



ISO 9001:2008, 14001:2004 &
OHSAS 18001:2007 CERTIFIED

WAH NOBEL CHEMICALS LTD

Third Quarter
Financial Statements
(Unaudited)
March 31, 2018

VISION STATEMENT

The Company's vision is to be the market leader and serve the needs of customers with total dedication, supply them the current and anticipate their future needs, create value for customers, shareholders, employees and the community

CORPORATE MISSION

- To meet the current needs of its customers and anticipate their future needs.
- To maintain close and direct contacts with the customers to ensure their complete satisfaction.
- Constantly improve the quality of all our activities through operational excellence.
- To give fullest regard to the safety and health of employees and customers.
- To promote professionalism at all levels through constant education, training and development of human resources.
- To safeguard the environment and the community from pollution.
- To create a conducive work environment and inspire people to perform to their fullest potential and to reward talent.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Lt. Gen. Sadiq Ali, HI (M) : Chairman
Mr. Torbjorn Saxmo : Vice Chairman
Mr. Muhammad Nawaz Tishna : Director (N.I.T. Nominee)
Mr. Muhammad Afzal : Director
Mr. Abdul Aziz : Director
Mr. Hashmat Hussain : Director
Brig (R) Shiraz Ullah Choudhry, SI (M) : Director & Chief Executive

AUDIT COMMITTEE

Mr. Muhammad Afzal : Chairman
Mr. Abdul Aziz : Member
Mr. Hashmat Hussain : Member

HUMAN RESOURCE & REMUNERATION (HR&R) COMMITTEE

Mr. Abdul Aziz : Chairman
Mr. Hashmat Hussain : Member
Brig (R) Shiraz Ullah Choudhry, SI (M) : Member

COMPANY SECRETARY AND CHIEF FINANCIAL OFFICER

: Mr. Tanveer Elahi, FCA

AUDITORS

: KPMG Taseer Hadi & Co
Chartered Accountants

LEGAL ADVISORS

: The Law Firm of Basit Musheer

SHARES REGISTRAR

: Ilyas Saeed Associates (Pvt.) Ltd.,
Management Consultants,
Office # 26, 2nd Floor, Rose Plaza,
I-8 Markaz, Islamabad.
Tel: 051-4938026-27, Fax: 051-4102628
Email: iilyas@hotmail.com

BANKERS

: MCB Bank Limited
Allied Bank of Pakistan Limited
Bank Al-Habib Limited
Askari Bank Limited

REGISTERED OFFICE

: G.T. Road, Wah Cantt.

PHONES

: (051) 5568760, 4545243-6 (4 Lines)
(051) 9314101-21 (21 Lines) Ext. 22236

FAX

: (051) 4545241, (051) 4535862

E.MAIL

: ce@wahnobel.com

WEBSITE

: www.wahnobel.com

FACTORY

: Wah Cantt.

WAH NOBEL CHEMICALS LTD
DIRECTORS' REPORT TO THE SHAREHOLDERS

The Directors of the company are pleased to present Condensed Interim Financial Information (unaudited) for the 3rd Quarter ended March 31, 2018.

The performance of the Company during the period under review has been par excellence. It achieved Gross Sales Revenue of Rs 1,534.906 million vis-à-vis Rs 1,127.738 million as compared to previous year's corresponding period (increased by 36%). The Company earned Pre-tax Profit of Rs 233.882 million as compared to Rs 166.024 million (increased by 41%) and After Tax Profit of Rs 160.028 million during the period under review against Rs 109.876 million (increased by 46%) of the previous year's corresponding period.

The increase in profit is mainly attributed to enhanced sales, reduction in selling / distribution expenses and Financial Cost, besides better Product Sales Mix and selling of products with reasonable profit.

The management has a positive outlook and geared up to ensure continued growth, operational efficiency and optimum results for the company and its stakeholders in the last quarter of the Financial Year 2017-18.

