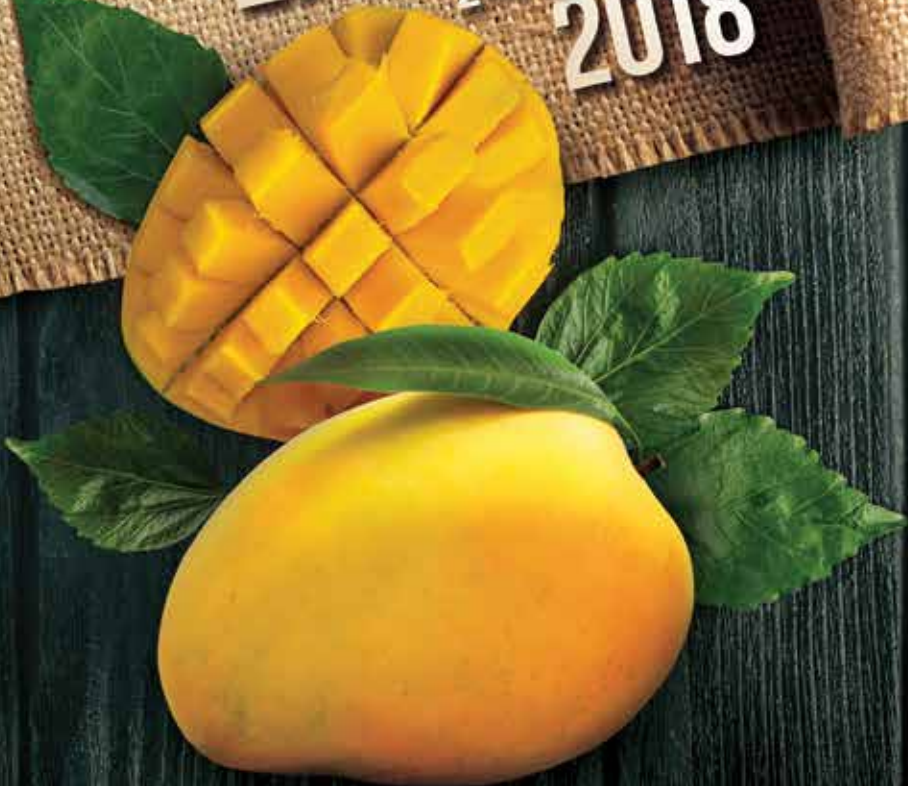




**GROW WELL,
LIVE WELL**
2ND QUARTER
2018



Contents

Company Information	2
Directors' Review	4
Auditors' Report to the Members on Review of Condensed Interim Financial Information	7
Condensed Interim Balance Sheet	8
Condensed Interim Profit and Loss Account	10
Condensed Interim Statement of Comprehensive Income	11
Condensed Interim Statement of Changes in Equity	12
Condensed Interim Cash Flow Statement	13
Notes to and Forming Part of the Financial Information	14

Company Information

Board of Directors

S.M.Mohsin	Chairman- Non Executive Director
Muhammad Zahir	Chief Executive Officer
Syeda Sitwat Mohsin	Non Executive Director
Mehdi Mohsin	Executive Director
Rizwan Bashir	Independent Director
Moaz Mohiuddin	Non Executive Director
Umme Kulsum Imam	Non Executive Director
Syeda Maimanat Mohsin	Non Executive Director
Shazad Ghaffar	Non Executive Director
Pervez Hayat Noon	Independent - Director
Aamir Amin	Non Executive Director (NIT Nominee)

Audit Committee

Pervez Hayat Noon	Chairman
S.M.Mohsin	Member
Aamir Amin	Member

Company Secretary/CFO

Nauman Munawar

Auditors

A.F. Ferguson & Company
Chartered Accountants

Legal Advisors

Minto & Mirza
78-Mozang Road, Lahore
Phone: (042) 36315469-70
Fax: (042) 36361531

Bankers

Habib Bank Limited
Askari Bank Limited
Allied Bank Limited
Standard Chartered Bank (Pakistan) Limited
MCB Bank Limited
National Bank of Pakistan
Bank Al Habib Limited
JS Bank Limited

Share Registrar

Corplink (Private) Limited,
Wings Arcade, 1-K (Commercial)
Model Town, Lahore
Phone : (042) 35839182, 35887262,
Fax: (042) 35869037

