISTAN GUM & CHEMICALS LIMITED

DIRECTORS' REPORT

On behalf of the Board of Directors, we are pleased to present the unaudited condensed interim financial information for the nine months period ended September 30, 2017 of the Company.

Business Review

Net sales during the period were Rs.483.7 million compared to Rs.351.5 million during the corresponding period per September 30, 2016. Overheads cost have remained under control and in line with the increase in production during the period. However, volatility in raw material prices adversely impacted the margins.

Pre-tax loss during the period is Rs. 21.8 million compared with a loss of Rs. 73.6 million in the corresponding period per September 30, 2016. After tax loss is Rs. 26.8 million compared with a loss of Rs.77.1 million in the corresponding period per September 30, 2016.

Future Outlook

Keeping in view the improvement in sales, the company has performed better than last year. For the foreseeable future, we expect continued uncertainty in seed prices coupled with lower demand from the oil sector.

Acknowledgement

We would like to thank the employees for their hard work. We also appreciate the valuable guidance of the Board members.

By order of the Board

Sajid Iqbal Hussain
Chief Executive
Karachi: October 26, 2017

Muhammad Moonis
Chairman



ڈائریکٹرز کا جائزہ

ہم بورڈ آف ڈائریکٹرز کی جانب سے 30 ستمبر 2017 کو ختم ہونے والے تیسرے سہ ماہی غیر آڈیٹڈ مالیاتی گوشوارے پیش کر رہے ہیں۔

کاروباری جائزہ

اس مدت کی حتمی فروخت 483.7 ملین روپے رہی جو کہ گزشتہ سال اس مدت میں 351.5 ملین روپے تھی۔ بالائی اخراجات بھی پیداوار کے تناسب سے قابو میں رہے۔ تاہم خام مال کی قیمتوں میں اتار چڑھاؤ نے منافع کی شرح کو نا موافق طور پر متاثر کیا۔

کمپنی کو اس مدت میں ٹیکس کی ادائیگی سے قبل 21.8 ملین روپے کا خسارہ ہوا جبکہ گزشتہ سال اس دوران یہ خسارہ 73.6 ملین روپے تھا۔ ٹیکس کی ادائیگی کے بعد خسارہ کی رقم 26.8 ملین روپے رہی جبکہ گزشتہ سال اس مدت میں خسارہ 77.1 ملین روپے تھا۔


امکانات مستقبل


فردہنگی میں اضافہ کو مد نظر رکھتے ہوئے کمپنی نے رواں سال اس مدت میں بہتر کارکردگی کا مظاہرہ کیا۔ گوار کے بیجوں کی غیر مستحکم قیمتوں اور تیل کی مصنوعات بنانے والے شعبہ سے ہماری مصنوعات کی مانگ میں کمی کا رجحان آئندہ دنوں میں بھی برقرار رہنے کی امکانات ہیں۔

اعتراف

ہم مشکور ہیں کارکنان کے جو کہ انتھک محنت سے کام کرتے رہے اور معترف ہیں بورڈ پر موجود اپنے ساتھیوں کا جتنے مفید مشوروں کی بدولت ہم اپنے کام کی انجام دہی کر سکے۔

بحکم بورڈ


محمد منیر
چئیر مین


ساجد اقبال حسین
چئف ایگزیکٹو

کراچی : 26 اکتوبر، 2017



PAKISTAN GUM & CHEMICALS LIMITED

Condensed Interim Balance Sheet
As at September 30, 2017

	Note	Sep. 30, 2017	Dec. 31, 2016
		-----Rupees in '000-----	
		(Un-audited)	(Audited)
ASSETS			
Non-current assets			
Property, plant and equipment	5	105,494	111,975
Long term deposits		877	878
		<u>106,371</u>	<u>112,853</u>
Current assets			
Stores and spares		3,273	5,007
Stock-in-trade	6	82,051	111,899
Trade debts	7	38,557	33,763
Loans and advances	8	2,035	1,753
Short-term prepayments		403	665
Other receivables	9	5,993	5,154
Short-term investments	10	130,874	90,118
Taxation - net		35,046	33,664
Cash and bank balances	11	37,534	43,861
		<u>335,766</u>	<u>325,884</u>
Total assets		<u><u>442,137</u></u>	<u><u>438,737</u></u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorised capital			
10,000,000 Ordinary shares of Rs.10 each		<u>100,000</u>	<u>100,000</u>
Issued, subscribed and paid-up capital		42,486	42,486
Capital reserves		17,553	17,553
Revenue reserves		261,859	288,695
		<u>321,898</u>	<u>348,734</u>
Non-current liabilities			
Deferred taxation		2,280	2,123
Current liabilities			
Trade and other payables	12	42,836	87,880
Short term borrowings - secured	13	75,000	-
Mark-up accrued		123	-
		<u>117,959</u>	<u>87,880</u>
Contingencies and commitments	14		
Total equity and liabilities		<u><u>442,137</u></u>	<u><u>438,737</u></u>