As regards Vend fee and permit fee case, Sindh High Court has already pronounced favourable judgment. Presently the case is pending with the Honorable Supreme Court of Pakistan. Nexus to merits of the case and favourable decision of the Sindh High Court, the management is expecting a favourable decision from the Apex Court.

The Directors are pleased to place on record their deep appreciation for the earnest efforts and dedication to the cause, by all employees of the company for achieving record sales / profit and pay vivid gratitude to all its customers for their continued patronage, support and trust.

On behalf of the Board

Brig (R)
Shiraz Ullah Choudhry, SI(M)
Chief Executive

Wah Cantt
Dated: 26-04-2018

ڈائریکٹرز رپورٹ

کمپنی کے ڈائریکٹرز بمسرت یہ رپورٹ غیر آڈٹ شدہ مالی نتائج بابت تیسری سہ ماہی و نو ماہ ختمہ 31 مارچ 2018 پیش کرتے ہیں۔

زیر جائزہ مدت کے دوران کمپنی کی کارکردگی شاندار رہی ہے۔ اس دوران کمپنی کی خالص آمدنی 1,534.906 ملین روپے ہے۔ جبکہ گزشتہ سال یہ 1,127.738 ملین روپے تھی (اضافہ %36)۔ کمپنی نے پری ٹیکس منافع 233.882 ملین روپے حاصل کیا جبکہ گزشتہ سال سے 166.024 ملین حاصل کیا تھا (اضافہ %41)۔ زیر جائزہ مدت میں منافع بعد از ٹیکس 160.024 ملین روپے ہے جو کہ گزشتہ سال 109.876 ملین روپے تھا۔ (اضافہ %46)۔

منافع میں اضافے کی بنیادی وجہ خالص آمدنی میں اضافہ، سیل اور مالی اخراجات میں کمی اور اسکے علاوہ مختلف مصنوعات کی مناسب منافع پر فروخت ہے۔

کمپنی کے مستقبل کے امکانات مثبت ہیں اور وہ اپنی بہترین کوشش سے بقیہ مالیاتی سال 2018-2017 میں کمپنی اور اسکے کرم فرماؤں کے لیے مسلسل بڑھوتی آپریشنل کارکردگی اور زیادہ سے زیادہ بہتر نتائج کے لیے سرگرم عمل ہے۔

حوالے کے طور پر سندھ ہائی کورٹ کے وینڈ فیس اور پرمیٹ فیس کے موافق فیصلوں کے بعد اب کیس معزز سپریم کورٹ آف پاکستان کے زیر سماعت ہے کیس کی قانونی مضبوطی اور سندھ ہائی کورٹ کے موافق فیصلوں کی بدولت انتظامیہ توقع رکھتی ہے کہ فیصلہ کمپنی کے حق میں ہوگا۔

ڈائریکٹرز دل کی اتھاہ گہرا ہوں سے اپنے ملازمین کی ہر شعبے میں محنت، لگن اور انتھک کوششوں کو سراہتے ہیں۔ ہم کمپنی کے گاہکوں جو کہ ہماری مسلسل سرپرستی اور حمایت کرتے ہیں کے شکر گزار ہیں۔

واہ کینٹ۔

بریگیڈیر (ر) شیراز اللہ چودھری
چیف ایگزیکٹو

مورخہ: 26 اپریل 2018ء

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM BALANCE SHEET (UN-AUDITED)
AS AT MARCH 31, 2018

