

# Our V i s i o n

To achieve  
market leadership  
in  
our core business  
build on innovative technology,  
deliver quality products  
at  
competitive prices  
and  
maintain our history of pioneering

# Our M i s s i o n

- Continuous improvement in our operating standards, anticipating and meeting our customers' expectation.

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- Eager to learn, strive to succeed and keen to please

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- Aim high, stay focused and leave nothing to chance.

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- To provide, career growing opportunities to the talented professionals.

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# COMPANY INFORMATION

## Board of Directors

Mr. Salman Ganny	Chairman
Mr. Shehryar Saeed	Director/CEO
Ms. Mariam Shafi	Director
Mr. Muhammad Tariq Anjum	Director
Mr. Mohammad Azhar ul Islam	Director
Mr. Abid Saeed Khan	Director
Mr. Syed Jamshed Zaidi	Director

## Board of Audit Committee

Mr. Abid Saeed Khan	Chairman
Mr. Muhammad Tariq Anjum	Member
Ms. Mariam Shafi	Member

## Board of HR Committee

Mr. Syed Jamshed Zaidi	Chairman
Mr. Salman Ganny	Member
Ms. Mariam Shafi	Member
Mr. Shehryar Saeed	Member

## Company Secretary & Chief Financial Officer(CFO)

Mr. Tariq Ahmed

## Internal Auditor

Mr. Tariq Ilyas

## Legal Advisor

LMA EBRAHIM HOSAIN  
Barristers, Advocates, & Corporate Legal Consultants,  
156 - 1, Scotch Corner, Upper Mall, Lahore

## Auditors

M/s. Nazir Chaudhri & Co.  
Chartered Accountants  
4-Karachi Chambers, Hasrat Mohani Road,  
P.O.Box.No.5061, Karachi-74000

## Share Registrar

C & K Management Associates (Pvt) Ltd.  
404, Trade Tower, Abdullah Haroon Road,  
Near Metropole Hotel, Karachi-75530

## Bankers

Silk Bank Ltd.  
Soneri Bank Ltd.  
Habib Bank Ltd.

## Registered Office

C-10, South Avenue, SITE, Karachi-75700  
Tel: 092-21-32560030-7 Fax: 092-21-32564603  
Website: [www.johnsonphillips.pk](http://www.johnsonphillips.pk)  
E-mail: [Johnsonphillips@cyber.net.pk](mailto:Johnsonphillips@cyber.net.pk)

## Directors' Review

The Board of Directors would like to present the condensed, un-audited financial statements of the Company for the nine months period ended March 31, 2018.

### Business Review

The Sales & services-net for the nine months period ended March 31, 2018 was Rs.4.3M as compared to Rs.21.7M for the corresponding period of last year. The cost of sales & services for the period was 11.1M as compared to Rs. 34.8M. The Gross loss of the Company was Rs. (6.8M) against a loss of Rs. (13.1M) in the corresponding period of last year. The Company's Distribution cost, Administrative expenses and finance cost during the nine months period ended March 31, 2018 was Rs.23.5M as against Rs.28.6M in the corresponding period of previous year. A loss after tax of Rs.28.2M was reported for the nine months period ended March 31, 2018 compared to a loss after tax of Rs.41.5M in the corresponding period. The Company is in the process of reorganizing its activities.

### Future Plan

The management after approval of the shareholders in the Extra Ordinary General Meeting (EOGM) to be held on April 26, 2018 will implement a new business plan. The business plan includes continued activity in an area related to the core business of the company - i.e. in the electrical equipment industry. In this regard a new setup for Engineering, Repair and Maintenance Services is to be established. For this purpose, the company will be able to put to use its existing Plant & Machinery and Testing equipment. In addition to this, the company will be exploring new businesses in the Indenting and trading sector.

To generate this working capital, the company proposes to sell its land and building at its existing facility located at SITE, Karachi. Following this sale, the facility will be shifted to a new location in Korangi, Karachi. This approach will provide the company with sufficient capital to clear major current trade liabilities and generate enough funds for the relocation and setup of the new plant in a new location. It will benefit the company and its shareholders.

### Financial Highlights

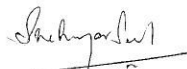
The comparative financial highlights of your Company for the nine months period ended March 31, 2018 and March 31, 2017 are as follows:

	2018	2017
	.....Rupees in '000.....	
(Loss) for the year before taxation	(28,759)	(41,244)
Out of which the Directors have accounted		
For taxation - current	(565)	(244)
Accumulated (Losses) brought forward	(341,866)	(279,054)
Accumulated losses carried over to Balance Sheet	(366,642)	(315,211)
Earnings per share - basic & diluted	(5.17)	(7.61)

### Acknowledgement

The Board of Directors would like to express its sincere appreciation to the Company's valued clients, business partners and other stakeholders. The Board would also like to thank the Securities and Exchange Commission of Pakistan, the Pakistan Stock Exchange and the Central Depository Company for their continued guidance and professional support.

For and on behalf of the Board.