Corporate Office

40-A, Zafar Ali Road, Gulberg V, Lahore
Phones: (042) 35872392-96,
Fax: (042) 35872398
E-Mail: ho@mitchells.com.pk
Website: www.mitchells.com.pk

FACTORY & FARMS

Renala Khurd, District Okara, Pakistan
Phones:
(044) 2635907-8, 2622908
Fax:
(044) 2621416
E-Mail:
rnk@mitchells.com.pk
rsoc@mitchells.com.pk

REGIONAL SALES OFFICE

Lahore

40-A, Zafar Ali Road, Gulberg V, Lahore
Phones: (042) 35872392-96
Fax: (042) 35872398
E-Mail: rsoc&mitchells.com.pk

Islamabad

Plot # 102, Street # 7,
Sector I-10/3, Islamabad
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Karachi

Mehran VIP II, Ground Floor, Plot 18/3 Dr.
Dawood Pota Road- Karachi
Phones: (021) 35212112, 35212712
& 35219675
Fax: (021) 35673588
E-Mail: rsos@mitchells.com.pk

Gujranwala

Office # 4, 1st Floor Usman Plaza Citi
Housing Scheme Phase 2, Main G.T. Road-
Gujranwala

Faisalabad

Malik Plaza, College Road, Behind Hockey
Stadium, Madina Town- Faisalabad

Peshawar

House # 2C/1 Main Abdara Road University
Town- Peshawar

Multan

71/A1 Gulgasht Colony, Multan

Sukkur

Bungalow # 181 Sukkur Co-Operative
Housing Society - Sukkur

Hyderabad

Bungalow # 5-A, Block -E, Latifabad
6 - Hyderabad

Directors' Review

The Directors of Mitchell's Fruit Farms Limited are pleased to present the condensed interim financial information of the Company for the half year ended March 31, 2018.

Financial Performance

The Company registered a marginal growth of 2.4% of sales for the half year ended March 31, 2018. Total sales were Rs.938 million against Rs.916 million in the corresponding period of 2017. The gross profit increased by 4.3% from Rs.224 million to Rs.233 million. The impact is in line with sales growth while the procurement costs also remained unchanged during the period.

Export sales performed well during this period registering a growth of 9.8% over corresponding period. Total export sales stood at Rs.168 million against Rs.153 million in the corresponding period.

Loss before tax during the period stood Rs.40.01 million against Rs.11.93 million profit in the corresponding period.

The decline was contributed mainly due to increase in distribution and marketing expenses on account of various initiatives carried out during the period. These initiatives did not generate the expected results. Hence the need for review.

Future Plans & Decisions

Plans to mitigate the current situation have been formulated which include:

- Exploring new business avenues, locally and internationally.
- Developing customized products for our loyal consumers.
- Withdrawal of certain initiatives based on cost benefit analysis.

The management of the company is optimistic and confident that the above actions shall enable the company to resolve its operational and liquidity issues and substantially improve the financial results in the latter half of the year.

We will continue to follow a focused approach to grow the business by offering quality products to our consumers in the face of rising competition.

For and on behalf of
the Board of Directors

Muhammad Zahir
Chief Executive Officer

Lahore: May 28, 2018

ڈائریکٹرز کی جانب سے جائزہ

مچلر فروٹ فارم لمیٹڈ کے ڈائریکٹرز کمپنی کی 31 مارچ 2018ء کو اختتام پذیر ہونے والے نصف سال کی عبوری مالیاتی معلومات فراہم کرتے ہیں۔

مالیاتی کارکردگی

کمپنی نے 31 مارچ 2018ء کو اختتام پذیر ہونے والے نصف سال کیلئے فروخت کی مجموعی ترقی کی شرح 2.4 فیصد تک رجسٹرڈ کی ہے۔ کل فروخت 938 ملین روپے رہی جبکہ پچھلے سال کی اسی مدت میں کل فروخت 916 ملین روپے تھی۔ مجموعی منافع 224 ملین روپے سے بڑھ کر 233 ملین روپے ہوا جو کہ 4.3 فیصد بنتا ہے۔ مجموعی منافع فروخت کی تناسب میں اضافہ ہوا۔ جبکہ اسی عرصے میں قیمت خرید میں کوئی نمایاں تبدیلی نہیں آئی۔