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

Sajid Iqbal Hussain
Chief Executive

Muhammad Mooinis
Chairman

Manzoor Ahmed
Chief Financial Officer



PAKISTAN GUM & CHEMICALS LIMITED

Condensed Interim Profit and Loss Account (Unaudited)
For the nine months period and quarter ended 30 September 2017

	Note	Nine months period ended		Quarter ended	
		30 Sep 2017	30 Sep 2016	30 Sep 2017	30 Sep 2016
		----- (Rupees in '000) -----			
Sales - net	15	483,715	351,450	144,536	140,424
Cost of sales	16	(453,131)	(384,974)	(127,256)	(157,771)
Gross profit / (loss)		<u>30,584</u>	<u>(33,524)</u>	<u>17,280</u>	<u>(17,347)</u>
Shipping expenses	17	(16,023)	(9,064)	(3,755)	(3,568)
Administrative expenses	18	(40,317)	(35,659)	(12,599)	(10,813)
Other operating expenses	19	(167)	(266)	(44)	(137)
		<u>(56,507)</u>	<u>(44,989)</u>	<u>(16,398)</u>	<u>(14,518)</u>
		<u>(25,923)</u>	<u>(78,513)</u>	<u>882</u>	<u>(31,865)</u>
Other income	20	6,433	6,068	2,327	2,036
Operating (loss)/profit before finance costs		<u>(19,490)</u>	<u>(72,445)</u>	<u>3,209</u>	<u>(29,829)</u>
Finance costs	21	(2,346)	(1,125)	(1,025)	(445)
(Loss) / profit before taxation		<u>(21,836)</u>	<u>(73,570)</u>	<u>2,184</u>	<u>(30,274)</u>
Taxation	22	(5,000)	(3,535)	(1,207)	(1,691)
(Loss) / profit for the period		<u>(26,836)</u>	<u>(77,105)</u>	<u>977</u>	<u>(31,965)</u>
		----- (Rupees) -----			
(Loss) / earning per share - basic and diluted	23	<u>(6.32)</u>	<u>(18.15)</u>	<u>0.23</u>	<u>(7.52)</u>

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

Sajid Iqbal Hussain
Chief Executive

Muhammad Moonis
Chairman

Manzoor Ahmed
Chief Financial Officer



PAKISTAN GUM & CHEMICALS LIMITED

Condensed Interim Statement of Comprehensive Income (Unaudited)

For the nine months period and quarter ended 30 September 2017

	Nine months period ended		Quarter ended	
	Sep 30, 2017	Sep 30, 2016	Sep 30, 2017	Sep 30, 2016
	----- (Rupees in '000) -----			
(Loss) / profit for the period	(26,836)	(77,105)	977	(31,965)
Other comprehensive income	-	-	-	-
Total comprehensive (loss)/income for the period	<u>(26,836)</u>	<u>(77,105)</u>	<u>977</u>	<u>(31,965)</u>

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

Sajid Iqbal Hussain
Chief Executive

Muhammad Moonis
Chairman

Manzoor Ahmed
Chief Financial Officer



Condensed Interim Cash Flow Statement (Unaudited)
For the nine months period ended 30 September 2017