	March 31 2018	June 30 2017	
Note	(Rupees in '000')		
	(Un-audited)	(Audited)	
ASSETS			
Non-current assets			
Property, plant and equipment	6	165,923	170,642
Deferred tax asset		4,009	5,959
		<u>169,932</u>	<u>176,601</u>
Current assets			
Stores, spares and loose tools		52,083	44,517
Stock in trade		150,914	187,227
Trade debts	7	444,760	423,456
Advances		25,101	26,461
Trade deposits and prepayments		504	83
Accrued interest income		42	108
Other receivables		15,181	16,592
Short-term investment		2,583	2,583
Taxation - net		123,678	129,615
Cash and bank balances		29,989	4,384
		<u>844,835</u>	<u>835,026</u>
Total assets		<u>1,014,767</u>	<u>1,011,627</u>
Equity			
Authorized capital:			
20,000,000 ordinary shares of Rs. 10/- each		<u>200,000,000</u>	<u>200,000,000</u>
Issued, subscribed and paid up capital		90,000	90,000
Capital reserve		944	944
General reserve		505,000	425,000
Unappropriated profit		168,694	142,666
Total equity		<u>764,638</u>	<u>658,610</u>
Liabilities			
Non current liabilities			
Accumulated compensated absences		5,069	5,445
		<u>5,069</u>	<u>5,445</u>
Current liabilities			
Trade and other payables		189,464	124,025
Due to holding company		990	4,627
Accrued mark-up		1,158	952
Short term borrowings		53,448	217,968
		<u>245,060</u>	<u>347,572</u>
Total liabilities		<u>250,129</u>	<u>353,017</u>
Total equity and liabilities		<u>1,014,767</u>	<u>1,011,627</u>
Contingencies and commitments			
	8		

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

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Wah Cantt. Dated 26-04-2018

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Nine months ended		Three months ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
	(Rupees in '000')			
Gross sales	1,534,906	1,127,738	543,716	456,596
Less: sales tax	<u>(236,063)</u>	<u>(172,845)</u>	<u>(83,963)</u>	<u>(70,057)</u>
Net sales	1,298,843	954,893	459,753	386,539
Cost of sales	<u>(1,012,941)</u>	<u>(735,711)</u>	<u>(363,805)</u>	<u>(285,927)</u>
Gross profit	285,902	219,182	95,948	100,612
Operating expenses				
Administrative and general expenses	<u>(10,080)</u>	<u>(8,546)</u>	<u>(2,345)</u>	<u>(3,100)</u>
Selling and distribution expenses	<u>(20,252)</u>	<u>(27,304)</u>	<u>(7,407)</u>	<u>(11,918)</u>
Operating profit	255,570	183,331	86,196	85,595
Finance cost	<u>(5,363)</u>	<u>(5,993)</u>	<u>(1,271)</u>	<u>(2,208)</u>
Other operating expenses	<u>(17,706)</u>	<u>(12,769)</u>	<u>(5,954)</u>	<u>(5,911)</u>
Other income	1,381	2,701	195	1,103
Share in loss of associated company, net of tax	-	<u>(1,245)</u>	-	-
Profit before taxation	233,882	166,024	79,166	78,578
Taxation	<u>(73,854)</u>	<u>(56,148)</u>	<u>(24,912)</u>	<u>(27,715)</u>
Profit for the Period	160,028	109,876	54,254	50,863
Other comprehensive income	-	-	-	-
Total comprehensive income	160,028	109,876	54,254	50,863
Earnings per share - basic and diluted (Rupees)	17.78	12.21	6.03	5.65

