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***Condensed Interim  
Unconsolidated  
Financial Information  
for the Quarter Ended  
30 September 2015***

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## CORPORATE INFORMATION

### Board of Directors

Mrs. Akhter Khalid Waheed	Chairperson & Chief Executive	Executive Director
Mr. Osman Khalid Waheed	President	Executive Director
Mrs. Amna Piracha Khan		Non-Executive Director
Ms. Munize Azhar Peracha		Non-Executive Director
Mr. Farooq Mazhar		Non-Executive Director
Mr. Nihal Cassim		Non-Executive Director
Mr. Shahid Anwar	Nominee of the NIT	Independent Director

### Audit Committee

Mr. Shahid Anwar	Chairman
Mrs. Amna Piracha Khan	Member
Mr. Farooq Mazhar	Member
Mr. Nihal Cassim	Member

### Investment Committee

Mr. Farooq Mazhar	Chairman
Mr. Osman Khalid Waheed	Member
Mr. Nihal Cassim	Member

### HR & Remuneration Committee

Mr. Shahid Anwar	Chairman
Mr. Farooq Mazhar	Member
Mr. Nihal Cassim	Member

### Company Secretary/Chief Financial Officer

Syed Ghausuddin Saif

### Share Registrar

CorpTec Associates (Pvt.) Limited  
 503-E, Johar Town, Lahore, Pakistan  
 Telephone: +92-42-35170336-37  
 Fax: +92-42-35170338

### Head of Internal Audit

Mr. Rizwan Hameed Butt

### Factory

P.O. Ferozsons  
 Amangarh  
 Nowshera (KPK), Pakistan  
 Telephone: +92-923-614295, 610159  
 Fax: +92-923-611302

### External Auditors

KPMG Taseer Hadi & Co.  
 Chartered Accountants

### Internal Auditors

Ernst & Young Ford Rhodes Sidat Hyder  
 Chartered Accountants

### Bankers

Habib Bank Limited  
 MCB Bank Limited  
 Meezan Bank Limited  
 Bank Al-Habib Limited  
 Bank Alfalah Limited  
 Habib Metropolitan Bank Limited  
 Allied Bank Limited

### Head Office

5.K.M - Sunder Raiwind Road  
 Lahore, Pakistan  
 Telephone: +92-42-36026700  
 Fax: +92-42-36026701-2

### Legal Advisors

Khan & Piracha

### Sales Office Lahore

43-AI Noor Building  
 Bank Square, The Mall  
 Lahore  
 Telephone: +92-42-37358194  
 Fax: +92-42-37313680

### Registered Office

Ferozsons Laboratories Limited  
 197-A, The Mall  
 Rawalpindi-46000, Pakistan  
 Telephone: +92-51-4252155-57  
 Fax: +92-51-4252153  
 Email: cs@ferozsons-labs.com

### Sales Office Karachi

House No. 9, Block 7/8,  
 Maqbool Cooperative Housing Society,  
 Shahrah-e-Faisal, Karachi, Pakistan  
 Telephone: +92-21-34386852  
 Fax: +92-21-34386754

(The quarterly reports can be downloaded from Company's Website: [www.ferozsons-labs.com](http://www.ferozsons-labs.com))

## DIRECTORS' REVIEW OF THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE QUARTER ENDED 30 SEPTEMBER 2015

We are pleased to present you the Company's un-audited Standalone and Consolidated financial information for the quarter ended 30 September 2015. The consolidated condensed interim financial information incorporates the Company's 98% owned retail venture Farmacia and 80% owned subsidiary BF Biosciences Limited.

### OPERATIONAL AND FINANCIAL PERFORMANCE

*A summary of operating results for the period under review is given below:*

	Individual		Consolidated	
	3 Months 30-Sep-2015	3 Months 30-Sep-2014	3 Months 30-Sep-2015	3 Months 30-Sep-2014
	(Rupees in thousands)			
Sales (net)	<b>2,737,415</b>	635,271	<b>3,009,009</b>	875,783
Gross profit	<b>1,129,454</b>	323,785	<b>1,263,348</b>	422,187
Profit before tax	<b>846,801</b>	132,420	<b>930,924</b>	168,955
Taxation	<b>(150,307)</b>	(36,673)	<b>(175,232)</b>	(42,119)
Profit after tax	<b>696,494</b>	95,747	<b>755,692</b>	126,836

Standalone net sales of your Company showed a growth of 331% during 1st Quarter under review as compared to the corresponding period last year. At the consolidated level, Net sales showed a growth of 244% during the 1st Quarter under review as compared to the corresponding period last year.

It is pertinent to mention that owing to strong growth in the company's portfolio of imported products, particularly the franchise from Gilead Sciences Inc., the top line of the Company has shown exceptional growth. However, as these products carry lower GP margins, in percentage terms the Company's Gross Profit ratios have shown a decrease of 9.71% for the period under review. At the group level, the gross profit ratio showed a decrease of 6.22% for the 1st quarter as compared to the corresponding period last year. In absolute terms, the Gross Profit of the company grew by 540% to Rs. 846.801 Million for the Quarter. The Consolidated Gross Profit of the Company stood at Rs. 930.924 Million for the Quarter.

The Net Profit after Tax (NPAT) of the Company closed at Rs. 696 Million, while the consolidated NPAT stood at Rs. 756 Million.

Based on the net profit for the three months ended 30 September 2015, the Earnings per Share (EPS), both basic and diluted, stand at Rs. 23.07 compared to EPS of Rs. 3.17 of same respective period of last year.

#### **BF Biosciences Limited Operational Status**

Net sales of subsidiary were Rs.250 Million for the 1st quarter under review showing a growth of 10.5% over the corresponding period last year. The Cost of sales of the subsidiary decreased by 9.4% for the 1st quarter under review as compared to corresponding period last year. The Net Profit after tax of BF Biosciences Limited closed at Rs. 62 Million, showing a 10.54% growth over the corresponding period last year.

