



Punjab Oil Mills Limited
 An ISO 9001, 14001, FSSC 22000 & OHSAS 18001 CERTIFIED COMPANY
 March 31, 2019 (Un-Audited)



Punjab Oil Mills Limited
 An ISO 9001, 14001, FSSC 22000 & OHSAS 18001 CERTIFIED COMPANY



MANUFACTURERS OF

ZAIDA **CANOLIVE** **Naturelle** **Oliva** **zathune** **TRU BRU**

WATER COOLING OIL OLIVE PROCESSING UNIT TRU BRU

Contact Information

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COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Tahir Jahangir	Chairman/Director
Mr. Iqaz Ishaq Malik	Managing Director/Chief Executive Officer
Mr. Usman Ishaq Malik	Executive Director
Mr. Jilani Jahangir	Non-Executive Director (Certified)
Mr. Furgan Anwar Balta	Non-Executive Director (Certified)
Syed Tahir Hussain Naqvi	Non-Executive Director (Independent)
Mr. Fransis Ali	Non-Executive Director (NIT Nominee)

AUDIT COMMITTEE

Syed Tahir Hussain Naqvi	Chairman
Mr. Furgan Anwar Balta	Member
Mr. Fransis Ali	Member
Mr. Jilani Jahangir	Member

HUMAN RESOURCE & REMUNERATION COMMITTEE

Mr. Jilani Jahangir	Chairman
Mr. Furgan Anwar Balta	Member
Syed Tahir Hussain Naqvi	Member
Mr. Iqaz Ishaq Malik	Member
Mr. Fransis Ali	Member

CHIEF FINANCIAL OFFICER

Mr. Muhammad Saeed Malik

COMPANY SECRETARY

Mr. Muhammad Ahsan Baig

HEAD OF INTERNAL AUDIT

Mr. Zaka Ullah Malik

AUDITORS

M/s Maqbool Farooq Shahid Sadiq & Co.
Chartered Accountants

LEGAL ADVISORS

A.G.H.S Law Associates

BANKERS

JS Bank Limited
MCB Bank Limited
Habib Metropolitan Bank Limited
Faysal Bank Limited

REGISTERED OFFICE/WORKS

Plot No. 26-28, Industrial Triangle, Kahuta Road,
Islamabad
Tel: 051-4490017-20, Fax: 051-4490016 & 4492803
Email: corporate@punjaboilmills.com
Website: www.punjaboilmills.com

SHARE REGISTRAR OFFICE

M/s Coplink (Private) Limited
Wings Arcade, 1-K, Commercial Model Town,
Lahore
Tel: 042-35916714, 35916719 Fax: 042-35869037
Email: coplink2866@yahoo.com



Operating Performance

Sales revenue for the 9 months under review showed a healthy increase of 12% compared to the same period last year. This can be considered a continuation and improvement of the trend seen at the half-year mark, with the quarter on quarter (for the Q3) coming in at 13%. This was a combination of both higher volumes and higher average prices for the period.

Gross margins for period under review came out at 14.3%, a slight improvement from the half-year mark due to better margins of 14.8% achieved for Q3. Although Q3 margin was largely unchanged compared to same quarter last year, the gross margin for the full 9 months declined from last year, a carry-over from the half-yearly results. Consequently, compared to same period last year, top-line growth, off-set by lower margins, led to a 2% increase in gross profit.

If we compare to the first 2 quarters, the above scenario suggests that the profitability of the company is now in recovery after being severely impacted by the rapid devaluation of the rupee starting from last quarter of last year. Operating expenses for the period under review were virtually unchanged from the same period last year. With slightly better gross profit, this led to a 4% improvement in operating profit for the 9 months compared to same period last year.

Other operating charges increased by 4% from last year, mostly because heads based on operating profits increased by the same amount. However, finance charges continued their upwards trend and increased by 70% for the period. This was mainly on account of mark-up on short term borrowings, that increased steeply this period due to higher use of bank financing to meet the company's increased cash flow needs and higher interest rates. Combined with a 61% increase in other income, mainly due to higher profit on bank deposits and scrap sale, this led to a 4% increase in profit before tax.