	Note	Sep 30, 2017	Sep 30, 2016
		-----Rupees in '000-----	
Cash flows from operating activities			
(Loss) / profit before taxation for the period		(21,836)	(73,570)
Adjustments for non cash charges and other items			
Depreciation		8,591	10,603
Impairment		388	-
Finance costs		2,346	1,125
Provision against compensated absences		1,469	1,218
Profit on financial assets		(4,616)	(3,993)
Loss / (gain) on disposal of fixed assets		56	79
Net cash flows before working capital changes		(13,602)	(64,538)
Working capital changes			
(Increase) / decrease in current assets			
Stores and spares		1,656	617
Stock-in-trade		29,848	63,764
Trade debts		(4,794)	14,385
Loans and advances		(282)	(650)
Short-term prepayments		262	(57)
Other receivables		(369)	(1,330)
		26,321	76,729
Increase in current liabilities			
Trade and other payables		(46,513)	(4,127)
Mark-up accrued		123	-
		(46,390)	(4,127)
Cash (used in) / generated from operations		(33,671)	8,064
Income tax (paid) / received		(6,217)	(1,582)
Payment in respect of compensated absences		(397)	(452)
Finance costs paid		(2,346)	(1,125)
		(8,960)	(3,159)
Net cash (used in) / generated from operating activities		(42,631)	4,905
Cash flows from investing activities			
Capital expenditure		(2,893)	(636)
Investments in TDRs		(756)	-
Proceeds from disposal of operating fixed assets		339	2,025
Interest income received		4,614	5,788
Net cash generated from investing activities		1,304	7,177
Cash flows from financing activities			
Net cash generated from financing activities - Export refinance loan		75,000	-
Net increase / (decrease) in cash and cash equivalents		33,673	12,082
Cash and cash equivalents at beginning of the period		128,861	127,822
Cash and cash equivalents at end of the period	24	162,534	139,904

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

Sajid Iqbal Hussain
Chief Executive

Muhammad Moonis
Chairman

Manzoor Ahmed
Chief Financial Officer



PAKISTAN GUM & CHEMICALS LIMITED

**Condensed Interim Statement of Changes in Equity
(Unaudited)***For the nine months period ended 30 September 2017*

	Capital reserve		Revenue reserve		Sub Total	Total
	Issued, subscribed and paid-up capital	Share premium	General	Unappropriated profit/(loss)		
	----- (Rupees in '000) -----					
Balance as at 31 December 2015	42,486	17,553	462,839	(80,090)	382,749	442,788
(Loss) / profit for the period	-	-	-	(77,105)	(77,105)	(77,105)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) for the period	-	-	-	(77,105)	(77,105)	(77,105)
Balance as at 30 September 2016	<u>42,486</u>	<u>17,553</u>	<u>462,839</u>	<u>(157,195)</u>	<u>305,644</u>	<u>365,683</u>
Balance as at 31 December 2016	42,486	17,553	462,839	(174,144)	288,695	348,734
(Loss) / profit for the period	-	-	-	(26,836)	(26,836)	(26,836)
Other comprehensive income	-	-	-	-	-	-
Total comprehensive (loss) for the period	-	-	-	(26,836)	(26,836)	(26,836)
Balance as at 30 September 2017	<u>42,486</u>	<u>17,553</u>	<u>462,839</u>	<u>(200,980)</u>	<u>261,859</u>	<u>321,898</u>

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

Sajid Iqbal Hussain
Chief Executive

Muhammad Moonis
Chairman

Manzoor Ahmed
Chief Financial Officer

**Notes to the Condensed Interim Financial Information (Unaudited)***For the nine months period ended 30 September 2017***1. THE COMPANY AND ITS OPERATIONS**

Pakistan Gum and Chemicals Limited ("the Company") was incorporated in Pakistan as a public limited company in 1982 under the repealed Companies Act, 1913 (now the Companies Act, 2017) and is quoted on the Pakistan Stock Exchange. The registered office of the Company is located at B-19/A, Irshad Qadri Road, S.I.T.E. Karachi. East West Group Holdings Inc., British Virgin Island - the Parent Company, held 2,549,131 (sixty percent) [2016: 2,549,131 (sixty percent)] Ordinary shares of Rs. 10 each as at the reporting date.

The Company is principally engaged in the production and sale of guar gum and its allied products.

2. BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the nine months period ended 30 September 2017 has been prepared in accordance with the requirements of the International Accounting Standards 34 "Interim Financial Reporting" and provisions of and directives issued under the repealed Companies Ordinance, 1984. In case requirements differ, the provisions of and directives of the repealed Companies Ordinance, 1984 have been followed.

2.2 The Companies Ordinance, 1984 was repealed by the enactment of the Companies Act, 2017 on 30 May 2017. SECP vide its Circular 17 of 2017 and its press release dated 20 July 2017 has clarified that all those companies whose financial year, including quarterly and other interim period, closes on or before 30 June 2017 shall prepare their financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984. The Companies Act, 2017 requires enhanced disclosures and has also enhanced the definition of related parties.

2.3 This condensed interim financial information of the Company does not include all of the information required for annual financial statements and should be read in conjunction with the annual financial statements of the Company as at and for the year ended 31 December 2016. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Company's financial position and performance since the last annual audited financial statements.