### **Future Outlook**

We are confident that with the advances in therapy in Hepatitis C, your company will be able to continue having an impact on the treatment landscape for this critical disease. We are happy to report that with the addition of a licensed generic from our Principals, Gilead Sciences Inc., we will also be able to offer a lower cost, locally manufactured, quality assured product and thus expand access to treatment for patients in the lower income spectrum.

The company has also continued to build on its cardiology and GI franchises, and has extended its leadership position in the field of medical devices

### **Acknowledgments**

It is privilege to acknowledge the tireless efforts of the Company's management and staff at all levels. Without their dedication and hard work the improved financial and operational results reflected in this interim period would not have been possible.

We would also like to thank all our stakeholders and business partners for their continued trust in the Company and our products. With their support, we are committed to expanding our efforts to bring the highest quality medical solutions for the benefit of patients in the market we serve.

**For and on behalf of the Board of Directors**

**(Mrs. Akhter Khalid Waheed)**  
**Chairperson & Chief Executive**

**CONDENSED INTERIM BALANCE SHEET**

	Un-audited 30 September 2015	Audited 30 June 2015
<i>Note</i>	-----Rs.-----	-----Rs.-----
<b>EQUITY AND LIABILITIES</b>		
<b><u>Share capital and reserves</u></b>		
Authorized share capital 50,000,000 (30 June 2015: 50,000,000) ordinary shares of Rs. 10 each	<b>500,000,000</b>	500,000,000
Issued, subscribed and paid up capital	3 301,868,410	301,868,410
Capital reserve	321,843	321,843
Accumulated profit	<u>3,098,985,375</u>	<u>2,401,056,940</u>
	<b>3,401,175,628</b>	2,703,247,193
<b>Surplus on revaluation of property, plant and equipment - net of tax</b>	<b>369,667,003</b>	371,101,820
<b><u>Non current liabilities</u></b>		
Deferred taxation	54,872,546	40,137,245
<b><u>Current liabilities</u></b>		
Trade and other payables	4 1,332,925,063	1,250,144,914
Accrued mark-up	171,205	10,634
Provision for taxation - net	<u>48,959,915</u>	<u>24,395,580</u>
	<b>1,382,056,183</b>	1,274,551,128
<b>Contingencies and commitments</b>	5	
	<u><b>5,207,771,360</b></u>	<u><b>4,389,037,386</b></u>

The annexed notes from 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

**AS AT 30 SEPTEMBER 2015**

		Un-audited 30 September 2015	Audited 30 June 2015
	<i>Note</i>	-----Rs.-----	-----Rs.-----
<b>ASSETS</b>			
<b><u>Non-current assets</u></b>			
Property, plant and equipment	6	1,411,092,604	1,287,233,593
Intangibles	7	933,710	1,040,462
Long term investments	8	245,820,416	241,708,087
Long term deposits		<u>3,458,825</u>	<u>3,458,825</u>
		<u>1,661,305,555</u>	<u>1,533,440,967</u>
<b><u>Current assets</u></b>			
Stores, spare parts and loose tools		<u>21,413,236</u>	23,422,301
Stock in trade		1,178,228,751	1,216,591,555
Trade debts - considered good	9	289,519,573	232,931,043
Loans and advances - considered good		37,846,482	33,559,605
Deposits and prepayments		67,204,293	51,496,028
Other receivables	10	1,227,288	2,629,658
Short term investments	11	1,772,666,773	841,000,000
Cash and bank balances		<u>178,359,409</u>	<u>453,966,229</u>
		<u>3,546,465,805</u>	<u>2,855,596,419</u>
		<u><u>5,207,771,360</u></u>	<u><u>4,389,037,386</u></u>

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 Director

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 Chairperson & CEO

**CONDENSED INTERIM UNCONSOLIDATED PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	<i>Note</i>	<b>Quarter Ended</b>	
		<b>30 September 2015</b>	<b>30 September 2014</b>
		<b>Rs.</b>	
Revenue - net	12	<b>2,737,415,140</b>	635,270,941
Cost of sales	13	<b>(1,607,960,974)</b>	(311,486,277)
<b>Gross profit</b>		<b>1,129,454,166</b>	323,784,664
Administrative expenses		<b>(52,570,418)</b>	(39,615,100)
Selling and distribution expenses		<b>(174,457,980)</b>	(152,967,193)
Finance cost		<b>(2,088,559)</b>	(3,910,787)
Other expenses		<b>(80,855,761)</b>	(16,268,626)
Other income		<b>27,319,058</b>	21,397,426
<b>Profit before taxation</b>		<b>846,800,506</b>	132,420,384
Taxation		<b>(150,306,888)</b>	(36,672,946)
<b>Profit after taxation</b>		<b>696,493,618</b>	95,747,438
<b>Earnings per share - basic and diluted</b>		<b>23.07</b>	3.17

The annexed notes from 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

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Director

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Chairperson & CEO



**CONDENSED INTERIM UNCONSOLIDATED STATEMENT  
OF COMPREHENSIVE INCOME (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	<u>Quarter Ended</u>	
	<u>30 September 2015</u>	<u>30 September 2014</u>
	<u>-----Rs.-----</u>	
<b>Profit after taxation</b>	<b>696,493,618</b>	<b>95,747,438</b>
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b><u>696,493,618</u></b>	<b><u>95,747,438</u></b>

The annexed notes from 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chairperson & CEO