**Shehryar Saeed**  
Managing Director / CEO  
Karachi: April 24, 2018



**Salman Ganny**  
Director

## ڈائریکٹر کا جائزہ

بورڈ آف ڈائریکٹرز کو 31 مارچ، 2018 کو ختم ہونے والے نو ماہ کے لئے کمپنی کے، غیر آڈٹ شدہ مالیاتی بیانات پیش کرنا چاہیں گے۔

### کاروباری جائزہ

نو ماہ کے عرصے کے دوران فروخت اور خدمات (خالص) 31 مارچ، 2018 کے اختتام پر 4.3 ملین تھی گزشتہ سال کی اسی مدت کے لئے 21.70 ملین روپے تھی اس سال قیمت فروخت اور خدمات 11.4 ملین روپے اور 34.8 ملین روپے گزشتہ سال کی اسی مدت میں تھی۔

اسی نو ماہ کی مدت کے دوران کمپنی کا مجموعی نقصان 6.8 ملین روپے تھا۔ گزشتہ سال (13.1 ملین) روپے تھا 31 مارچ، 2018 کو ختم ہونے والی نو ماہ کی مدت کے دوران کمپنی کی تھیں کی لاگت، انتظامی اخراجات اور مالیاتی اخراجات 23.5 ملین روپے اور پچھلے سال کی متعلقہ مدت میں 28.60 ملین روپے کی تھی۔ کمپنی اپنی سرگرمیاں دوبارہ منظم کرنے میں عمل ہے۔

31 مارچ، 2018 کو 9 ماہ کے دوران 9 ماہ کی مدت کے دوران 28.2 ملین روپے کے ٹیکس کے بعد نقصان پہنچے۔ پچھلے سال کی متعلقہ مدت میں ٹیکس کے بعد نقصان 41.5 ملین روپے تھا آپ کی کمپنی کی انتظامیاں مشترکہ کوششیں کر رہی ہیں اور مستقبل میں بہتر کارکردگی کو حاصل کرنے کے لئے کوشش کرنا جاری ہے۔

### مستقبل کا منصوبہ

26 اپریل، 2018 کو منعقد کرنے کے لئے اضافی عام حزل اجلاس (EOGM) میں حصولی بولڈروں کی منظوری کے بعد منجھٹ ایک نئی کاروباری منصوبہ لاگو کرے گی۔ کاروباری منصوبہ میں کمپنی کے بنیادی کاروبار سے متعلق علاقے میں مسلسل سرگرمی شامل ہے۔ یعنی الیکٹریکل سامان انڈسٹری میں۔ اس سلسلے میں انجینئرنگ، مرمت اور بحالی کی خدمات کے لئے ایک نئی سیٹ اپ قائم کیا جائیگا۔ اس مقصد کے لئے، کمپنی اپنے موجودہ پلانٹ اور مشینری اور سیٹنگ کا سامان استعمال کرنے کے قابل ہوگی۔ اس کے علاوہ، کمپنی انڈسٹریل سیکٹر اور تجارتی شعبے میں نئے کاروباری اداروں کی تلاش کرے گی۔

یہ کام کرنے والے سرمایہ پیدا کرنے کے لئے، کمپنی کو اس سائٹ، کراچی میں واقع اس کی موجودہ بھولت پر اپنی زمین اور عمارت فروخت کرنے کی تجویز ہے۔ اس فروخت کے بعد، سہولیات کراچی، کورنگی میں ایک نیا مقام منتقل ہو جائے گی۔ یہ موجودہ کاروباری ذمہ داریوں کو صاف کرنے اور نئے پلانٹ میں نئے پلانٹ کے قیام اور سیٹ اپ کے لئے کافی سرمایہ کاری فراہم کرے گا۔ اس کی کمپنی اور اس کے حصول اداروں کو کفایت ہوگا

### مالی اہمیت

نو ماہ کے عرصے کے دوران آپ کی کمپنی کے مقابلے میں مالیاتی نمائشیں 31 مارچ، 2018 اور 31 مارچ 2017 کو ختم ہوئیں۔

2017	2018
..... روپے میں	000
(41,244)	(28,759)
(244)	(565)
(279,054)	(866,341)
(315,211)	(366,642)
(7.61)	(5.17)

ٹیکس دینے سے قبل سال کے لئے (نقصان)

جن میں سے ڈائریکٹرز نے حساب کیا ہے ٹیکس کے لئے - موجودہ

جمع (نقصانات) آگے بڑھے

بیلنس شیٹ تک جمع کئے جانے والے نقصانات

فی حصہ آمدنی بنیادی اور پتلی

### اعتراف

بورڈ آف ڈائریکٹرز اس کمپنی کے تھیں گاہکوں، کاروباری شراکت داروں اور دیگر حصول اداروں کو اپنی تھیں گاہکوں کا اظہار کرنا چاہیں گے۔ بورڈ کو پاکستان کے سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹاک ایکسچینج اور سینٹرل ڈپازیری کمپنی کو بھی ان کی مسلسل رہنمائی اور پیشہ ورانہ حمایت کا شکریہ ادا کرنا ہوگا۔ بورڈ کے طرف سے ذریعہ اور کے لئے۔

شہریار سعید

ڈائریکٹر/ چیف ایگزیکٹو آفیسر  
کراچی، 24 اپریل 2018

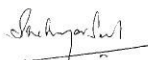
سلطان غنی

ڈائریکٹر

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**CONDENSED INTERIM BALANCE SHEET UN-AUDITED**  
**AS AT MARCH 31, 2018**