ایکسپورٹ سیلز میں بہتری دیکھنے میں آئی اور اس مدت کے دوران 9.8 فیصد بڑھوتری رجسٹرڈ کی گئی۔ کل ایکسپورٹ سیلز پچھلے سال کے 153 ملین روپے کے مقابلہ میں بڑھ کر 168 ملین روپے رہی ہے۔ اس مدت کے دوران نقصان قبل از ٹیکس 40.01 ملین روپے جبکہ پچھلے سال کی اسی مدت کے دوران منافع 11.93 ملین روپے رہا۔

یہ کہی اس مدت کے دوران اٹھائے جانے والے متعدد اقدامات کے نتیجے میں ڈسٹری بیوٹن اور مارکیٹنگ اخراجات میں اضافہ کی وجہ سے ہوئی ہے۔ ان اقدامات نے مطلوبہ نتائج حاصل نہیں کئے۔ اس لئے ان کا بغور جائزہ لینے کی ضرورت ہے۔

مستقبل کے منصوبہ جات

موجودہ صورتحال کے پیش نظر مندرجہ ذیل اقدامات کیے گئے ہیں:

- ☆ مقامی اور بین الاقوامی سطح پر نئے کاروباری مواقع تلاش کئے جائیں گے۔
- ☆ صارفین کیلئے مخصوص مصنوعات کی پیداوار کی جائے گی۔
- ☆ چند اقدامات جو لاگت کے اعتبار سے غیر موثر ہیں۔ ان کو واپس لیا جائے گا۔

کمپنی کی بیکنجمنٹ پر اُمید ہے کہ مذکورہ بالا تجاویز پر عملدرآمد سے اگلے نصف سال میں کمپنی کی مجموعی کارکردگی میں اضافہ ہوگا اور مالیاتی معاملات میں بھی بہتری آئے گی۔

مقابلہ جاتی ماحول کے پیش نظر ہم اپنے صارفین کو معیاری اشیاء کی فراہمی اور کاروبار کی بہتری کے لئے مسلسل اقدامات جاری رکھیں گے۔

بحکم بورڈ آف ڈائریکٹرز

محمد ظہیر

چیف ایگزیکٹو آفیسر

لاہور 28 مئی 2018ء

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

Introduction

We have reviewed the accompanying condensed interim balance sheet of Mitchell's Fruit Farms Limited as at March 31, 2018 and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity and condensed interim cash flow statement for the half year then ended together with explanatory notes forming part thereof (here-in-after referred to as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended March 31, 2018 and 2017 have not been reviewed, as we are required to review only the cumulative figures for the half year ended March 31, 2018.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other, review procedures. A review is substantially less in scope than an audit conducted in accordance with International standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly we do not express an audit opinion.

Conclusion

Based on our review nothing has come to our attention that causes us to believe that the accompanying interim financial information as of and for the half year ended March 31, 2018 is not prepared, in all material respects, in accordance with the approved accounting standards as applicable in Pakistan for` interim financial reporting.

Lahore: May 28, 2018

Name of engagement partner: Asad Aleem Mirza

A. F. Ferguson & Co.
Chartered Accountants

Condensed Interim Balance Sheet

As at March 31, 2018 (Un-audited)

	Note	March 31 2018 Rupees	September 30 2017 Rupees
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised capital 20,000,000 (September 30, 2017: 20,000,000) ordinary shares of Rs. 10 each		200,000,000	200,000,000
Issued, subscribed and paid up capital 7,875,000 (September 30, 2017: 7,875,000) ordinary shares of Rs. 10 each		78,750,000	78,750,000
Reserves		9,635,878	9,635,878
Unappropriated profit		367,084,393	413,102,822
		455,470,271	501,488,700
NON-CURRENT LIABILITIES			
Deferred liabilities		116,262,731	114,902,440
Deferred taxation		41,038,030	46,541,433
Long term finance - secured	4	-	-
		157,300,761	161,443,873
CURRENT LIABILITIES			
Current portion of long term finance - secured	4	42,666,667	64,000,000
Finances under markup arrangements - secured		619,354,276	610,222,175
Creditors, accrued and other liabilities		286,697,920	217,607,324
Accrued finance cost		9,374,611	9,811,764
		958,093,474	901,641,263
CONTINGENCIES AND COMMITMENTS			
	5	-	-
		1,570,864,506	1,564,573,836