At the net level though, due to 8% higher provisioning of tax, profit after tax only increased by 1% for the period under review compared to same period last year.

The tax bill was up this year due to increased consumption of oil to support higher volumes as well as higher price of oil and the fact that previous year we had reversed a tax provision of PKR 3.85 million.

As a result the company posted a profit after tax of PKR 126.00 million for the 9 months.



Outlook for the Year

We expect the sales growth experienced in the first 3 quarters to continue for the rest of the year, and we aim to close the year with net growth in both sales volume and sales revenue. Although the margins have improved over the course of the year, with further anticipated devaluation of the rupee and higher interest rates, our margins will again be under pressure. Increasing competition has constrained our ability to increase prices at the same rate as cost inflation and we are also aiming to push sales by running Ranzan promotions.

The bulk of our advertisement expense for the full year is also planned for the remaining quarter in conjunction with Ranzan promotions; so our operating costs are going to be significantly higher and it is likely the last quarter may not break-even at the operating level.

Acknowledgements

We would like to take this opportunity to thank our customers, suppliers and bankers for their continued support and cooperation towards the progress of the company. We hope that this support would continue in the future as well.

We would also like to thank our dedicated and talented team of executives, staff and workers for the hard work put in during the period. We expect continued efforts from our employees to achieve even better results in the next 3 months.

Last, but not the least, the management is grateful to the board for their continued support and invaluable guidance during these challenging times.

For & on behalf of the board

Islamabad:
Date: 25 April, 2019

Pas Wali
CHIEF EXECUTIVE OFFICER



PUNJAB OIL MILLS LIMITED

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)
AS AT 31 MARCH 2019

	31-Mar-19	30-Jun-18
	Rupees	Rupees
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	100,000,000 (2018: 10,000,000) ordinary shares of Rs. 10/- each	100,000,000
Issued, subscribed and paid-up capital	53,906,520	53,906,520
Capital reserves	23,137,159	23,137,159
Surplus on revaluation of property, plant and equipment- net of tax	398,528,507	398,801,925
Revenue reserves	812,588,657	683,800,680
	1,279,160,843	1,159,616,284
NON CURRENT LIABILITIES		
Deferred liabilities	93,154,713	93,018,292
CURRENT LIABILITIES		
Trade and other payables	467,591,931	470,685,311
Short term borrowings	141,938,389	86,314,308
Accrued mark up	708,627	526,325
Unclaimed dividend	7,756,749	7,799,300
Provision for taxation	208,640,152	228,518,660
	826,635,848	793,643,904
Contingencies and commitments		
	2,198,951,434	2,046,328,480
ASSETS		
NON CURRENT ASSETS		
Tangible fixed assets		
Property, plant and equipment	616,440,190	641,196,364
Capital work in progress	24,974,968	3,254,724
	641,415,158	644,451,088
Intangible Assets	13,145,822	
Long term deposits	30,387,590	26,387,500
CURRENT ASSETS		
Stores, spare parts and loose tools	126,126,655	117,742,127
Stock in trade	408,009,007	332,410,002
Trade debts	659,852,227	639,667,499
Loans and advances	86,757,553	35,766,091
Trade deposits and short term prepayments	16,544,804	15,939,002
Other receivables	2,887,224	1,903,524
Advance income tax	179,990,299	198,041,652
Cash and bank balances	33,835,185	34,019,991
	1,514,002,954	1,375,489,892
	2,198,951,434	2,046,328,480

The annexed notes form an integral part of this condensed interim financial information.

CHAIRMAN / DIRECTOR

CHIEF EXECUTIVE OFFICER



PUNJAB OIL MILLS LIMITED

CONDENSED INTERIM PROFIT OR LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED 31 MARCH 2019