	Note	Un-audited March 31 2018	Audited June 30 2017
(Rupees in thousand)			
<b>ASSETS</b>			
<b>Non-Current assets</b>			
Property, plant and equipment	6	168,749	175,318
Intangible assets		-	-
Long term investments		-	-
Long term deposits		940	940
		169,689	176,258
<b>Current assets</b>			
Stock-in-trade		13,369	13,788
Trade debts		1,090	2,156
Loans and advances	7	20,749	16,474
Deposits, prepayments and other receivable		1,124	382
Advance tax - net of provision		3,059	2,651
Cash and bank balances		188	4,434
		39,579	39,885
		209,268	216,143
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital			
8,000,000 (June 30, 2017: 8,000,000) ordinary shares of Rs. 10 each		80,000	80,000
Issued, subscribed and paid-up capital		54,500	54,500
5,449,972 (June 30, 2017: 5,449,972) ordinary shares of Rs. 10 each			
Share premium reserve		29,727	29,727
General reserve		23,073	23,073
Accumulated loss		(366,642)	(341,866)
		(259,342)	(234,566)
Surplus on revaluation of fixed assets	8	163,710	167,128
<b>NON-CURRENT LIABILITIES</b>			
Long term borrowings	9	106,935	96,121
Deferred liabilities		9,946	9,651
		116,881	105,772
<b>CURRENT LIABILITIES</b>			
Trade and other payables	10	173,255	166,690
Current and overdue portion of long term borrowings	11	4,000	4,000
Short term borrowing		2,851	2,851
Mark up accrued		3,645	-
Unclaimed dividend		4,268	4,268
		188,019	177,809
<b>Contingencies and Commitments</b>	12	209,268	216,143

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

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - UN-AUDITED**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

	Nine months period ended		Three months period ended	
	March 31 2018	March 31 2017	March 31 2018	March 31 2017
-----Rupees in thousand-----				
Revenue from sales and services-net	<b>4,289</b>	21,692	<b>2,260</b>	5,019
Cost of sales and services	<b>(11,064)</b>	(34,779)	<b>4,633</b>	(11,415)
<b>Gross loss</b>	<b>(6,775)</b>	(13,087)	<b>6,893</b>	(6,396)
<b>Operating expenses</b>				
Distribution cost	<b>(541)</b>	(1,151)	<b>(213)</b>	(202)
Administrative expenses	<b>(19,285)</b>	(23,916)	<b>(9,970)</b>	(4,729)
Other income	<b>1,502</b>	467	<b>(43)</b>	155
	<b>(18,324)</b>	(24,600)	<b>(10,226)</b>	(4,776)
	<b>(25,099)</b>	(37,687)	<b>(3,333)</b>	(11,172)
Finance cost	<b>(3,660)</b>	(3,557)	<b>(1,321)</b>	(1,163)
<b>Loss before taxation</b>	<b>(28,759)</b>	(41,244)	<b>(4,654)</b>	(12,335)
Taxation	<b>565</b>	(244)	<b>1,153</b>	(7,764)
<b>Loss after taxation</b>	<b>(28,194)</b>	(41,489)	<b>(3,501)</b>	(20,099)
<b>Loss per share-basic and diluted</b>	<b>(5.17)</b>	(7.61)	<b>(0.64)</b>	(3.69)

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

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**



**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

	<b>Nine months period ended</b>		<b>Three months period ended</b>	
	<b>March 31</b>		<b>March 31</b>	
	<u><b>2018</b></u>	<u>2017</u>	<u><b>2018</b></u>	<u>2017</u>
	<b>-----Rupees in thousand-----</b>			
<b>Loss after taxation</b>	<b>(28,194)</b>	(41,489)	<b>(3,501)</b>	(20,099)
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss</b>	<u><b>(28,194)</b></u>	<u>(41,489)</u>	<u><b>(3,501)</b></u>	<u>(20,099)</u>

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

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**



**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**CONDENSED INTERIM CASH FLOW STATEMENT - UN- AUDITED**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

	March 31 2018	March 31 2017
Note	Rupees in thousand	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(28,759)	(41,244)
Adjustments for:		
Depreciation	6,610	6,608
Provision for staff gratuity	-	-
Finance cost	3,660	(3,557)
	<u>10,270</u>	<u>3,051</u>
Operating loss before working capital changes	(18,489)	(38,193)
Decrease / (increase) in current assets		
Stock-in-trade	1,342	9,454
Trade debts	1,066	(8,660)
Loans and advances	(4,275)	(9,646)
Deposits, prepayments and other receivable	(742)	3,422
	(2,609)	(5,430)
Increase / (Decrease) in current liabilities		
Trade and other payables	6,565	35,146
	(14,533)	(8,478)
Income tax (paid) / refunded	(451)	(1,001)
Gratuity paid	(20)	(605)
Finance cost paid	(15)	7,036
	(486)	5,430
Net cash used in operating activities	(15,019)	(3,048)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Fixed capital expenditure incurred	(41)	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term borrowings received	10,814	1,428
Net cash from financing activities	10,814	1,428
Net decrease in cash and cash equivalents	(4,246)	(1,621)
Cash and cash equivalents at beginning of the period	4,434	1,731
Cash and cash equivalents at end of the period	<u>188</u>	<u>110</u>

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



Chief Executive



Director



Chief Financial Officer

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - UN- AUDITED**  
**FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018**