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

	Note	March 31 2018 Rupees	September 30 2017 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property, plant and equipment	6	662,778,263	674,669,376
Intangible assets		2,630,978	2,923,309
Biological assets		37,693,499	18,783,000
Long term receivables		9,519,980	7,037,830
		<hr/>	<hr/>
		712,622,720	703,413,515
 CURRENT ASSETS			
Stores, spares and loose tools		29,484,994	27,458,358
Stock in trade		317,315,377	413,163,837
Trade debts		298,035,673	207,631,982
Advances, deposits, prepayments and other receivables		47,641,171	39,452,605
Income tax recoverable		153,843,189	158,213,459
Cash and bank balances		11,921,382	15,240,080
		<hr/>	<hr/>
		858,241,786	861,160,321
		<hr/>	<hr/>
		1,570,864,506	1,564,573,836
		<hr/> <hr/>	<hr/> <hr/>

S. M. Mohsin
Chairman

Nauman Munawar
Chief Financial Officer

Muhammad Zahir
Chief Executive Officer

Condensed Interim Profit and Loss Account

For the Quarter and Half Year Ended March 31, 2018 (Un-audited)

	Quarter ended		Half year ended	
	March 31 2018 Rupees	March 31 2017 Rupees	March 31 2018 Rupees	March 31 2017 Rupees
Sales	472,032,511	428,076,796	937,568,302	915,939,962
Cost of sales	7 (356,074,318)	(333,090,078)	(704,149,241)	(692,179,943)
Gross profit	115,958,193	94,986,718	233,419,061	223,760,019
Administrative expenses	(34,857,241)	(30,129,550)	(63,604,545)	(56,936,923)
Distribution and marketing expenses	8 (136,385,978)	(57,781,222)	(201,003,561)	(138,456,440)
Other operating expenses	564,056	(1,261,198)	(692,301)	(1,628,249)
Other operating income	12,467,701	3,516,247	13,861,668	5,222,865
(Loss)/Profit from operations	(42,253,269)	9,330,995	(18,019,678)	31,961,272
Finance cost	(10,935,406)	(9,205,208)	(22,059,354)	(20,029,955)
(Loss) / profit before tax	(53,188,675)	125,787	(40,079,032)	11,931,317
Taxation	(2,006,504)	(1,518,554)	(5,939,397)	(5,060,213)
(Loss) / profit for the period	(55,195,179)	(1,392,767)	(46,018,429)	6,871,104
(Loss)/earnings per share - Basic and diluted	(7.01)	(0.18)	(5.84)	0.87

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

S. M. Mohsin
Chairman

Nauman Munawar
Chief Financial Officer

Muhammad Zahir
Chief Executive Officer

Condensed Interim Statement of Comprehensive Income

For the Quarter and Half Year Ended March 31, 2018 (Un-audited)

	Quarter ended		Half year ended	
	March 31 2018 Rupees	March 31 2017 Rupees	March 31 2018 Rupees	March 31 2017 Rupees
(Loss) / profit for the period	(55,195,179)	(1,392,767)	(46,018,429)	6,871,104
Other comprehensive income:				
-Items that will not be reclassified to profit or loss	-	-	-	-
-Items that may be reclassified subsequently to profit or loss	-	-	-	-
Total comprehensive (loss) / income for the period	<u>(55,195,179)</u>	<u>(1,392,767)</u>	<u>(46,018,429)</u>	<u>6,871,104</u>

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

S. M. Mohsin
Chairman

Nauman Munawar
Chief Financial Officer

Muhammad Zahir
Chief Executive Officer

Condensed Interim Statement of Changes in Equity

For the Half Year Ended March 31, 2018 (Un-audited)

	Capital Reserve		Revenue Reserve		Total
	Share capital	Share premium	General reserve	Accumulated profit	
	----- Rupees -----				
Balance as at September 30, 2016 - audited	78,750,000	9,335,878	300,000	452,535,627	540,921,505
Total comprehensive income for the period	-	-	-	6,871,104	6,871,104
Balance as at March 31, 2017 - un-audited	78,750,000	9,335,878	300,000	459,406,731	547,792,609
Total comprehensive loss for the period	-	-	-	(46,303,909)	(46,303,909)
Balance as at September 30, 2017 - audited	78,750,000	9,335,878	300,000	413,102,822	501,488,700
Total comprehensive loss for the period	-	-	-	(46,018,429)	(46,018,429)
Balance as at March 31, 2018 - un-audited	78,750,000	9,335,878	300,000	367,084,393	455,470,271

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

S. M. Mohsin
Chairman

Nauman Munawar
Chief Financial Officer

Muhammad Zahir
Chief Executive Officer

Condensed Interim Cash Flow Statement

For the Half Year Ended March 31, 2018 (Un-audited)