	Nine months period ended		Quarter Ended	
	31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18
	Rupees	Rupees	Rupees	Rupees
Sales - net	3,089,619,427	4,371,380,075	1,418,206,870	1,268,908,621
Cost of sales	1,421,032,573	1,003,119,906	1,225,832,030	1,082,112,050
Gross profit	568,586,854	558,260,769	212,373,940	186,796,571
Operating Expenses				
Selling and distribution cost	210,401,499	229,806,351	81,155,413	85,879,617
Administrative expenses	124,430,378	103,796,141	42,924,739	34,286,592
Operating profit	233,657,972	224,660,277	88,313,788	66,630,362
Finance cost	11,286,912	6,655,800	3,941,361	2,024,575
Other operating charges	16,712,114	16,153,608	6,328,160	4,824,972
Other income	28,029,926	23,809,468	10,269,521	7,749,547
Profit before taxation	206,628,951	201,191,809	78,644,267	58,880,813
Taxation	7,915,286	4,944,341	2,905,535	1,461,925
Profit after taxation	211,524,237	206,146,150	81,019,802	61,544,740
Earnings per share - Basic and diluted	87,590,895	80,919,535	30,142,515	30,209,421
	125,983,342	125,186,615	50,897,259	31,075,119
	23.17	23.22	9.44	5.76

The annexed notes form an integral part of this condensed interim financial information.

CHAIRMAN / DIRECTOR

CHIEF EXECUTIVE OFFICER



PUNJAB OIL MILLS LIMITED

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED) FOR THE NINE MONTHS & QUARTER ENDED 31 MARCH, 2019

	Nine months period ended		Three months period ended	
	31-Mar-19 Rupees	31-Mar-18 Rupees	31-Mar-19 Rupees	31-Mar-18 Rupees
Profit after taxation	125,983,342	125,186,615	50,897,250	31,075,119
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	125,983,342	125,186,615	50,897,250	31,075,119

The annexed notes form an integral part of this condensed interim financial information.

CHAIRMAN / DIRECTOR

Pass *Aswathy*
CHIEF EXECUTIVE OFFICER



PUNJAB OIL MILLS LIMITED

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED) FOR THE NINE MONTHS PERIOD ENDED 31 MARCH, 2019

	CASH FLOW FROM OPERATING ACTIVITIES	
	31-Mar-19 Rupees	31-Mar-18 Rupees
Profit for the period before taxation	215,572,237	206,136,150
Adjustments for:		
Workers' profit share (provident fund)	11,894,848	11,007,454
Workers' welfare fund	4,593,247	4,435,330
Gain on disposal of property, plant and equipment	(112,014)	(601,205)
Provision for staff retirement benefits	4,720,445	6,221,985
Depreciation	30,657,140	28,317,098
Finance cost	11,286,912	6,655,800
Operating profit before working capital changes	62,480,578	56,124,541
(Increase)/decrease in current assets	(276,014,815)	(262,560,691)
(Increase)/decrease in current liabilities	(156,392,273)	(135,987,436)
Trade and other payable	66,047,883	628,682,118
Cash generated from operations	113,217,299	98,491,137
Workers' profit participation fund paid	(9,619,781)	(11,628,645)
Workers' welfare fund paid	(3,748,438)	-
Staff retirement benefits paid	(4,603,991)	-
Finance cost paid	(10,660,981)	(5,531,269)
Income tax paid	(83,239,267)	(83,239,267)
Dividend paid	(6,511,231)	(21,149,031)
Net cash used in operating activities	(121,597,289)	(121,497,068)
CASH FLOW FROM INVESTING ACTIVITIES	(11,453,871)	(11,453,871)
Fixed capital expenditure	66,483,952	(9,790,268)
Intangible Assets	(11,445,822)	-
Capital work in progress	(21,720,244)	(12,216,878)
Proceeds from disposal of property, plant and equipment	895,000	835,000
Long term deposits	(4,000,000)	(1,500,000)
Net cash used in investing activities	(44,455,010)	(25,672,086)
CASH FLOW FROM FINANCING ACTIVITIES	55,621,081	(41,355,620)
Short term borrowings	55,621,081	41,355,620
Net cash flow from financing activities	55,621,081	41,355,620
Increase/(decrease) in cash and cash equivalents	(184,808)	(7,413,533)
Cash and cash equivalents at the beginning of the period	14,010,903	49,927,651
Cash and cash equivalents at the end of the period	13,826,095	42,514,118

The annexed notes form an integral part of this condensed interim financial information.

CHAIRMAN / DIRECTOR

Pass *Aswathy*
CHIEF EXECUTIVE OFFICER



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