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

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Wah Cantt. Dated 26-04-2018

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Note	March 31 2018	March 31 2017
(Rupees in '000')			
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation		233,882	166,024
Adjustment for non cash charges and other items:			
Depreciation		10,954	9,103
Interest on term deposit receipts		(445)	(305)
Bank interest		(94)	-
Financial and other charges		5,348	5,787
Interest on workers' profit participation fund		15	206
Gain on disposal of shares		-	(1,103)
Share in loss of associated company		-	1,245
Provision for doubtful debts		(38)	-
Workers' profit participation fund (WPPF)		12,560	8,983
Workers' welfare fund (WWF)		4,773	3,414
Gain on disposal of fixed asset		(465)	-
Provision for employees' gratuity fund		1,600	2,400
Provision for accumulated compensated absences		1,800	1,600
Changes in working capital		36,008	31,330
-Increase/(decrease) in current assets:			
-Stores, spares and loose tools		(7,566)	(2,519)
-Stock in trade		36,314	(6,666)
-Trade debts		(21,265)	(34,748)
-Advances		1,360	(2,621)
-Trade deposits and prepayments		(421)	(429)
-Short term investment		-	(15,000)
-Other receivables		1,411	8,594
Increase / (decrease) in current liabilities:			
-Trade and other payables		43,098	(7,631)
		52,931	(61,020)
Cash generated from operations (Payment for) / Receipt of:		322,821	136,334
Taxation		(65,968)	(38,156)
Financial and other charges		(5,141)	(6,372)
WPPF		(244)	(2,088)
Gratuity		-	(4,000)
Compensated absences		(2,176)	(1,118)
		(73,529)	(51,734)
Net cash generated from operating activities		249,292	84,600
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for capital expenditure		(6,250)	(7,045)
Interest on term deposit receipts		511	69
Sales proceeds from disposal of shares		-	22,500
Sales proceeds from disposal of fixed asset		480	-
Interest on bank balance		94	245
Net cash used in investing activities		(5,167)	15,769
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(54,000)	(36,000)
Net cash used in financing activities		(54,000)	(36,000)
Net increase in cash and cash equivalents		190,125	64,369
Cash and cash equivalents at beginning of the period		(213,584)	(143,777)
Cash and cash equivalents at end of the period	9	(23,459)	(79,408)

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

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Wah Cantt. Dated 26-04-2018

WAH NOBEL CHEMICALS LIMITED
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

	Issued, subscribed and paid-up share	Capital reserve Share premium	Revenue reserves		Total
			General reserve	Unappropriated	
(Rupees in '000')					
Balance as at July 1, 2016	90,000	944	375,000	95,820	561,764
Total comprehensive income for the period					
Profit for the Period	-	-	-	109,876	109,876
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	109,876	109,876
Transfer to general reserve	-	-	50,000	(50,000)	-
Transactions with owners of the Company					
Final dividend - June 30, 2016 @ Rs. 4.00 per share	-	-	-	(36,000)	(36,000)
Balance as at March 31, 2017	90,000	944	425,000	119,696	635,640
Balance as at July 1, 2017	90,000	944	425,000	142,666	658,610
Total comprehensive income for the period					
Profit for the Period	-	-	-	160,028	160,028
Other comprehensive income	-	-	-	-	-
Total comprehensive income	-	-	-	160,028	160,028
Transfer to general reserve	-	-	80,000	(80,000)	-
Transactions with owners of the Company					
Final dividend - June 30, 2017 @ Rs. 6.00 per share	-	-	-	(54,000)	(54,000)
Balance as at March 31, 2018	90,000	944	505,000	168,694	764,638

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

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Wah Cantt. Dated 26-04-2018

WAH NOBEL CHEMICALS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

1. THE COMPANY AND ITS OPERATIONS

Wah Nobel Chemicals Limited (the Company) was incorporated in Pakistan on May 31, 1983 as a public limited company under the Companies Act, 1913, (now the Companies Act, 2017) and its shares are quoted on Pakistan Stock Exchange. The holding company of the Company is Wah Nobel (Private) Limited and the ultimate holding company is Wah Industries Limited. The registered office and manufacturing facilities of the Company are situated in Wah Cantt, Pakistan. The principal activity of the Company is to manufacture Urea Formaldehyde Moulding Compound, Formaldehyde and Formaldehyde based liquid resins for use as bonding agent in the chip board, plywood and flush door manufacturing industries.

2. STATEMENT OF COMPLIANCE

2.1 This condensed interim financial information 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.

2.2 This condensed interim financial information should be read in conjunction with the Company's last annual financial statements as at and for the year ended June 30, 2017 ('last annual financial statements'). This condensed interim financial information does not include all of the information required for a complete set of financial statements prepared in accordance with the approved accounting standards as applicable in Pakistan. 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 financial statements

2.3 The condensed interim financial information is un-audited and is prepared for submission to the members and the Pakistan Stock Exchange as required under section 237 of the Companies Act, 2017.