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CASH FLOWS (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	<b>Quarter Ended</b>	
	<b>30 September 2015</b>	<b>30 September 2014</b>
	-----Rs.-----	
<b><i>Cash flow from operating activities</i></b>		
Profit before taxation	846,800,506	132,420,384
<b>Adjustments for:</b>		
Depreciation	31,383,892	25,901,661
Amortisation	106,752	77,762
(Loss)/Gain on sale of property, plant and equipment	1,365	(1,403,643)
Finance costs	2,088,559	3,910,787
Gain on re-measurement of short term investments to fair value	(10,823,778)	(15,505,723)
Gain on sale of short term investments	(1,842,996)	-
Profit on term deposit receipts	(5,172,932)	-
Interest income on long term loan	-	(2,639,014)
Share in profit of Farmacia	(4,112,329)	(1,690,864)
	<u>11,628,533</u>	<u>8,650,966</u>
<b>Cash generated from operations before working capital changes</b>	<b>858,429,039</b>	<b>141,071,350</b>
Effect on cash flow due to working capital changes		
<i>(Increase)/decrease in current assets</i>		
Stores, spare parts and loose tools	2,009,065	(2,356,978)
Advances, deposits, prepayments and other receivables	(18,592,772)	(19,288,711)
Stock in trade	38,362,804	(117,090,977)
Trade debts - considered good	(56,588,530)	(8,154,303)
	<u>(34,809,433)</u>	<u>(146,890,969)</u>
<i>(Increase)/decrease in current liabilities</i>		
Trade and other payables	82,916,940	(34,069,713)
<b>Cash generated from/ (used in) operations</b>	<b>906,536,546</b>	<b>(39,889,332)</b>
Taxes paid	(111,007,252)	(35,890,668)
<b>Net cash generated from/ (used in) operating activities</b>	<b>795,529,294</b>	<b>(75,780,000)</b>
<b><i>Cash flow from investing activities</i></b>		
Acquisition of property, plant and equipment	(155,322,768)	(67,793,068)
Acquisition of intangibles	-	(522,000)
Proceeds from sale of property, plant and equipment	78,500	1,644,177
Interest income received on long term loan	-	4,421,699
Profit on term deposit receipts	5,172,932	-
Acquisition of short term investments - net	(918,999,999)	-
<b>Net cash used in investing activities</b>	<b>(1,069,071,335)</b>	<b>(62,249,193)</b>
<b><i>Cash flow from financing activities</i></b>		
Dividend paid	(136,791)	(55,568)
Finance cost paid	(1,927,988)	(6,467,440)
<b>Net cash used in financing activities</b>	<b>(2,064,779)</b>	<b>(6,523,008)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(275,606,820)</b>	<b>(144,552,201)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>453,966,229</b>	<b>104,120,993</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>178,359,409</b>	<b>(40,431,208)</b>
<b>Cash and cash equivalents comprise of the following:</b>		
Cash and bank balances	178,359,409	11,023,394
Running finance	-	(51,454,602)
	<u>178,359,409</u>	<u>(40,431,208)</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chairperson & CEO

**CONDENSED INTERIM UNCONSOLIDATED STATEMENT  
 OF CHANGES IN EQUITY (UN-AUDITED)  
 FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	Share capital	Capital reserve	Accumulated profit	Total
	Rupees			
<b>Balance as at 01 July 2014</b>	301,868,410	321,843	2,039,310,336	2,341,500,589
Profit after taxation	-	-	95,747,438	95,747,438
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	95,747,438	95,747,438
Surplus transferred to accumulated profit: -on account of incremental depreciation charged during the period - net of tax	-	-	1,392,617	1,392,617
<b>Balance as at 30 September 2014</b>	<u>301,868,410</u>	<u>321,843</u>	<u>2,136,450,391</u>	<u>2,438,640,644</u>
<b>Balance as at 01 July 2015</b>	301,868,410	321,843	2,401,056,940	2,703,247,193
Profit after taxation	-	-	696,493,618	696,493,618
Other comprehensive income	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	696,493,618	696,493,618
Surplus transferred to accumulated profit: -on account of incremental depreciation charged during the period - net of tax	-	-	1,434,817	1,434,817
<b>Balance as at 30 September 2015</b>	<u>301,868,410</u>	<u>321,843</u>	<u>3,098,985,375</u>	<u>3,401,175,628</u>

The annexed notes from 1 to 17 form an integral part of this condensed interim unconsolidated financial information.

\_\_\_\_\_  
 Director

\_\_\_\_\_  
 Chairperson & CEO

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
 UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)  
 FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

**1 Legal status and nature of business**

Ferozsons Laboratories Limited (“the Company”) was incorporated as a private limited company on 28 January 1954 and was converted into a public limited company on 08 September 1960. The Company is listed on the Karachi, Lahore and Islamabad stock exchanges. The Company is primarily engaged in the manufacture and sale of pharmaceutical products and its registered office is situated at 197-A, The Mall, Rawalpindi and the factory is located at Amangarh, Nowshera, Khyber Pakhtoon Khwa.

**2 Basis of preparation**

**2.1 Statement of compliance**

This condensed interim financial information is presented in accordance with the requirements of International Accounting Standard 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 or directives issued by Securities and Exchange Commission of Pakistan (SECP) have been followed. This condensed interim unconsolidated financial information do not include all of the information required for annual financial statements, and should be read in conjunction with the financial statements of the Company as at and for the year ended 30 June 2015. Comparative figures of the balance sheet are extracted from the annual financial statements for the year ended 30 June 2015, whereas comparative profit and loss account, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from un-audited condensed interim unconsolidated financial information for the three months period ended on 30 September 2014.

This condensed interim unconsolidated financial information is un-audited and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.

**2.2 Significant accounting policies and estimates**

The accounting policies and estimates adopted for the preparation of this condensed interim unconsolidated financial information is the same as those applied in preparation of financial statements for the year ended 30 June 2015.

	<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
	-----Rs.-----	
<b>3 Issued, subscribed and paid up capital</b>		
1,441,952 (30 June 2015: 1,441,952) ordinary shares of Rs. 10 each fully paid in cash	<b>14,419,520</b>	14,419,520
119,600 (30 June 2015: 119,600) ordinary shares of Rs. 10 each issued in lieu of NWF Industries Limited and Sargodha Oil and Flour Mills Limited since merged	<b>1,196,000</b>	1,196,000
28,625,289 (30 June 2015: 28,625,289) ordinary shares of Rs. 10 each issued as fully paid bonus shares	<b>286,252,890</b>	286,252,890
	<b><u>301,868,410</u></b>	<u>301,868,410</u>

**SELECTED NOTES TO AND FORMING PART OF THE CONDENSED INTERIM  
UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

**4 Trade and other payables**

This includes payables to related parties, BF Biosciences Limited amounting to Rs. Nil (30 June 2015: Rs. 2.6 million) and Farmacia amounting to Rs. Nil (30 June 2015: Rs. 3.2 million) respectively.