2.4 This condensed interim financial information is presented in Pakistan Rupees which is also the Company's functional currency and all financial information presented has been rounded off to the nearest thousand, except otherwise stated.

2.5 This condensed interim financial information is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange vide section 237 of the Companies Act, 2017 or section 245 of the repealed Companies Ordinance, 1984.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are same as those applied in the preparation of annual audited financial statements of the Company as at and for the year ended 31 December 2016.

4. USE OF ESTIMATES AND JUDGEMENTS

The preparation of condensed interim financial information requires management to make judgments, estimates and assumptions that affect



the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing these condensed interim financial information, the significant judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended 31 December 2016.

	Note	September 30, 2017	December 31, 2016
		-----Rupees in '000-----	
		(Un-audited)	(Audited)
5. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	102,140	105,950
Capital work-in-progress	5.2	3,354	6,025
		<u>105,494</u>	<u>111,975</u>
5.1 Operating fixed assets			
Opening net book value		105,950	122,331
Additions during the period / year	5.1.1	5,176	-
		<u>111,126</u>	<u>122,331</u>
Disposals during the period / year	5.1.2	(395)	(2,939)
Depreciation charged during the period / year		(8,591)	(13,442)
		<u>(8,986)</u>	<u>(16,381)</u>
		<u>102,140</u>	<u>105,950</u>
5.1.1 Additions during the period / year			
Plant & machinery		5,004	-
Equipment		172	-
		<u>5,176</u>	<u>-</u>
5.1.2 Disposals during the period / year			
Vehicle		(339)	(822)
Plant & machinery		-	(2,003)
Equipment		(56)	(114)
		<u>(395)</u>	<u>(2,939)</u>
5.2 Capital work-in-progress			
Balance at beginning of the period / year		6,025	6,025
Additions during the period / year		866	-
Impairment		(388)	-
Transferred to operating fixed assets	5.1	(3,149)	-
		<u>3,354</u>	<u>6,025</u>
6 STOCK-IN-TRADE			
Raw materials	6.1	8,822	52,020
Packing materials		2,032	2,368
Finished goods	6.2	71,197	57,511
		<u>82,051</u>	<u>111,899</u>

6.1 These include raw materials costing Rs. 8.822 million (2016: Rs. 52.020 million), which are carried at their net realisable value (NRV) of Rs. 8.822 million (2016: Rs. 52.020 million).

6.2 These include finished goods costing Rs. 75.346 million (2016: Rs. 57.511 million), which are carried at their net realisable value (NRV) of Rs. 71.197 million (2016: Rs. 57.511 million).



September 30, December 31,
2017 2016
-----Rupees '000-----
(Un-audited) (Audited)

12. TRADE AND OTHER PAYABLES

Creditors		4,561	39,086
Accrued liabilities	12.1	10,529	11,960
Compensated absences		5,669	4,200
Employees' pension fund		-	2,319
Employees' gratuity fund		-	6,085
Accrual for contractual workers benefit		3,324	4,000
Bonus to employees		3,600	4,800
Advances from customers		528	532
Workers welfare fund		12,098	12,098
Tax deducted at source		340	383
Unclaimed dividends		1,506	1,506
Employees' car and motorcycle loan scheme		681	911
		<u>42,836</u>	<u>87,880</u>

12.1 Included herein an aggregate sum of Rs. 2.554 million (2016: Rs. 1.425 million) due to related parties.

13. SHORT TERM BORROWINGS - secured **75,000** -

The Company has borrowed short term running finance under Export Refinance Scheme of the State Bank of Pakistan from a commercial bank having a limit of Rs. 185.00 million. The rate of mark-up on this facility is SBP rate plus 1% per annum payable quarterly. This facility matures within six months. The facility is secured by way of first parri passu charge of Rs.200.00 million over book debts and receivables (outstanding, money, receivables, claims, bills, contracts, engagements, securities, investments rights and assets excluding property) and 1st Parri Passu charge of Rs. 207.70 million over fixed assets (All piece and parcel of land, all present & future plant & machinery, equipment).

14. CONTINGENCIES AND COMMITMENT

14.1 The status of contingencies as at 30 September 2017 is the same as reported in the annual financial statements for the year ended 31 December 2016.

14.2 Commitment includes commitments for capital expenditure Rs. 1.704 million (31 December 2016: Rs. 0.634 million) and letter of guarantee Rs. 5.874 million (31 December 2016: Rs.5.118 million).