	Issued, subscribed and paid- up capital	Reserves			Total
		Capital Share Premium	General	Revenue Accumulated loss	
-----Rupees in thousand-----					
Balance as at July 01, 2016	54,500	29,727	23,073	(279,054)	(171,754)
<b>Total comprehensive loss for the period</b>					
Loss after taxation for the half year ended March 31, 2017	-	-	-	(41,489)	(41,489)
Transfer from surplus on revaluation of property, plant and equipment-net of deferred tax	-	-	-	5,332	5,332
Balance as at March 31, 2017	<u>54,500</u>	<u>29,727</u>	<u>23,073</u>	<u>(315,211)</u>	<u>(207,911)</u>
<b>Balance as at July 01, 2017</b>	<b>54,500</b>	<b>29,727</b>	<b>23,073</b>	<b>(341,866)</b>	<b>(234,566)</b>
<b>Total comprehensive loss for the period</b>					
Loss after taxation for the half year ended March 31, 2018	-	-	-	(28,194)	(28,194)
Transfer from surplus on revaluation of property, plant and equipment - net of deferred tax	-	-	-	3,418	3,418
<b>Balance as at March 31, 2018</b>	<u><b>54,500</b></u>	<u><b>29,727</b></u>	<u><b>23,073</b></u>	<u><b>(366,642)</b></u>	<u><b>(259,342)</b></u>

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

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED****NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)  
FOR THE NINE MONTHS PERIOD ENDED MARCH 31, 2018****1 STATUS AND NATURE OF BUSINESS**

Johnson & Phillips (Pakistan) Limited ("the Company") was incorporated in Pakistan as a public limited company on April 15, 1961 and its shares are quoted on Pakistan Stock Exchange Limited. The registered office of the Company is situated at C-10, South Avenue, S.I.T.E., Karachi. The Company is principally engaged in manufacturing, installation and selling of electrical equipments. Etheridge Company Limited, held 2,719,536 (June 30, 2017: 2,719,536) ordinary shares of Rs. 10 each of the Company as at period end, which constitute 49.90% of total shares issued.

**2 GOING CONCERN**

The Company has incurred gross loss of Rs.6.775 million during the 9 months period ended March 31, 2018 (March 31, 2017: Rs.13.087 million) and loss after taxation amounting to Rs.28.194 million (March 31, 2017: Rs. 41.489 million) which has further increased accumulated losses to Rs.366.642 million (June 30, 2017: Rs. 341.866 million) and has resulted in negative equity of Rs.259.342 million (June 30, 2017: Rs.234.566 million).

The sales of the Company is continuously decreasing because of low demand from the private sector. In spite of the above stated circumstances the management of the company still consider that the going concern assumption used for preparation of these financial statement is appropriate in view of the following facts.

- i The Company already has its obligations rescheduled in respect of long term loans and financial arrangements, including repayment of principal and accumulated mark-up thereon with various lenders.
- ii Efforts are underway to obtain orders so that sales volume as well as profitability can be achieved and the management expects favorable improvements in forthcoming year. This will be achieved with the re-certification of our product line now under way, so sales to the public sector will commence driving volume, which will boost sales and profitability.
- iii The board has provided in the past continued support to the company and has indicated commitment in order to maintain the going concern status. This is evident from the fact that a Director continues to provide financial support to the Company.
- iv The Management after approval of the shareholders in the Extra Ordinary General Meeting (EOGM) to be held on April 26, 2018 will implement a new business plan.

The management of the Company is confident that the above factors shall enable the Company to continue as going concern in foreseeable future; hence, this condensed interim financial information have been prepared on going concern assumption.

**3 BASIS OF PREPARATION****3.1 Statement of Compliance**

This condensed interim financial information of the Company for the period ended March 31, 2018 has been prepared 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 have been followed.

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP vide its circular number 23/2017 date October 04, 2017 and as clarified by the Institute of Chartered Accountants of Pakistan through its circular number 17/2017 dated October 06, 2017, this condensed has been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

This condensed interim financial information is un-audited and is being submitted to the shareholders as required by listing regulations of Pakistan Stock Exchange Limited and under section 237 of the Companies Act, 2017.

This condensed interim financial information does not include all information and disclosures required in the financial statements and should be read in conjunction with the financial statements of the Company for the year ended 30 June 2017.

**3.2 Basis of measurement**

This condensed interim financial information has been prepared under the historical cost convention except leasehold land, building and plant and machinery which are stated at revalued amount and the Company's liability under its defined benefit plan (gratuity) which is determined on the present value of the defined benefit obligations determined by an independent actuary.

**3.3 Functional and presentation currency**

This condensed interim financial information is presented in Pakistani Rupees which is also the Company's functional currency.

**4 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements of the Company as at and for the year ended 30 June 2017. Amendments to certain existing standards and interpretations on approved accounting standards effective during the period were not relevant to the Company's operations and did not have any impact on the accounting policies of the Company.

**5 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT**

The preparation of condensed interim financial information requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the key sources of estimating the uncertainty were the same as those that applied to the audited annual financial statements as at and for the year ended 30 June 2017.

The financial risk management objectives and policies adopted by the Company are consistent with those disclosed in the audited annual financial statements as at and for the year ended 30 June 2017.

<b>Un-audited</b>	<b>Audited</b>
<b>March 31</b>	<b>June 30</b>
<b>2018</b>	<b>2017</b>
<b>Rupees in thousand</b>	

**6 PROPERTY, PLANT AND EQUIPMENT****Owned**

Opening written down value	<b>175,318</b>	243,307
Addition	<b>41</b>	-
Depreciation	<b>(6,610)</b>	(67,989)
Closing written down value	<b>168,749</b>	175,318

**7 LOANS AND ADVANCES****Loans to subsidiary companies - unsecured****Considered doubtful**

Johnson & Phillips Industries (Pakistan) Limited (JPI)	<b>24,756</b>	24,756
Johnson & Phillips Transformers (Private) Limited (JPT)	<b>20,785</b>	20,785
Johnson & Phillips EMO Pakistan (Pvt.) Limited (EMO)	<b>2,964</b>	2,964
	<b>48,505</b>	48,505
Less Provision against doubtful loans	<b>(48,505)</b>	(48,505)
	-	-