**5 Contingencies and commitments**

**5.1 Contingencies:**

*There is no significant change in contingencies from the preceding annual published statement of Company for the year 30 June 2015.*

**5.2 Commitments:**

**5.2.1 Letters of credit**

*Out of the aggregate facility of Rs. 600 million (30 June 2015: Rs. 600 million) for opening letters of credit, the amount utilized at 30 September 2015 for capital expenditure was Rs. 169.65 million (30 June 2015 : Rs. 188.75 million) and for other than capital expenditure was Rs. 34.65 million (30 June 2015: Rs. 50.57 million).*

**5.2.2 Guarantees issued on behalf of the subsidiary company**

*The Company has issued cross corporate guarantees of Rs. 218.8 million (30 June 2015: Rs. 218.8 million) to Habib Bank Limited, Rs.150 million (30 June 2015: Rs. 150 million) to Allied Bank Limited and Rs. 150 million (30 June 2015: Rs. 150 million) to MCB Bank Limited respectively, on behalf of its subsidiary company, BF Biosciences Limited as on September 2015.*

**SELECTED NOTES TO THE CONDENSED INTERIM  
 UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)  
 FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	<b>Note</b>	<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
		-----Rs.-----	
<b>6</b>	<b>Property, plant and equipment</b>		
	<b><u>Cost</u></b>		
	Opening balance	<b>1,484,860,787</b>	1,344,135,280
	Additions during the period / year	<b>17,474,200</b>	76,644,870
	Transfer from CWIP during the period / year	<b>8,536,705</b>	94,350,629
	Disposals during the period / year	<b>(115,130)</b>	(30,269,992)
	Closing balance	<b>1,510,756,562</b>	1,484,860,787
	<b><u>Accumulated depreciation</u></b>		
	Opening balance	<b>366,853,196</b>	281,777,579
	Depreciation for the period / year	<b>31,383,892</b>	111,238,016
	Relating to disposals	<b>(35,265)</b>	(26,162,399)
	Closing balance	<b>398,201,823</b>	366,853,196
	<b>Operating assets-net book value</b>	<b>1,112,554,739</b>	1,118,007,591
	<b>Capital work in progress</b>	<b>298,537,865</b>	169,226,002
	<b>Net book value</b>	<b>1,411,092,604</b>	1,287,233,593
<b>7</b>	<b>Intangibles</b>		
	<b><u>Cost</u></b>		
	Opening balance	<b>6,824,487</b>	5,543,356
	Additions during the period / year	-	991,131
	Transfer from CWIP during the period / year	-	290,000
	Closing balance	<b>6,824,487</b>	6,824,487
	<b><u>Accumulated amortisation</u></b>		
	Opening balance	<b>5,784,025</b>	5,487,975
	Amortisation for the period / year	<b>106,752</b>	296,050
	Closing balance	<b>5,890,777</b>	5,784,025
	<b>Net book value</b>	<b>933,710</b>	1,040,462
<b>8</b>	<b>Long term investments</b>		
	Investment in Farmacia	<b>93,820,456</b>	89,708,127
	Investment in BF Biosciences Limited	<b>151,999,960</b>	151,999,960
		<b>245,820,416</b>	241,708,087

**8.1** This represents Company's 98% share in "Farmacia", a subsidiary partnership duly registered under the Partnership Act, 1932 and engaged in operating retail pharmacies. Share of profit, if any, for the period / year not withdrawn is reinvested in capital account of partnership.

**SELECTED NOTES TO THE CONDENSED INTERIM  
UNCONSOLIDATED FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

**8.2** This represents investment made in 15,199,996 ordinary shares of Rs. 10 each, in BF Biosciences Limited. BF Biosciences Limited was set up for establishing a Biotech Production Plant to manufacture mainly Cancer and Hepatitis related medicines. The Company holds 80% of equity of the subsidiary and the remaining 20% is held by Laboratories Bagó S.A., Argentina.

**9 Trade debts - considered good**

This includes due from related parties, Farmacia amounting to Rs. Nil (30 June 2015: Rs. 0.14 million) and BF Biosciences Limited amounting to Rs. Nil (30 June 2015: Rs. 0.79 million).

**10 Other receivables**

This includes Rs. 0.05 million (30 June 2015: Rs. Nil) as receivables from subsidiary BF Biosciences Limited.

<i>Note</i>	<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
	-----Rs.-----	
<b>11 Short term investments</b>		
<b><u>Loans and receivables</u></b>		
Term deposits with banks		
- local currency	11.1	841,000,000
<b><u>Investments at fair value through profit or loss - listed securities</u></b>		
Held for trading	11.2	-
	<u>1,772,666,773</u>	<u>841,000,000</u>

**11.1** The local currency short-term deposits have a maximum maturity period of 30 days, carrying profit ranging from 5.92 % to 7.25 % per annum redeemed during current period (30 June 2015: 841 million).