		Half year ended	
		March 31 2018 Rupees	March 31 2017 Rupees
Cash flows from operating activities			
Cash generated from operations	10	80,199,329	76,880,331
Finance cost paid		(22,496,507)	(18,643,394)
Tax paid		(7,072,530)	(11,022,542)
Retirement benefits paid		(11,200,070)	(5,541,845)
Net cash generated from operating activities		39,430,222	41,672,550
Cash flows from investing activities			
Fixed capital expenditure		(16,707,035)	(23,357,500)
Purchase of intangible assets		-	(1,352,351)
Purchase of biological assets		(13,209,701)	(12,287,250)
Security deposit paid for purchase of vehicles		(2,482,150)	(2,445,250)
Proceeds from sale of property, plant and equipment		1,749,697	583,053
Proceeds from sale of livestock		101,501	3,261,000
Net cash used in investing activities		(30,547,688)	(35,598,298)
Cash flows from financing activities			
Dividend paid		-	(153,153)
Repayment of long term loan		(21,333,333)	(21,333,332)
Net cash used in financing activities		(21,333,333)	(21,486,485)
Net decrease in cash and cash equivalents		(12,450,799)	(15,412,233)
Cash and cash equivalents at beginning of the period		(594,982,095)	(466,415,277)
Cash and cash equivalents at end of the period	11	(607,432,894)	(481,827,510)

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

S. M. Mohsin
Chairman

Nauman Munawar
Chief Financial Officer

Muhammad Zahir
Chief Executive Officer

Notes to and the Condensed Interim Financial Information

For the Quarter and Half Year Ended March 31, 2018 (Un-audited)

1. Legal Status and nature of business

Mitchell's Fruit Farms Limited ("the Company") was incorporated in Pakistan and is listed on the Pakistan Stock Exchange. It is principally engaged in the manufacture and sale of various farm and confectionery products. The registered office of the Company is situated at 40-A Zafar Ali Road, Gulberg V, Lahore. The manufacturing facility and the farms are situated in Renala Khurd, Okara, Pakistan.

2. Basis of preparation

The condensed interim financial information is un-audited and has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017; and

- Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

The condensed interim financial information does not include all the information required for annual financial statements including financial risk management information and therefore should be read in conjunction with the annual financial statements for the year ended September 30, 2017.

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended September 30, 2017. Further, the basis of significant estimates are same as those that were applied to the financial statements for the year ended September 30, 2017.

2.1 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards and interpretations have been published that are applicable to this condensed interim financial information covering annual periods, beginning on or after the following dates:

2.1.1 Amendments to published standards effective in current year

Certain standard amendments and interpretations to approved accounting standards are effective for the accounting periods beginning on or after October, 1 2017 but are considered not to be relevant or to have any significant effect on the Company operations and are therefore not detailed in this condensed interim financial information.

2.1.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

Certain standards, amendments to the approved accounting standards and interpretations are mandatory for the annual periods beginning on or after April 01, 2018 but are considered not to be relevant or to have any significant effect on the Company's operations and are as follows;

Standards or Interpretation	Effective date (accounting periods beginning on or after)
IFRS 9, 'Financial instruments'	July 1, 2018
IFRS 15, 'Revenue from contracts with customers'	July 1, 2018
IFRS 2 (Amendments), 'Shared-based payments' on classification and measurement	January 1, 2018
IAS 40 (Amendment), 'Investment property' relating to transfers of investment property	January 1, 2018
IFRIC 22, 'Foreign currency transactions and advance consideration'	January 1, 2018
IFRS 16, 'Leases'	January 1, 2019
IFRIC 23, 'Uncertainty over income tax treatments'	January 1, 2019

3. Income tax expense is recognized based on management's best estimate of the weighted average income tax rate expected for the full financial year.

	Note	March 31 2018 Un-audited Rupees	September 30 2017 Audited Rupees
4. Long term finance - secured			
Long term finance	4.1	42,666,667	64,000,000
Less: current maturity		(42,666,667)	(64,000,000)
		-	-

- 4.1 The long term finance was obtained from Habib Bank Limited for capital expenditure. Under the arrangement, principal amount of Rs 160 million is repayable in 15 equal quarterly instalments beginning on September 27, 2015. Interest is payable quarterly in arrears at the rate of 3 months KIBOR plus 1 percent per annum. Effective rate of interest ranged from 7.15% to 7.16% (2017: 6.79% to 6.89%) during the period / year. The loan is secured by first joint pari passu charge on plant and machinery of the company for the extent of Rs. 143 million.