3. USE OF JUDGMENTS AND ESTIMATES

In preparing this condensed interim financial information, management has made judgments, estimates and assumptions that affect the application of Company's accounting policies and the reported amounts of assets, liabilities, income and expense. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key source of estimation uncertainty were the same as those that applied to the financial statements as at and for the year ended June 30, 2017. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair value, both for financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. Management has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values. Management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the approved accounting standards as applicable in Pakistan, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

WAH NOBEL CHEMICALS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

4. CHANGES IN ACCOUNTING STANDARDS, INTERPRETATIONS AND AMENDMENTS TO APPROVED ACCOUNTING STANDARDS

A number of new standards and amendments to the standards are effective for the annual periods beginning after July 01, 2017. Management believes that adoption of these new standards and amendments will not have any significant impact on the Company's condensed interim financial information

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the Company's financial statements as at and for the year ended June 30, 2017.

6. PROPERTY, PLANT AND EQUIPMENT

During the nine months period ended March 31, 2018, the Company made additions to property, plant and equipment aggregating Rs. 6,250 thousand (March 31, 2017: Rs. 7,045 thousand) inclusive of additions to capital work in progress. Property, plant and equipment with carrying amounts of Rs.15 thousands were disposed off during the nine months period ended March 31, 2018 (March31, 2017: nil) resulting in a gain on disposal of Rs.465 thousand (March 31, 2017: Rs. nil). Depreciation amounting to Rs. 10,954 thousand was charged for the nine months period ended March 31, 2018 (March 31, 2017: Rs. 9,103 thousand).

	March 31 2018	June 30 2017
	(Rupees in '000')	
	(Un-audited)	(Audited)
7 TRADE DEBTS		
Considered good	444,760	423,456
Considered doubtful	98,366	98,405
	543,126	521,861
Provision for doubtful debts	(98,366)	(98,405)
	444,760	423,456

8 CONTINGENCIES AND COMMITMENTS

8.1 Contingencies

(a) Guarantees

Letter of guarantee issued by bank on behalf of the Company	15,000	15,000
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(b) Litigation

In 1996, the Government of Sindh raised a demand of Rs. 67,294,724 in respect of vend fee and permit fee for the years 1990-91 to 1995-96, under the Sindh Abkari Act, 1878. The Company filed Constitutional Petition No. D-1412 of 1996 dated August 20, 1996 in the High Court of Sindh challenging the legality of the levy on the grounds that provincial taxation, under the Sindh Abkari Act, 1878 on imported Methanol temporarily stored in Karachi but meant for consumption outside the province of Sindh, was unlawful and ultravires of the Constitution, relying on the judgment of the High Court of Sindh in the case of Crescent Board Limited. The case was decided in the favour of the Company on June 12, 2001 by the High Court, but Sindh Government moved an appeal in the Supreme Court against the decision of the High Court.

After hearing the appeal of Excise Department Sindh against the Company and other Formaldehyde manufacturers, the Supreme Court remanded the case of levy of vend fee and permit fee to the High Court Sindh for adjudication on all points of law and fact. Vide its judgment dated March 26, 2003, High Court Sindh again decided the matter in favour of the Company

WAH NOBEL CHEMICALS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

and other manufacturers. Excise Department filed a leave to appeal in the Supreme Court on June 12, 2003. The Court has admitted the appeal for regular hearing. The case is now awaiting adjudication by the Supreme Court. Currently all imports of Methanol are being released on payment of Rs. 3/- per bulk gallon in cash and submission of guarantee @ Rs. 14/- per bulk gallon in the form of indemnity bonds. Accordingly, in case of an unfavorable decision of the Supreme Court, the Company is exposed to an aggregate obligation of Rs. 1,033 million (June 30, 2017 : Rs. 986 million) on account of vend fee and permit fee based on the guarantees issued against methanol imported and released up to the balance sheet date. However, keeping in view the facts, previous decisions which have been in the favour of the Company and on advise of the legal advisor of the company the management is confident that no such exposure will arise to the Company, therefore, no provision for this has been made in these condensed interim financial information. Other than litigations as disclosed above, there are no significant changes in the status of litigations as disclosed in the last annual financial statements.