**11.2 Investments at fair value through profit or loss - listed securities**

Un-audited 30 September 2015	Audited 30 June 2015		Un-audited 30 September 2015	Audited 30 June 2015
No. of units	Mutual Funds		Fair value ----- Rupees -----	
60,265,154	-	ABL Government Securities Fund	621,128,835	-
4,117,839	-	HBL Income Fund	442,096,944	-
13,038,798	-	MCB Pakistan Sovereign Fund	709,440,994	-
			<u>1,772,666,773</u>	<u>-</u>

		<b>Quarter Ended</b>	
		<b>Un-audited</b>	<b>Un-audited</b>
		<b>30 September</b>	<b>30 September</b>
		<b>2015</b>	<b>2014</b>
		<b>Rs.</b>	
<b>12</b>	<b>Revenue - net</b>		
	<b>Gross sales:</b>		
	Local	2,800,512,445	666,576,780
	Export	59,918,890	37,977,262
		<u>2,860,431,335</u>	<u>704,554,042</u>
	<b>Less:</b>		
	Sales returns, discounts and commission	(122,536,315)	(68,481,297)
	Sales tax	(479,880)	(801,804)
		<u>(123,016,195)</u>	<u>(69,283,101)</u>
		<u>2,737,415,140</u>	<u>635,270,941</u>
<b>13</b>	<b>Cost of sales</b>		
	Raw materials consumed	150,221,789	159,125,043
	Other manufacturing expenses	96,866,136	60,437,155
		<u>247,087,925</u>	<u>219,739,298</u>
	<b>Work in progress:</b>		
	Opening	31,321,035	45,827,685
	Closing	(28,728,136)	(48,902,079)
		<u>2,592,899</u>	<u>(3,074,394)</u>
	<b>Cost of goods manufactured</b>	<u>249,680,824</u>	<u>216,664,904</u>
	<b>Finished stock:</b>		
	Opening	890,680,428	358,018,032
	Purchases during the period	1,303,546,339	219,178,766
	Closing	(835,946,617)	(482,375,425)
		<u>1,358,280,150</u>	<u>94,821,373</u>
		<u>1,607,960,974</u>	<u>311,486,277</u>
<b>13.1</b>	<b>Raw materials consumed</b>		
	Opening	279,911,865	241,413,478
	Purchases during the period	159,887,167	142,532,258
		<u>439,799,032</u>	<u>383,945,736</u>
	Closing	(289,577,243)	(224,820,693)
		<u>150,221,789</u>	<u>159,125,043</u>



#### 14 Transactions with related parties

The Company's related parties include subsidiaries, associated company, entities over which directors are able to exercise influence, staff retirement fund, directors and key management personnel. Balances with the related parties are shown in respective notes in the financial statements. Transactions with related parties are as follows:

Note	Quarter Ended	
	Un-audited	Un-audited
	30 September 2015	30 September 2014
-----Rs.-----		
<b><i>Farmacia - 98% owned partnership firm</i></b>		
Sale of medicines	413,205	511,380
Payment received against sale of medicine	529,203	-
Share in profit	4,112,329	1,690,864
<b><i>BF Biosciences Limited - 80% owned subsidiary company</i></b>		
Long term loan and mark up payment	-	4,421,699
Mark-up accrued on long term loan	-	2,639,014
Sale of finished goods	22,677,460	22,675,274
Payment received	23,465,568	31,913,725
Purchase of goods	2,122,633	-
Payment made	2,633,897	-
Lease rentals	50,000	50,000
Management fee and expenses for sales promotion	759,491	295,854
<b><i>Khan &amp; Piracha - associated</i></b>		
Professional services charges	-	12,000
<b><i>Other related parties</i></b>		
Contribution towards employees' provident fund	5,809,384	4,677,923
Remuneration including benefits and perquisites of key management personnel	26,233,203	17,924,185
Workers' Profit Participation Fund	62,211,241	33,250,628

#### 15 Financial Risk Management

The Company's financial risk management objective and policies are consistent with that disclosed in financial statements for the year ended 30 June 2015.

#### 16 Date of authorization for issue

This condensed interim unconsolidated financial information has been authorized for issue by the board of directors of the Company on 19 October 2015.

#### 17 General

The figures have been rounded off to the nearest rupee. Corresponding figures have been rearranged and reclassified, where necessary. However, there have been no material rearrangements or reclassifications.

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 Director

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 Chairperson & CEO





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***Condensed Interim  
Consolidated Financial  
Information for the  
Quarter Ended  
30 September 2015***

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**CONDENSED INTERIM CONSOLIDATED BALANCE**

	Un-audited 30 September 2015	Audited 30 June 2015
Note	-----Rs.-----	
<b>EQUITY AND LIABILITIES</b>		
<b><u>Share capital and reserves</u></b>		
Authorized share capital 50,000,000 (30 June 2015: 50,000,000) ordinary shares of Rs. 10 each	<b>500,000,000</b>	500,000,000
Issued, subscribed and paid up capital	4 <b>301,868,410</b>	301,868,410
Capital reserve	<b>321,843</b>	321,843
Accumulated profit	<b>3,557,566,477</b>	2,811,333,056
<b>Equity attributable to owners of the Company</b>	<b>3,859,756,730</b>	3,113,523,309
<b>Non-controlling interests</b>	<b>150,951,041</b>	138,654,363
	<b>4,010,707,771</b>	3,252,177,672
<b>Surplus on revaluation of property, plant and equipment - net of tax</b>	<b>413,591,370</b>	416,429,177
<b><u>Non current liabilities</u></b>		
Deferred taxation	<b>110,951,133</b>	100,559,565
<b><u>Current liabilities</u></b>		
Trade and other payables	<b>1,598,624,994</b>	1,432,772,579
Accrued mark-up	<b>171,205</b>	10,634
Provision for taxation - net	<b>54,652,571</b>	21,768,977
Short term borrowings - secured	<b>36,170,849</b>	1,875,013
	<b>1,689,619,619</b>	1,456,427,203
<b>Contingencies and commitments</b>	5	
	<b>6,224,869,893</b>	5,225,593,617

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.