**Advances - Unsecured, Considered good**

To suppliers	<b>794</b>	794
To employees	<b>345</b>	356
Against purchase of land	<b>2,717</b>	2,717
Others	<b>71</b>	71
	<b>3,927</b>	3,938

<b>Sales tax refundable</b>	11.1.5 <b>20,663</b>	16,377
<b>Less: Provision for doubtful advances against:</b>	<b>(3,841)</b>	(3,841)
	<b>20,749</b>	16,474

**8 SURPLUS ON REVALUATION OF FIXED ASSETS**

Opening balance	<b>167,128</b>	173,962
Transferred to accumulated loss in respect of incremental depreciation on revalued assets for the period/year	<b>(3,418)</b>	(6,834)
	<b>163,710</b>	167,128



<b>Un-audited</b>	<b>Audited</b>
<b>March 31</b>	<b>June 30</b>
<b>2018</b>	<b>2017</b>
<b>Rupees in thousand</b>	

**9 LONG TERM BORROWINGS***From related parties***Other related parties**

Principal

Accumulated markup

<b>70,030</b>	59,216
<b>36,905</b>	36,905
<b>106,935</b>	96,121

*From others***4,000**

4,000

**110,935**

100,121

Less: current and overdue portion

**(4,000)**

(4,000)

**106,935**

96,121

**10 TRADE AND OTHER PAYABLES**

Creditors

**5,301**

6,392

Accrued liabilities

**18,234**

11,018

Advances from customers

**4,831**

5,389

Payable to Elmetec (Pvt) Ltd - related party

**10.1****141,631**

140,286

Payable to ex-employees

**802**

802

Provident fund

**155**

281

Unclaimed gratuity payable

**894**

894

Others

**10.2****1,286**

1,619

Tax deducted at source

**121**

9

**173,255**

166,690

**10.1 Payable to Elmetec (Pvt) Ltd - related party**

Against supply of material

**118,739**

117,270

Advance received

**22,892**

23,016

**141,631**

140,286

**10.2** This includes Rs.1.038 million (30 June 2017 : Rs. 1.371 million) payable to Chief Executive of the Company.

**11 CONTINGENCIES AND COMMITMENTS****11.1 Contingencies****11.1.1 Guarantees**

The banks have issued guarantees, on behalf of the Company as detailed below:

Guarantees against performance bond

**1,794**

2,679

**Labour**

- 11.1.2** Some legal cases are pending against the Company filed by ex-workers in respect of their claims. The aggregate amounts involved in these cases are Rs. 0.987 million. (2017: 0.987 million).

#### **Others**

- 11.1.3** "Pursuant to a recovery suit filed by the National Bank of Pakistan against Johnson & Phillips Transformers (Pvt.) Limited (Defendant No.1) and Johnson & Phillips (Pakistan) Limited (Defendant No.2), the Banking Court No. III, Lahore passed a compromise decree.

The Bank agreed that prior to executing the Decree against the Defendant No.2 as guarantor, the Bank will execute against all assets of the Defendant No. 1. Some payments has been made to the Bank while the remaining amount of Rs. 25,894 thousand is still payable. The execution proceedings in this case are now pending before the Banking Court No. III."

- 11.1.4** The Company has filed a suit for the recovery of insurance claim of Rs 3.734 million (2017: Rs 3.734 million) in Honorable High Court of Sindh Karachi against the EFU General Insurance Limited and M/s Hanilay & Co. (Private) Limited.

- 11.1.5** During the period an order was passed by additional commissioner IR raising demand of Rs.5.988 million for default in deduction / payment of withholding sales tax and recovered Rs.4.268 million from the Company's bank accounts. The Company has filed appeal before Deputy Commissioner IR against the said order and also requested to withdraw the notice of attachment of bank accounts. The recovered amount is shown under sales tax refundable as the Company's tax consultants are confident of favourable outcome of the appeal.

#### **11.2 Commitments**

There is no commitment as at March 31, 2018 (June 30, 2017 : Nil)

#### **12 TRANSACTIONS WITH RELATED PARTIES**

The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties, contribution of staff benefit funds, return on loans, amounts due from executives and remuneration of directors and executives alongwith other transactions with related parties are given below:

	Un-audited March 31 2018	Un-audited March 31 2017
	Rupees in thousand	
<b>Subsidiaries</b>		
Loan provided to subsidiary companies	-	119
Payment made on behalf of subsidiary companies	-	49

	Un-audited March 31 2018	Un-audited March 31 2017
	Rupees in thousand	
<b>Provident Fund</b>		
Contribution paid to Provident Fund	263	274
<b>Directors</b>		
Remuneration	1,800	1800
Markup accrued long term borrowings	-	1839
Loan received	-	335
Funds received during the period	-	1,962
Funds repaid during the period	-	1,180
<b>Other related parties</b>		
Long term Loan received	10,814	4,951
Purchases	2,985	9,713
Funds (repaid) / received - net	(124)	3,522
Markup accrued on long term borrowings	3,645	1,680

**13 DATE OF AUTHORIZATION**

This condensed interim financial information was authorized for issue on April 24, 2018 by the Board of Directors of the Company.

**14 GENERAL**

Figures have been rounded off to the nearest thousand rupee.