5. Contingencies and commitments

5.1 Contingencies

- (i) The company has issued guarantees in favour of Sui Northern Gas Pipelines Limited on account of payment of dues against gas consumption amounting to Rs 17.20 million (September 30, 2017: Rs 17.20 million)

- (ii) Since year end, The Company has issued further post dated cheques amounting to Rs 33 million to Collector of Customs Lahore Dry Port on account of duties and taxes which might become payable against Duty and Tax Remission on Export under SRO # 450 (I)/2001 dated June 30, 2001 under Customs Rules 2001.
- (iii) The Income tax department has issued various orders and raised demands, including default surcharge aggregating to Rs 51.52 million (September 30, 2017: Rs 49.81 million) against the Company under different provisions of Income Tax Ordinance 2001, Sales Tax Act 1990 and Federal Excise Act 2005. The Company is contesting all these orders and have filed appeals at CIR (A) and Appellate Tribunal and is of the view that these demands will eventually be reversed and consequently has not recognized provision against these.

5.2 Commitments

The Company has commitments in respect of:

- (i) Letters of credit including capital expenditure are Rs 23.35 million (September 30, 2017: Rs 11.69 million).
- (ii) Agreement with Bank Al Habib relating to vehicles obtained under Ijarah arrangement amounting to Rs 53.70 million (September 30, 2017: Rs 54.12 million).

	Note	March 31 2018 Un-audited Rupees	September 30 2017 Audited Rupees
6. Property, plant and equipment			
Operating fixed assets	6.1	631,197,147	647,616,278
Capital work-in-progress		31,581,116	27,053,098
		<u>662,778,263</u>	<u>674,669,376</u>
6.1 Operating fixed assets at net book value			
Opening book value		647,616,278	660,588,986
Add: Additions during the period / year at cost	6.1.1	12,179,017	42,465,454
		<u>659,795,295</u>	<u>703,054,440</u>
Less: Disposals during the period / year at book value	6.1.2	(1,903,382)	(4,636,271)
Depreciation charged during the period / year		(26,694,766)	(50,801,891)
		<u>(28,598,148)</u>	<u>(55,438,162)</u>
Closing book value		<u>631,197,147</u>	<u>647,616,278</u>

	March 31 2018 Un-audited Rupees	September 30 2017 Audited Rupees
6.1.1 Detail of additions during the period / year		
Building on freehold land	3,555,929	8,627,978
Plant and machinery	7,039,505	23,925,262
Vehicles	608,320	2,563,915
Furniture and fittings	22,500	1,960,529
Electric Installations	204,356	2,925,067
Computer hardware	748,407	2,462,703
	12,179,017	42,465,454
6.1.2 Detail of disposals during the period / year		
Building on freehold land	-	38,968
Plant and machinery	-	297,404
Vehicles	1,846,965	4,214,723
Furniture and fittings	-	1,163
Electric installation	47,630	56,456
Computer hardware	8,787	27,557
	1,903,382	4,636,271
	Half year ended March 31	
	2018	2017
	Un-audited	Un-audited
	Rupees	Rupees
7. Cost of sales		
Raw and packing material consumed	505,419,763	559,989,742
Salaries, wages and other benefits	76,720,334	68,147,471
Furnace oil consumed	9,846,287	7,886,650
Freight and octroi	61,577	49,970
Travelling and vehicle running	1,321,682	1,468,562
Repairs and maintenance	11,708,148	11,908,428
Power, water and gas	21,196,073	15,187,113
Insurance	2,439,543	2,342,752
Rent, rates and taxes	1,112,354	1,020,682
Depreciation on property, plant and equipment	23,645,168	26,864,118
Amortization of intangible assets	13,916	12,274
Other expenses	11,301,477	6,314,165
	664,786,322	701,191,927
Opening work-in-process	125,548,342	123,234,410
Closing work-in-process	(85,371,328)	(106,086,356)
	40,177,014	17,148,054
Cost of goods manufactured	704,963,336	718,339,981
Opening finished goods	129,583,720	144,223,456
Closing finished goods	(130,397,815)	(170,383,493)
	(814,095)	(26,160,037)
	704,149,241	692,179,944