**SHEET AS AT 30 SEPTEMBER 2015**

	<b>Note</b>	<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
		-----Rs.-----	
<b>ASSETS</b>			
<b><i>Non-current assets</i></b>			
Property, plant and equipment	6	1,865,762,336	1,742,245,896
Intangibles	7	1,272,378	1,489,071
Long term deposits		7,430,825	7,430,825
		<u>1,874,465,539</u>	<u>1,751,165,792</u>
<b><i>Current assets</i></b>			
Stores, spare parts and loose tools		39,598,450	41,505,418
Stock in trade		1,371,552,620	1,389,867,596
Trade debts		331,417,716	280,770,732
Loans and advances - considered good		53,660,358	41,485,927
Deposits and prepayments		117,255,707	78,201,585
Other receivables		1,177,285	2,629,658
Short term investments	8	2,083,707,556	857,925,094
Cash and bank balances		352,034,662	782,041,815
		<u>4,350,404,354</u>	<u>3,474,427,825</u>
		<u><u>6,224,869,893</u></u>	<u><u>5,225,593,617</u></u>

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 Director

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 Chairperson & CEO

**CONDENSED INTERIM CONSOLIDATED  
 PROFIT AND LOSS ACCOUNT (UN-AUDITED)  
 FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	Note	Quarter Ended	
		30 September 2015	30 September 2014
		Rs.	
Revenue - net	9	3,009,009,332	875,783,476
Cost of sales	10	(1,745,661,511)	(453,596,179)
<b>Gross profit</b>		<b>1,263,347,821</b>	<b>422,187,297</b>
Administrative expenses		(59,327,492)	(47,825,999)
Selling and distribution expenses		(213,022,942)	(198,879,192)
Finance cost		(2,448,933)	(4,178,672)
Other expenses		(88,147,223)	(21,052,302)
Other income		30,523,040	18,704,344
<b>Profit before taxation</b>		<b>930,924,271</b>	<b>168,955,476</b>
<b>Taxation</b>		<b>(175,231,979)</b>	<b>(42,119,403)</b>
<b>Profit after taxation</b>		<b>755,692,292</b>	<b>126,836,073</b>
<b>Attributable to:</b>			
Owners of the Company		743,676,212	120,394,095
Non-controlling interests		12,016,080	6,441,978
<b>Profit for the period</b>		<b>755,692,292</b>	<b>126,836,073</b>
<b>Earnings per share - basic and diluted</b>		<b>24.64</b>	<b>3.99</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.

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 Director

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 Chairperson & CEO

**CONDENSED INTERIM CONSOLIDATED  
 STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)  
 FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	Quarter Ended	
	30 September 2015	30 September 2014
	-----Rs.-----	
<b>Profit after taxation</b>	<b>755,692,292</b>	126,836,073
Other comprehensive income	-	-
<b>Total comprehensive income for the period</b>	<b>755,692,292</b>	126,836,073
<b>Attributable to:</b>		
Owners of the Company	<b>743,676,212</b>	120,394,095
Non-controlling interests	<b>12,016,080</b>	6,441,978
	<b>755,692,292</b>	126,836,073

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.

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 Director

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 Chairperson & CEO

**CONDENSED INTERIM CONSOLIDATED  
STATEMENT OF CASH FLOW (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	<u>Quarter Ended</u>	
	<u>30 September 2015</u>	<u>30 September 2014</u>
	-----Rs.-----	
<b><i>Cash flow from operating activities</i></b>		
Profit before taxation	930,924,271	168,955,476
<b>Adjustments for:</b>		
Depreciation	54,212,354	47,171,366
Amortisation	216,693	186,616
Gain on sale of property, plant and equipment	(82,856)	(1,430,568)
Finance costs	2,448,933	4,178,672
Un-realised gain on re-measurement of short term investments to fair value	(16,328,164)	(16,144,794)
Gain on sale of short term investments	(1,866,962)	-
Profit on term deposit receipts	(5,172,932)	-
	<u>33,427,066</u>	<u>33,961,292</u>
<b>Cash generated from operations before working capital changes</b>	<b>964,351,337</b>	<b>202,916,768</b>
Effect on cash flow due to working capital changes		
<i>(Increase)/decrease in current assets</i>		
Stores, spare parts and loose tools	1,906,968	(813,021)
Advances, deposits, prepayments and other receivables	(49,776,180)	(36,480,947)
Stock in trade	18,314,976	(213,657,787)
Trade debts - considered good	(50,646,984)	(23,826,370)
	<u>(80,201,220)</u>	<u>(274,778,125)</u>
<i>Increase in current assets</i>		
Trade and other payables	165,908,065	11,643,430
<b>Cash generated from/ (used in) operations</b>	<b>1,050,058,182</b>	<b>(60,217,927)</b>
Taxes paid	(131,956,817)	(44,917,751)
<b>Net cash generated from/ (used in) operating activities</b>	<b>918,101,365</b>	<b>(105,135,678)</b>
<b><i>Cash flow from investing activities</i></b>		
Acquisition of property, plant and equipment	(178,438,325)	(74,810,509)
Acquisition of intangibles	-	(522,000)
Proceeds from sale of property, plant and equipment	792,387	1,716,274
Profit on term deposit receipts	5,172,932	-
Acquisition of short term investments - net	(1,207,587,336)	-
<b>Net cash used in investing activities</b>	<b>(1,380,060,342)</b>	<b>(73,616,235)</b>
<b><i>Cash flow from financing activities</i></b>		
Dividend paid	(136,791)	(55,568)
Finance cost paid	(2,207,221)	(4,178,672)
<b>Net cash used generated from financing activities</b>	<b>(2,344,012)</b>	<b>(4,234,240)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(464,302,989)</b>	<b>(182,986,153)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>780,166,802</b>	<b>165,359,177</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>315,863,813</b>	<b>(17,626,976)</b>
<b>Cash and cash equivalents comprise of the following:</b>		
Cash and bank balances	352,034,662	43,767,384
Running finance	(36,170,849)	(61,394,360)
	<u>315,863,813</u>	<u>(17,626,976)</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chairperson & CEO