  
 Chief Executive

  
 Director

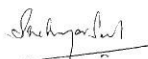
  
 Chief Financial Officer



**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**Condensed Interim Consolidated Balance Sheet - Un- Audited**  
**AS AT MARCH 31, 2018**

	Note	Un-audited March 31 2018 (Rupees in thousand)	Audited June 30 2017
<b>Assets</b>			
<b>Non-Current Assets</b>			
Property, plant and equipments	4	168,750	175,318
Long term deposits		1,566	1,566
		170,316	176,884
<b>Current Assets</b>			
Stock-in-trade		13,369	13,788
Trade debts		1,090	2,156
Loans and advances		20,966	16,641
Deposits, prepayments and other receivables		1,777	1,085
Advance tax - net of provision		5,714	5,306
Cash and bank balances		351	13,810
		43,267	52,786
<b>Total Assets</b>		<b>213,583</b>	<b>229,670</b>
<b>Equity And Liabilities</b>			
<b>Share Capital And Reserves</b>			
Authorised capital		80,000	80,000
8,000,000 (June 30, 2017: 8,000,000) ordinary shares of Rs. 10 each		54,500	54,500
Issued, subscribed and paid-up capital		29,727	29,727
Share premium reserve		23,073	23,073
General reserve		(383,316)	(349,328)
Accumulated loss		(276,016)	(242,028)
Non-controlling interest		-	-
Surplus on revaluation of property, plant and equipments		163,710	167,128
<b>Non-Current Liabilities</b>			
Long term borrowings		106,935	96,121
Deferred liabilities		10,542	10,247
		117,477	106,368
<b>Current Liabilities</b>			
Trade and other payables		189,012	182,447
Short term borrowings		6,927	6,927
Current and overdue portion of long term borrowings		4,000	4,000
Mark up accrued		3,645	-
Unclaimed dividend		4,268	4,268
Taxation		560	560
		208,412	198,202
<b>Contingencies and Commitments</b>	5		
<b>Total Equity And Liabilities</b>		<b>213,583</b>	<b>229,670</b>

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.



Chief Executive



Director



Chief Financial Officer

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**Condensed Interim Consolidated Profit And Loss Account - Un-Audited**  
**For The Nine Months Period Ended March 31, 2018**

	Nine Months ended March 31		Quarter ended March 31	
	2018	2017	2018	2017
------(Rupees in thousand)-----				
Revenue from sales and services-net	4,289	21,692	2,260	5,019
Cost of sales and services	(11,064)	(34,779)	4,633	(11,415)
<b>Gross Profit</b>	<b>(6,775)</b>	<b>(13,087)</b>	<b>6,893</b>	<b>(6,396)</b>
<b>Operating expenses</b>				
Distribution cost	(540)	(1,151)	(213)	(202)
Administrative expenses	(28,498)	(23,916)	(9,970)	(4,729)
Other operating income	1,502	467	(43)	155
<b>Operating loss</b>	<b>(34,311)</b>	<b>(37,687)</b>	<b>(3,333)</b>	<b>(11,172)</b>
Finance cost	(3,660)	(3,557)	(1,321)	(1,163)
<b>Loss before taxation</b>	<b>(37,971)</b>	<b>(41,244)</b>	<b>(4,654)</b>	<b>(12,335)</b>
Taxation	565	(244)	1,153	(7,764)
<b>Loss after taxation</b>	<b>(37,406)</b>	<b>(41,489)</b>	<b>(3,501)</b>	<b>(20,099)</b>
<b>Loss attributable to:</b>				
- Owners of the Holding company	-	-	(3,501)	(20,099)
- Non-controlling interest	-	-	-	-
<b>Loss for the period</b>	<b>-</b>	<b>-</b>	<b>(3,501)</b>	<b>(20,099)</b>
<b>Loss per share - basic and diluted</b>	<b>(6.86)</b>	<b>(7.61)</b>	<b>(0.64)</b>	<b>(3.69)</b>

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
Condensed Interim Consolidated Statement Of Comprehensive Income - Un-Audited  
For The Nine Months Period Ended March 31, 2018

	<u>Nine months ended March 31</u>		<u>Quarter ended March 31</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>------(Rupees in thousand)-----</b>				
<b>Loss after taxation</b>	<b>(37,406)</b>	<b>(41,489)</b>	<b>(3,501)</b>	<b>(20,099)</b>
Other comprehensive income	-	-	-	-
<b>Total comprehensive loss</b>	<b><u>(37,406)</u></b>	<b><u>(41,489)</u></b>	<b><u>(3,501)</u></b>	<b><u>(20,099)</u></b>
<b>Total comprehensive loss attributable to:</b>				
- Owners of the Holding company	-	-	(3,501)	(20,099)
- Non-controlling interest	-	-	-	-
	<u>-</u>	<u>-</u>	<u>(3,501)</u>	<u>(20,099)</u>

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**Condensed Interim Consolidated Cash Flow Statement - Un- Audited**  
**For The Nine Months Period Ended March 31, 2018**

	March 31	March 31
	2018	2017
Note	(Rupees in thousand)	
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(37,971)	(41,244)
Adjustments for:		
Depreciation	6,610	6,608
Provision for staff gratuity	-	-
Finance cost	3,660	(3,557)
	10,270	3,051
Operating loss before working capital changes	(27,701)	(38,193)
Decrease in current assets		
Stock-in-trade	1,341	9,454
Trade debts	1,066	(8,660)
Loans and advances	(4,325)	(9,646)
Deposits, prepayments and other receivable	(692)	3,422
	(2,610)	(5,430)
Decrease / (increase) in current liabilities		
Trade and other payables	6,565	35,146
	(23,746)	(8,478)
Taxes paid	(451)	(1,001)
Gratuity paid	(20)	(605)
Finance cost paid	(15)	7,036
	(486)	5,430
Net cash used in operating activities	(24,232)	(3,048)
CASH FLOWS FROM INVESTING ACTIVITIES		
Fixed capital expenditure incurred	(41)	-
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from long term borrowing	10,814	(1,423)
Short term borrowings obtained	-	2,851
Net cash generated from financing activities	10,814	1,428
Net decrease in cash and cash equivalents	(13,459)	(1,621)
Cash and cash equivalents at beginning of the period	13,810	1,731
Cash and cash equivalents at end of the period	351	110