	Half year ended March 31	
	2018 Un-audited Rupees	2017 Un-audited Rupees
8. Distribution and marketing expenses		
Salaries, wages and other benefits	54,220,563	40,234,743
Travelling and vehicle running	15,220,332	8,183,000
Entertainment	766,839	321,459
Freight expenses		
- Local	19,770,908	23,150,807
- Export	6,862,048	7,354,342
	26,632,956	30,505,149
Advertisement	44,496,374	33,649,416
Distributors expenses	40,186,777	17,323,407
Trade promotion expenses	5,482,506	1,053,498
Repairs and maintenance	52,070	52,030
Insurance	337,930	201,940
Rent, rates and taxes	8,015,216	1,053,478
Power, water and gas	346,404	145,842
Printing and stationery	220,580	139,346
Postage and telephone	1,350,697	1,016,117
Depreciation on property, plant and equipment	1,265,424	1,859,594
Amortization of intangible assets	100,132	276,808
Provision for doubtful debts	-	528,408
Other expenses	2,308,761	1,912,205
	201,003,561	138,456,440

9. Transactions with related parties

Relationship with the Company	Nature of transactions	Half year ended March 31	
		2018 Rupees Un-audited	2017 Rupees Un-audited
Post employment benefit plan	Gratuity expense	573,982	573,982
Others	Donation paid	500,000	500,000
	Purchase of goods	4,844,693	6,657,885
	Rent expense	1,540,499	1,352,829
	Payment made on behalf of related party	152,923	2,246,852
	Key Management personnel	15,266,342	14,556,654

	March 31 2018 Un-audited Rupees	September 30 2017 Audited Rupees
Period end balances		
Receivable from related parties	-	-
Payable to related parties	363,589	-

	Half year ended March 31	
	2018 Un-audited Rupees	2017 Un-audited Rupees
10. Cash generated from operations		
Loss / (profit) before tax	(40,079,032)	11,931,317
Adjustment for:		
- Depreciation on property, plant and equipment	26,694,766	30,322,918
- Amortization of intangibles	292,331	315,747
- Unwinding of deferred income	(295,504)	(328,337)
- Profit on disposal of property, plant and equipment	153,685	124,809
- Provision for doubtful debts	-	528,408
- Provision for gratuity and accumulated leaves	12,855,865	8,804,458
- Profit on revaluation of live stock	(5,802,299)	(314,750)
- Exchange gain	(5,286,287)	-
- Finance cost	22,059,354	20,029,955
Profit before working capital changes	10,592,879	71,414,525
Effect on cash flow due to working capital changes:		
- Decrease in stores, spares and loose tools	(2,026,636)	(4,402,542)
- Decrease / (increase) in stock-in-trade	95,848,460	(13,722,436)
- Increase in trade debts	(85,117,404)	(28,407,408)
- Decrease / (increase) in advances, deposits prepayments and other receivables	(8,188,566)	(972,674)
- Increase in creditors, accrued and other liabilities	69,090,596	52,970,866
	69,606,450	5,465,806
	80,199,329	76,880,331

	Un-audited March 31 2018 Rupees	Un-audited March 31 2017 Rupees
11. Cash and cash equivalents		
Cash and bank balances	11,921,382	18,920,009
Finances under markup arrangements - secured	(619,354,276)	(500,747,519)
	(607,432,894)	(481,827,510)

12. Fair values of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms. The carrying values of all financial assets and liabilities reflected in this condensed interim financial information approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

Specific valuation techniques used to value financial instruments include:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

As of reporting date, there were no Level 1, 2 or 3 assets or liabilities during prior or current period.

13. Date of authorisation

These condensed interim financial information were authorised for issue on May 28, 2018 by the board of directors of the company.

14. Corresponding figures

In order to comply with the requirements of International accounting standard 34 - 'Interim Financial Reporting', the condensed interim balance sheet and condensed interim statement of changes in equity have been compared with the balances of annual audited financial statements of preceding final year, whereas, the condensed interim profit and loss account, condensed interim statement of comprehensive income and condensed interim cash flow statement have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made.

S. M. Mohsin
Chairman

Nauman Munawar
Chief Financial Officer

Muhammad Zahir
Chief Executive Officer



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Citrus fruit growers and makers of premium quality
Squashes, Syrups, Fruit Drinks & Nectars, Jams, Jellies, Marmalade,
Tomato Ketchup, Sauces, Pickles, Vinegars, Canned Foods,
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Sugar-Free Products.


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