**CONDENSED INTERIM CONSOLIDATED  
STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	<i>Attributable to Owners of the Company</i>				Non-controlling interest	Total
	Share capital	Capital reserve	Accumulated profit	Total		
	-----Rupees-----					
Balance as at 01 July 2014	301,868,410	321,843	2,289,472,502	2,591,662,755	98,750,513	2,690,413,268
Profit after taxation	-	-	120,394,095	120,394,095	6,441,978	126,836,073
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	120,394,095	120,394,095	6,441,978	126,836,073
Surplus transferred to accumulated profit: -on account of incremental depreciation charged during the period - net of tax	-	-	2,313,554	2,313,554	230,234	2,543,788
Balance as at 30 September 2014	<u>301,868,410</u>	<u>321,843</u>	<u>2,412,180,151</u>	<u>2,714,370,404</u>	<u>105,422,725</u>	<u>2,819,793,129</u>
Balance as at 01 July 2015	301,868,410	321,843	2,811,333,056	3,113,523,309	138,654,363	3,252,177,672
Profit after taxation	-	-	743,676,212	743,676,212	12,016,080	755,692,292
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	-	-	743,676,212	743,676,212	12,016,080	755,692,292
Surplus transferred to accumulated profit: -on account of incremental depreciation charged during the period - net of tax	-	-	2,557,209	2,557,209	280,598	2,837,807
Balance as at 30 September 2015	<u>301,868,410</u>	<u>321,843</u>	<u>3,557,566,477</u>	<u>3,859,756,730</u>	<u>150,951,041</u>	<u>4,010,707,771</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim consolidated financial information.

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chairperson & CEO

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED  
FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

**1 The Group and its operation**

Ferozsons Laboratories Limited (“the Holding Company”) was incorporated as a private limited company on 28 January 1954 and was converted into a public limited company on 08 September 1960. The Company is listed on Karachi, Lahore and Islamabad stock exchanges. The Company is primarily engaged in the manufacture and sale of pharmaceutical products and its registered office is situated at 197-A, The Mall, Rawalpindi and the factory is located at Amangarh, Nowshera, Khyber Pakhtoon khwa.

BF Biosciences Limited is an 80% owned subsidiary of the Holding Company and was incorporated as an unquoted public limited company under the Companies Ordinance, 1984 on 24 February 2006. BF Biosciences Limited has been set up for establishing a biotech pharmaceutical plant to manufacture cancer and hepatitis related medicines.

The Holding Company has 98% holding in Farmacia. Farmacia is a partnership duly registered under Partnership Act, 1932. Farmacia is engaged in the retail trading of pharmaceutical products.

**2 Basis of consolidation**

These consolidated financial information includes the financial statements of Ferozsons Laboratories Limited and its subsidiaries – BF Biosciences Limited and Farmacia (“hereinafter referred as the Group”).

Subsidiaries are those entities in which the Parent Company directly or indirectly controls, beneficially owns or holds more than 50 percent of its voting securities or otherwise has power to elect and appoint more than 50 percent of its directors. The financial statements of the subsidiaries are included in the consolidated financial information from the date the control commences, until the date when that control ceases. The financial statements of the subsidiaries have been consolidated on line by line basis. Details of the subsidiaries are given in note 1.

All material inter-organization balances, transactions and resulting unrealized profits / losses have been eliminated.

**3 Basis of preparation**

**3.1 Statement of compliance**

This condensed interim consolidated financial information is presented in accordance with the requirements of International Accounting Standard 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 or directives issued by Securities and Exchange Commission of Pakistan (SECP) have been followed. This condensed interim consolidated financial information do not include all of the information required for annual financial statements, and should be read in conjunction with the consolidated financial statements as at and for the year ended 30 June 2015. Comparative figures of the balance sheet are extracted from the annual financial statements for the year ended 30 June 2015, whereas comparative profit and loss account, statement of comprehensive income, statement of changes in equity and statement of cash flows are stated from un-audited condensed interim consolidated financial information for the three months period ended on 30 September 2014.

The condensed interim consolidated financial information is un-audited and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984.

### 3.2 Significant accounting policies and estimates

The accounting policies and estimates adopted for the preparation of these condensed interim consolidated financial information is the same as those applied in preparation of financial statements for the year ended 30 June 2015.

	<b>Un-audited</b>	Audited
	<b>30 September</b>	30 June
	<b>2015</b>	2015
	-----Rs.-----	
<b>4 Issued, subscribed and paid up capital</b>		
1,441,952 (30 June 2015: 1,441,952) ordinary shares of Rs. 10 each fully paid in cash	<b>14,419,520</b>	14,419,520
119,600 (30 June 2015: 119,600) ordinary shares of Rs. 10 each issued in lieu of NWF Industries Limited and Sargodha Oil and Flour Mills Limited since merged	<b>1,196,000</b>	1,196,000
28,625,289 (30 June 2015: 28,625,289) ordinary shares of Rs. 10 each issued as fully paid bonus shares	<b>286,252,890</b>	286,252,890
	<b><u>301,868,410</u></b>	<b><u>301,868,410</u></b>

### 5 Contingencies and commitments

#### 5.1 Contingencies:

*There is no significant change in contingencies from the preceding annual published statement of Group for the year 30 June 2015.*

#### 5.2 Commitments:

##### 5.2.1 Letters of credit

*Out of the aggregate facility of Rs. 750 million (30 June 2015: Rs. 750 million) for opening letters of credit, the amount utilized by the Group at 30 September 2015 for capital expenditure was Rs. 169.65 million (30 June 2015 : Rs. 188.75 million) and for other than capital expenditure was Rs. 38.15 million (30 June 2015: Rs. 63.17 million).*

##### 5.2.2 Guarantees issued on behalf of the subsidiary company

*The Holding Company has issued cross corporate guarantees of Rs. 218.8 million (30 June 2015: Rs. 218.8 million) to Habib Bank Limited, Rs.150 million (30 June 2015: Rs. 150 million) to Allied Bank Limited and Rs. 150 million (30 June 2015: Rs. 150 million) to MCB Bank Limited respectively, on behalf of its subsidiary company, BF Biosciences Limited as on September 2015.*

**NOTES TO THE CONDENSED INTERIM CONSOLIDATED  
 FINANCIAL INFORMATION (UN-AUDITED)  
 FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