The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**

**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
Condensed Interim Consolidated Statement Of Changes In Equity - Un- Audited  
For The Nine Months Period Ended March 31, 2018

	Issued, subscribed and paid-up capital	Capital Share Premium	Reserves General Unappropriated loss	Total	
	----- (Rupees in thousand) -----				
Balance as at July 01, 2016	54,500	29,727	23,073	(285,012)	(177,712)
Total comprehensive loss for the period					
Loss after taxation for the period	-	-	-	(41,489)	(41,489)
Transfer from surplus on revaluation of property, plant and equipments	-	-	-	5,332	5,332
Balance as at March 31, 2017	54,500	29,727	23,073	(321,169)	(213,869)
Balance as at July 01, 2017	54,500	29,727	23,073	(349,328)	(242,028)
Total comprehensive loss for the period					
Loss after taxation for the period	-	-	-	(37,406)	(37,406)
Transfer from surplus on revaluation of property, plant and equipments	-	-	-	3,418	3,418
Balance as at March 31, 2018	54,500	29,727	23,073	(383,316)	(276,016)

*The annexed notes 1 to 8 form an integral part of this condensed interim consolidated financial information.*

  
**Chief Executive**

  
**Director**

  
**Chief Financial Officer**



**JOHNSON & PHILLIPS (PAKISTAN) LIMITED**  
**Condensed Interim Consolidated Notes To The Financial Information - Un-Audited**  
**For The Nine Months Period Ended March 31, 2018**

## 1 STATUS AND NATURE OF BUSINESS

- 1.1** Johnson & Phillips (Pakistan) Limited ("the Holding Company") was incorporated in Pakistan as a public limited company on April 15, 1961 and its shares are quoted on Karachi Stock Exchange (Guarantee) Limited. The registered office of the Holding Company is situated at C-10, South Avenue, S.I.T.E., Karachi. The Holding Company is principally engaged in manufacturing, installing and selling of electrical equipments. Etheridge Company Limited, held 2,719,536 (June 30, 2017: 2,719,536) ordinary shares of Rs. 10 each of the Holding Company as at March 31, 2018, which constitute 49.90% of total shares issued.

Subsidiaries of Johnson & Phillips (Pakistan) Limited are public and private limited companies and are engaged in the business of manufacturing and sale of electrical and mechanical equipments/appliances and participation in turnkey engineering industrial projects.

The following Subsidiary Companies have been consolidated in the condensed interim consolidated financial information of the Holding Company:

<b>Subsidiary Companies</b>	<b>Company Status</b>	<b>Group Holding</b>
Johnson & Phillips Industries (Pakistan) Limited	Public Limited	100%
Johnson & Phillips Transformers (Private) Limited	Private Limited	70%
Johnson & Phillips EMO Pakistan (Private) Limited	Private Limited	51%

- 1.2** The subsidiaries of the Group, Johnson & Phillips Industries (Pakistan) Limited and Johnson & Phillips Transformer (Private) Limited ceased production in July 1997 and February 1998 respectively. The accumulated losses of the Group as at March 31, 2018 stand at Rs. 383.316 million (June 30, 2017: Rs. 349.328 million) resulting in a negative equity of Rs. 276.016 million (June 30, 2017: Rs. 242.028 million) and as at that date the Group's current liabilities exceeded its current assets by Rs. 165.145 million (June 30, 2017: Rs. 145.416 million). Consequently, the ability of the Group to continue as a going concern is dependent on the following significant factors:

In spite of the above stated circumstances the management of the Holding Company still considers that the going concern assumption used for the preparation of these unaudited consolidated interim financial statements is appropriate in view of the following major facts:

- i) The Holding Company has already got its obligations rescheduled in respect of long term loans and financial arrangements, including repayment of principal and accumulated markup thereon with various lenders.
- ii) Efforts are underway to obtain orders so that sales volume as well as profitability can be maintained and the management expects favorable improvements during the year ending June 30, 2018 and thereafter. The Strategic Business Revival Plan put forward by Management of the Holding Company is approved by the Board of Directors.
- iii) The Board of Holding company has provided in past continued support and expresses its commitment in order to maintain the going concern status of the Holding Company. This support is evident from the fact that a Director had in the past provided loan and financial support to the Holding Company.
- iv) The Management after approval of the shareholders in the Extra Ordinary General Meeting (EOGM) to be held on April 26, 2018 will implement a new business plan.

The management of the Holding Company is confident that the above factors shall enable the Holding Company to continue as going concern for foreseeable future; hence, these consolidated financial statements have been prepared on going concern assumption.

## 2 BASIS OF CONSOLIDATION

This interim consolidated financial information has been prepared from the information available in the un-audited separate financial information of the Holding Company for the nine months period ended March 31, 2018 and the un-audited financial information of the Subsidiary Companies for the Nine months ended March 31, 2018.

The financial information of the Subsidiary Companies were prepared for the same reporting period as the Holding Company, using consistent accounting policies and changes were made when necessary to align them with the policies adopted by the Holding Company.