	March 31 2018	June 30 2017
	(Rupees in '000')	
	(Un-audited)	(Audited)
8.2 Commitments		
Letters of credit for purchase of stocks and plant	160,969	105,449
Post dated cheques issued in favour of Collector of Customs against custom duties and other levies on Methanol kept in bonded Ware house	-	31,596

	March 31 2018	March 31 2017
	(Rupees in '000')	
9 CASH AND CASH EQUIVALENTS		
Cash and bank balances	29,989	19,217
Short term running finance - secured	(53,448)	(98,625)
	(23,459)	(79,408)

10 RELATED PARTY TRANSACTIONS

Significant transactions with related parties during the period were as follows:

Expenses incurred (on behalf of) / by the group companies - net	(4,312)	(170)
Corporate service fee charged by holding company	675	675
Purchase of Electricity from associated company	11,992	4,371
Purchase of raw material from associated company	18,880	-
Sales to associate company	-	11
Dividend paid to the holding company	29,822	19,882
Contribution to:		
- Employee Provident Fund Trust	1,484	1,488
- Workers' Profit Participation Fund	244	1,883

Balances with related parties were as follows:

	March 31 2018	June 30 2017
	(Rupees in '000')	
	(Un-audited)	(Audited)
Payable to associated companies	1,595	5,857
Due to holding company	990	4,627

WAH NOBEL CHEMICALS LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM
FINANCIAL INFORMATION (UN-AUDITED)
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018

11 FINANCIAL INSTRUMENTS

11.1 Accounting classification

The following table shows the classification of financial assets and financial liabilities by categories.

	March 31, 2018			June 30, 2017		
	Loans and receivables	Other financial liabilities	Total	Loans and receivables	Other financial liabilities	Total
	(Un-audited)			(Audited)		
	-----Rupees '000-----					
Financial assets measured at fair value	-	-	-	-	-	-
Financial assets not measured at fair value						
Trade debts	444,760	-	444,760	423,456	-	423,456
Trade deposits and prepayments	85	-	85	40	-	40
Accrued interest income	42	-	42	108	-	108
Other receivables	15,000	-	15,000	15,000	-	15,000
Short-term investment	2,583	-	2,583	2,583	-	2,583
Cash and bank balances	29,989	-	29,989	4,384	-	4,384
	492,459	-	492,459	445,571	-	445,571
Financial liabilities measured at fair value	-	-	-	-	-	-
Financial liabilities not measured at fair value						
Trade and other payables	-	(162,881)	(162,881)	-	(114,996)	(114,996)
Due to holding company	-	(990)	(990)	-	(4,627)	(4,627)
Accrued mark-up	-	(1,158)	(1,158)	-	(952)	(952)
Short term borrowings	-	(53,448)	(53,448)	-	(217,968)	(217,968)
	-	(218,477)	(218,477)	-	(338,543)	(338,543)

12. FAIR VALUES

12.1 The Company has not disclosed the fair values of financial assets and financial liabilities as these are for short-term or reprice over short-term. Therefore, the carrying amounts are reasonable approximation of their values.

12.2 Determination of fair values

A number of the Company's accounting policies and disclosures require determination of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and / or disclosure purposes based on the following methods:

Financial assets

Fair values of non-derivative financial assets are estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. These fair values are determined for disclosure purposes.

Financial liabilities

Fair values which are determined for disclosure purposes, is calculated based on the present value of future principal and interest cash flows, discounted at the market rate of interest at the reporting date.

13. GENERAL

Figures have been rounded off to the nearest thousand of rupees.

14. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information was authorized for issue on April 26, 2018 by the Board of Directors of the Company.

DIRECTOR

CHIEF EXECUTIVE OFFICER

CHIEF FINANCIAL OFFICER

Wah Cantt. Dated 26-04-2018