	Un-audited 30 September 2015	Audited 30 June 2015
	-----Rs.-----	
<b>6 Property, plant and equipment</b>		
<b><u>Cost</u></b>		
Opening balance	2,416,957,048	2,212,067,257
Additions during the period / year	17,713,441	90,813,356
Transfer from CWIP during the period / year	8,536,705	147,422,124
Disposals during the period / year	(860,018)	(33,345,689)
Closing balance	2,442,347,176	2,416,957,048
<b><u>Accumulated depreciation</u></b>		
Opening balance	846,991,392	678,289,997
Depreciation for the period / year	54,212,354	197,306,158
Relating to disposals	(150,487)	(28,604,763)
Closing balance	901,053,259	846,991,392
<b>Operating assets-net book value</b>	1,541,293,917	1,569,965,656
<b>Capital work in progress</b>	324,468,419	172,280,240
<b>Net book value</b>	1,865,762,336	1,742,245,896
<b>7 Intangibles</b>		
<b><u>Cost</u></b>		
Opening balance	8,143,902	6,862,771
Additions during the period / year	-	991,131
Transfer from CWIP during the period / year	-	290,000
Closing balance	8,143,902	8,143,902
<b><u>Accumulated amortization</u></b>		
Opening balance	6,654,831	5,923,373
Amortisation for the period / year	216,693	731,458
Closing balance	6,871,524	6,654,831
<b>Net book value</b>	1,272,378	1,489,071

	<b>Note</b>	<b>Un-Audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
		-----Rs.-----	
<b>8</b>	<b>Short term investments</b>		
	<b><u>Loans and receivables</u></b>		
	Term deposits with banks		
	- local currency	8.1	- 841,000,000
	<b><u>Investments at fair value through profit or loss - listed securities</u></b>		
	Held for trading	8.2	16,925,094
		<b><u>2,083,707,556</u></b>	<b><u>16,925,094</u></b>
		<b><u>2,083,707,556</u></b>	<b><u>857,925,094</u></b>

**8.1** The local currency short-term deposits have a maximum maturity period of 30 days, carrying profit ranging from 5.92 % to 7.25 % per annum redeemed during current period (30 June 2015: 841 million).

**8.2 Investments at fair value through profit or loss - listed securities**

<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>		<b>Un-audited 30 September 2015</b>	<b>Audited 30 June 2015</b>
<b>No. of units</b>		<b>Mutual Funds</b>	<b>Fair value ----- Rupees -----</b>	
63,271,791	-	ABL Government Securities Fund	652,117,045	-
4,117,839	-	HBL Income Fund	442,096,944	-
17,909,250	-	MCB Pakistan Sovereign Fund	974,442,302	-
1,174	14,897	HBL Money Market Fund	120,469	1,506,800
-	70,123	ABL Income Fund	-	703,042
145,638	145,638	Faysal Money Market Fund	14,930,796	14,715,252
			<b><u>2,083,707,556</u></b>	<b><u>16,925,094</u></b>

		<b>Quarter Ended</b>	
		<b>Un-audited</b>	<b>Un-audited</b>
		<b>30 September</b>	<b>30 September</b>
		<b>2015</b>	<b>2014</b>
<b>Note</b>		-----Rs.-----	
<b>9</b>	<b>Revenue - net</b>		
	<b>Gross sales:</b>		
	Local	3,102,552,789	936,042,776
	Export	63,545,628	38,879,998
		<b>3,166,098,417</b>	<b>974,922,774</b>
	<b>Less:</b>		
	Sales returns, discounts and commission	(156,202,705)	(97,833,944)
	Sales tax	(886,380)	(1,305,354)
		<b>(157,089,085)</b>	<b>(99,139,298)</b>
		<b>3,009,009,332</b>	<b>875,783,476</b>
<b>10</b>	<b>Cost of sales</b>		
	Materials consumed	205,706,246	262,264,706
	Other manufacturing expenses	152,657,621	130,262,235
		<b>358,363,867</b>	<b>392,526,941</b>
	<b>Work in progress:</b>		
	Opening	44,914,516	97,330,065
	Closing	(68,926,904)	(143,303,599)
		<b>(24,012,388)</b>	<b>(45,973,534)</b>
	<b>Cost of goods manufactured</b>	<b>334,351,479</b>	<b>346,553,407</b>
	<b>Finished stock:</b>		
	Opening	956,803,313	424,428,669
	Purchases during the period	1,346,633,594	256,120,369
	Closing	(892,126,875)	(573,506,266)
		<b>1,411,310,032</b>	<b>(107,042,772)</b>
		<b>1,745,661,511</b>	<b>453,596,179</b>
<b>10.1</b>	<b>Materials consumed</b>		
	Opening	365,200,196	337,052,623
	Purchases during the period	227,028,136	268,144,045
		<b>592,228,332</b>	<b>605,196,668</b>
	Closing balance	(386,522,086)	(342,931,962)
		<b>205,706,246</b>	<b>262,264,706</b>

**11 Transactions with related parties**

The related parties include associated companies, contributory provident fund, major shareholders, directors and key management personnel. Balances with the related parties are shown elsewhere in the accounts. Transactions with related parties during the period are as follows:

	Quarter Ended	
	Un-audited	Un-audited
	30 September 2015	30 September 2014
	-----Rs.-----	

**Other related parties**

Company's share in employees provident fund	7,120,133	5,840,321
Remuneration including benefits and perquisites of key management personnel	28,682,703	20,143,701

**12 Financial Risk Management**

The Group's financial risk management objective and policies are consistent with that disclosed in financial statements for the year ended 30 June 2015.

**13 Date of authorization for issue**

This condensed interim consolidated financial information has been authorized for issue by the board of directors of the Company on 19 October 2015.

**14 General**

The figures have been rounded off to the nearest rupee. Corresponding figures have been rearranged and reclassified, where necessary. However, there have been no material rearrangements or reclassifications.

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 Director

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 Chairperson & CEO

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OF DEDICATED SERVICE  
TO HUMANITY IN PAKISTAN  
AND AROUND THE WORLD  
IN PHARMACEUTICALS**



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