Un-audited		Un-audited	
Nine months period ended		Quarter ended	
Sep 30,	Sep 30,	Sep 30,	Sep 30,
2017	2016	2017	2016
----- Rupees in '000 -----			

15. SALES - NET

Gross sales

Local	132,468	91,669	50,695	32,870
Export	368,507	269,827	100,485	111,697
	500,975	361,496	151,180	144,567
Sales commission	(2,623)	(2,029)	(1,029)	(694)
Sales tax	(14,303)	(8,017)	(5,570)	(3,449)
Discount	(334)	-	(45)	-
	<u>483,715</u>	<u>351,450</u>	<u>144,536</u>	<u>140,424</u>



PAKISTAN GUM & CHEMICALS LIMITED

Un-audited Nine months period ended		Un-audited Quarter ended	
Sep 30, 2017	Sep 30, 2016	Sep 30, 2017	Sep 30, 2016

----- Rupees in '000 -----

16. COST OF SALES

Raw material consumed

Opening stock	52,020	-	34,930	12,753
Purchases	298,777	214,164	63,103	69,364
	350,797	214,164	98,033	82,117
Closing stock	(8,822)	(28,074)	(8,822)	(28,074)
	341,975	186,090	89,211	54,043

Packing material consumed

Opening stock	2,368	2,320	1,925	2,127
Purchases	10,899	9,261	3,838	3,157
	13,267	11,581	5,763	5,284
Closing stock	(2,032)	(2,299)	(2,032)	(2,299)
	11,235	9,282	3,731	2,985

Manufacturing overheads

Stores and spares consumed	5,315	3,137	912	1,237
Salaries, wages and benefits	31,690	29,580	10,402	9,657
Utilities	58,293	48,367	17,566	17,906
Depreciation	6,862	8,268	2,102	2,301
Repairs and maintenance	1,551	1,282	480	439
Handling charges	5,950	3,374	1,604	1,213
Rent, rates and taxes	591	171	157	27
Insurance	752	684	251	228
Travelling and conveyance	1,179	1,391	394	437
Laboratory expenses	853	322	196	68
Communication	120	133	36	41
Entertainment	144	136	6	11
Provision against slow moving stores and spares items	77	913	77	418
Others	230	28	110	8
	113,607	97,786	34,293	33,991

Cost of goods manufactured	466,817	293,158	127,235	91,019
Opening stock of finished goods	57,511	140,027	71,218	114,963
	524,328	433,185	198,453	205,982
Closing stock	(71,197)	(48,211)	(71,197)	(48,211)
Cost of good sold	453,131	384,974	127,256	157,771



Un-audited Nine months period ended		Un-audited Quarter ended	
Sep 30, 2017	Sep 30, 2016	Sep 30, 2017	Sep 30, 2016
----- Rupees in `000 -----			

17. SHIPPING EXPENSES

Freight expenses	9,696	5,193	1,895	1,960
Port expenses	5,169	3,591	1,462	1,461
Marine insurance	414	280	144	147
Courier charges	744	-	254	-
	<u>16,023</u>	<u>9,064</u>	<u>3,755</u>	<u>3,568</u>

18. ADMINISTRATIVE EXPENSES

Salaries, wages and benefits	25,573	23,616	8,918	7,360
Utilities	3,109	-	906	-
Depreciation	1,729	2,335	440	777
Repairs and maintenance	683	206	84	53
Printing & Stationary	465	436	105	58
Rent, rates and taxes	160	281	106	59
Insurance	189	173	61	56
Travelling and conveyance	3,882	3,754	480	759
Fee & Subscription	868	723	466	135
Communication	491	1,151	171	361
Entertainment	628	579	100	183
Advertisement	341	62	96	12
Charity & donation	30	-	-	-
Legal and Professional expenses	964	1,149	273	617
Auditors' remuneration	502	457	154	139
Security service expenses	719	737	239	244
Reversal of provision against doubtful debts	(16)	-	-	-
	<u>40,317</u>	<u>35,659</u>	<u>12,599</u>	<u>10,813</u>

19. OTHER OPERATING EXPENSE

Loss on disposal of fixed assets	56	101	-	101
Exchange loss	-	87	-	-
Others	111	78	44	36
	<u>167</u>	<u>266</u>	<u>44</u>	<u>137</u>