The assets and liabilities of the Subsidiary Companies have been consolidated on a line by line basis. The carrying value of investment held by the Holding Company is eliminated against the Subsidiary Companies' shareholders' equity in the consolidated financial information. All material intra-group balances and transactions were eliminated in full.

Non-controlling interest is that portion of equity in a subsidiary that is not attributable, directly or indirectly, to the Holding Company. Non-controlling interest are presented as separate item in the interim consolidated financial information.

## 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### 3.1 Basis of Preparation

This condensed interim consolidated financial information of the Company for the Nine months period ended March 31, 2018 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 34 "Interim Financial Reporting" as applicable in Pakistan and provisions of and directives issued under the Companies Act, 2017. In case where requirements differ, the provisions of or directives issued under the Companies Act, 2017 have been followed.

This condensed interim consolidated financial information does not include all of the information and disclosures required for annual consolidated financial statements, and should be read in conjunction with the consolidated financial statements of the Company as at and for the year ended 30 June 2017. Comparative consolidated balance sheet is extracted from annual consolidated financial statements as at June 30, 2017 whereas comparative consolidated profit and loss account, consolidated statement of comprehensive income, consolidated cash flow statement and consolidated statement of changes in equity were extracted from un-audited condensed interim consolidated financial information for the Nine months period ended March 31, 2018.

This condensed interim consolidated financial information is unaudited and is being submitted to the shareholders as required under section 237 of the Companies Act, 2017 and the Listing regulations of Pakistan Stock Exchange.

### 3.2 Accounting Convention

The accounting policies, significant judgements made in the application of accounting policies, keys sources of estimations, the methods of computation adopted in preparation of this condensed interim consolidated financial information and financial risk management policy were the same as those applied in the preparation of the preceding annual consolidated financial statements of the Company for the year ended June 30, 2017.

## 4 PROPERTY, PLANT AND EQUIPMENT-TANGIBLE

	Un-audited March 31 2018	Audited June 30, 2017
	(Rupees in thousand)	
<b>Owned</b>		
Opening written down value	175,318	243,307
Additions	41	-
Depreciation	(6,610)	(67,989)
Closing written down value	<u>168,749</u>	<u>175,318</u>

## 5 CONTINGENCIES AND COMMITMENTS

### 5.1 Contingencies



## 5.1.1 a) Guarantees

Un-audited March 31 2018 (Rupees in thousand)	Audited June 30 2017
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The banks have issued guarantees, on behalf of the Company as detailed below:

Guarantees against performance bond

1,794	2,679
-------	-------

## 5.1.1 b) Labour, Others, Professional Fee Payable, Unsecured Loan &amp; Tax Assessment of Subsidiaries Companies.

There were no change in status of Labour, Professional fee payable, Unsecured Loan and Tax Assessment of Subsidiaries Companies as disclosed in the last audited annual consolidated financial statements for the year ended June 30, 2017.

## b1 Others

## b1.1 Pursuant to a recovery suit filed by the National Bank of Pakistan against Johnson &amp; Phillips Transformers (Pvt.) Limited (Defendant No.1) and Johnson &amp; Phillips (Pakistan) Limited (Defendant No.2), the Banking Court No. III, Lahore passed a compromise decree.

The Bank agreed that prior to executing the Decree against the Defendant No.2 as guarantor, the Bank will execute against all assets of the Defendant No. 1. Some payments has been made to the Bank while the remaining amount of Rs. 25,894 thousand is still payable. The execution proceedings in this case are now pending before the Banking Court No. III.

## b1.2 The Company has filed a suit for the recovery of insurance claim of Rs 3.734 million (2017: Rs 3.734 million) in Honorable High Court of Sindh Karachi against the EFU General Insurance Limited and M/s Hanilay &amp; Co. (Private) Limited.

## b1.3 During the period an order was passed by additional commissioner IR raising demand of Rs.5.988 million for default in deduction / payment of withholding sales tax and recovered Rs.4.268 million from the Company's bank accounts. The Company has filed appeal before Deputy Commissioner IR against the said order and also requested to withdraw the notice of attachment of bank accounts. The recovered amount is shown under sales tax refundable as the Company's tax consultants are confident of favourable outcome of the appeal.

## 5.2 Commitments

There is no commitment as at March 31, 2018 (June 30, 2017 : Nil)

## 6 TRANSACTION WITH RELATED PARTIES

The related parties comprise associated companies, directors, key management personnel and post employment benefit plans. The Company in the normal course of business carries out transactions with various related parties. Amounts due from and to related parties, contribution of staff benefit funds, return on loans, amounts due from executives and remuneration of directors and executives alongwith other transactions with related parties are given below:

Un-audited December 31 2017 (Rupees in thousand)	Un-audited December 31 2016
---	-----------------------------------

Payments made on behalf of subsidiary companies

-	119
---	-----

Payment of loan on behalf of a subsidiary company

-	5,000
---	-------

Remuneration and benefits to key management personnel

3,600	1,863
-------	-------

Payment of contribution provident fund trust

407	411
-----	-----

All transactions with related parties have been carried out by the Holding Company at arm's length prices using the comparable uncontrolled price method.

## 7 DATE OF AUTHORIZATION

This condensed interim consolidated financial information was authorized for issue on April 24, 2018 by the Board of Directors of the Holding Company.

## 8 GENERAL

Figures have been rounded off to the nearest thousand rupee.

  
Chief Executive

  
Director

  
Chief Financial Officer