20. OTHER INCOME

Income from financial assets				
Interest / return on				
Term deposits receipts	4,745	5,692	1,564	1,935
Bank deposits	286	344	115	96
Loan to employees	53	10	1	5
	<u>5,084</u>	<u>6,046</u>	<u>1,680</u>	<u>2,036</u>
Income from non - financial assets				
Gain on disposal of fixed assets	-	22	-	-
Scrap sales	766	-	453	-
Exchange gain	583	-	194	-
	<u>1,349</u>	<u>22</u>	<u>647</u>	<u>-</u>
	<u>6,433</u>	<u>6,068</u>	<u>2,327</u>	<u>2,036</u>



PAKISTAN GUM & CHEMICALS LIMITED

	Un-audited Nine months period ended		Un-audited Quarter ended	
	Sep 30, 2017	Sep 30, 2016	Sep 30, 2017	Sep 30, 2016
----- Rupees in `000 -----				
21. FINANCE COSTS				
Mark-up on export refinance	916	-	499	-
Bank charges and other	1,430	1,125	526	445
	<u>2,346</u>	<u>1,125</u>	<u>1,025</u>	<u>445</u>
22. TAXATION				
Current	5,000	3,860	1,364	1,691
Deferred	-	(325)	(157)	-
	<u>5,000</u>	<u>3,535</u>	<u>1,207</u>	<u>1,691</u>
23. (LOSS) / EARNING PER SHARE - BASIC AND DILUTED				
(Loss) / profit for the period	<u>(26,836)</u>	<u>(77,105)</u>	<u>977</u>	<u>(31,965)</u>
	(Number of Share)			
Weighted average number of ordinary shares in issue during the period	<u>4,248,552</u>	<u>4,248,552</u>	<u>4,248,552</u>	<u>4,248,552</u>
	(Rupees)			
(Loss) per share - basic and diluted	<u>(6.32)</u>	<u>(18.15)</u>	<u>0.23</u>	<u>(7.52)</u>

	Un-audited Nine months period ended	
	Sep 30, 2017	Sep 30, 2016
----- Rupees in `000 -----		
24. CASH & CASH EQUIVALENTS		
Cash and bank balances	37,534	14,904
Term deposit receipts having maturity of less than 3 months	125,000	125,000
	<u>162,534</u>	<u>139,904</u>

25. TRANSACTIONS WITH RELATED PARTIES

The related party of the Company comprise the holding company, associates, retirement funds, directors and key management personnel of the Company.

Details of the transactions with related parties and balances with them, if not disclosed elsewhere in these condensed interim financial information are as follows:



PAKISTAN GUM & CHEMICALS LIMITED

	Un-audited 30 Sept. 2017	Un-audited 30 Sept. 2016
25.1 Transactions during the period:		
----- Rupees in '000 -----		
Orkila Pakistan (Pvt.) Limited - Associated Undertaking		
- Commission on Sales	<u>1,246</u>	<u>918</u>
- Sale of goods	<u>2,012</u>	<u>1,427</u>
Shipwell (Pvt.) Limited - Associated Undertaking		
- Commission on Sales	<u>1,171</u>	<u>894</u>
IAL Logistics Pakistan (Pvt.) Limited - Associated Undertaking		
- Freight forwarding and transportation	<u>10,345</u>	<u>5,635</u>
Staff Retirement Funds		
- Contribution and payment to staff retirement funds	<u>11,394</u>	<u>3,842</u>
Chief Executive Officer, Directors and key Management Personnel		
- Remuneration, honorarium and meetings fee	<u>16,401</u>	<u>14,617</u>

	Un-audited 30 Sept. 2017	Audited 31 Dec. 2016
25.2 Amounts outstanding as at period / year end:		
----- Rupees in '000 -----		
Orkila Pakistan (Pvt.) Limited - Associated Undertaking		
- Payable in respect of commission	<u>411</u>	<u>111</u>
- Receivable in respect of sales	<u>1,232</u>	<u>-</u>
Shipwell (Pvt.) Limited - Associated Undertaking		
- Payable in respect of commission	<u>221</u>	<u>26</u>
IAL Logistics Pakistan (Pvt.) Limited - Associated Undertaking		
- Payable in respect of shipping expenses	<u>670</u>	<u>1,288</u>
Key Management Personnel		
Advance receivable	<u>250</u>	<u>475</u>

26 DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue in the Board of Directors meeting held on 26 October 2017.

Sajid Iqbal Hussain
Chief Executive

Muhammad Moonis
Chairman

Manzoor Ahmed
Chief Financial Officer