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VISION STATEMENT

Our office is in the market

MISSION STATEMENT

We the people of Murree Brewery Co. make personal commitment to first understand our customers' requirement then to meet & exceed their expectations, by performing the correct tasks on time and every time through:

Continuous improvement

Alignment of our missions & goals

Responsibility and respect of our jobs and each other

Educate one another

Murree Brewery Company Limited

ESTABLISHED 1860

CORPORATE INFORMATION

BOARD OF DIRECTORS

Chairman

Mr. Khurram Muzaffar

Chief Executive Officer
Directors

Mr. Isphanyar M. Bhandara
Ch. Mueen Afzal
Mr. Aamir H. Sherazi
Mrs. Goshi M. Bhandara
Lt. Gen (R) Zarrar Azim
Mr. Osman Khalid Waheed

PRINCIPAL OFFICERS

Company Secretary

Mr. M. Zaffar Iqbal

Chief Financial Officer

Mr. Mazhar Iqbal

Head Internal Audit

Mr. Malik Saqib Gul Nawaz

General Manager (Brewery Division)

Mr. Mohammad Javed

Business Manager (Murree Glass)

Mr. Arshad Zaheer

Plant Manager (=)

Mr. Zaka ud Din

General Manager (Tops)

Mr. Talat Yaqoob

Factory Manager (Murree Sparkletts)

Mr. Fayyaz Ahmad

AUDIT COMMITTEE

Lt. Gen ® Zarrar Azim (Chairman)
Ch. Mueen Afzal (Member)
Mrs. Goshi M. Bhandara (Member)
Mr. Khurram Muzaffar (Member)

HUMAN RESOURCE AND REMUNERATION COMMITTEE

Ch. Mueen Afzal (Chairman)
Mrs. Goshi M. Bhandara (Member)
Mr. Khurram Muzaffar (Member)

AUDITORS

M/s KPMG Taseer Hadi & Co.
Chartered Accountants.
6th Floor, State Life Bldg,
Jinnah Avenue, Islamabad.

PRINCIPAL BANKERS

Askari Commercial Bank Ltd, Islamabad
Standard Chartered Bank, Islamabad
National Bank of Pakistan, Rawalpindi / Hattar
Bank Alfalah Ltd, Rawalpindi
The Bank of Khyber, Hattar
Allied Bank Ltd, Rwp /Lhr /Gujranw /F/Abad /Multan
Sahiwal / Murree / Sargodha

Murree Brewery Company Limited

ESTABLISHED 1860

CORPORATE INFORMATION

REGISTERED OFFICE

Murree Brewery Company Limited
National Park Road, Rawalpindi
Tel: 051-5567041-47, Fax: 051-5584420.
E-mail: murreebrewery@cyber.net.pk
murbr@cyber.net.pk
Website: www.murreebrewery.com

FACTORIES

- (1) **Murree Brewery Company Limited**
National Park Road, Rawalpindi
Tel: 051-5567041-47, Fax 051-5584420
- (2) (a) **Tops Food & Beverages.**
National Park Road, Rawalpindi
Tel: 051-5567041-47, Fax 051-5565461
- (b) Plot No. 14/1, Phase III, Industrial Estate,
Hattar, **District Haripur (K.P.K)**
Tel: 0995-617013, 617493, 617494
- (3) **Murree Sparkletts**
Plot, No. 10/2, Phase-III, Industrial Estate,
Hattar, **District Haripur (K.P.K)**
- (4) **Murree Glass**
Plot No. 24, Phase III, Industrial Estate,
Hattar. **District Haripur (K.P.K)**
Tel: 0995-617233, Fax: 0995-617188
- (iv) Mohallah Noorpura,
Bahawalpur Bypass Road, **Multan**
Ph: 061-4232964
Mob: 0345-8597704
- (v) 164/B, Near Winter Time,
Small Industries Estate, **Sahiwal**
Mob: 0335-5611125
0321-6954001
- (vi) Ratti Gali, Ayoubia Road, **Murree**
Mob: 0335-5111047
- (vii) Plot No. 28-B Small
Industrial Estate Opp.
Siddique Kantawala Main
Lahore Road, **Sargodha**
Mob #: 0335-5611103

LEGAL ADVISORS

- (i) Hamid Law Associates,
409-410, Alfalah Building,
Shahrah-e-Quaid-e-Azam,
Lahore. Tel: 042-6301801)
- (ii) Mr. Umer Abdullah (Advocate)
Chaudhary Law Associates
Advocate High Court
Flats No. 5 & 6, 1st Floor, MICCOP Centre,
1. Mozang Road, Lahore.
Cell # 0300-8430877-0345-8412222

TAX ADVISOR

Naseem Zafar Associates
16-A, First Floor, Sadiq Plaza,
69-Shahrah-e-Quaid-e-Azam, Lahore.
Tel: 042-6360275-6

DISTRIBUTION OFFICES

- (i) Tops Food & Beverages,
121/3, Industrial Estate, Kot Lakhpat,
Lahore. (Tel: 042-5117501)
- (ii) Aziz Chowk Pindi Bypass,
Galla Sonica Industry,
G.T Road, **Gujranwala** (Tele: 055-3891571)
- (iii) Mansoorabad
Near Sant Sing Railway Gate
Jumra Road, **Faisalabad**
Tele: (041-8522182 & 2420580)

Murree Brewery Company Limited

DIRECTORS' REPORT TO THE SHAREHOLDERS FOR THE FIRST QUARTER ENDED 30TH SEPTEMBER, 2016

The Directors take pleasure in presenting their report along with un-audited financial statements for the first quarter ended 30th September, 2016.

A brief review of the Company's performance for the period against the corresponding period of the last year is as follows:-

• Turnover	Rs.2,897 million increased by	26.02%.
• Gross profit	Rs. 599 million increased by	29.96%.
• Operating profit	Rs. 369 million increased by	33.30%
• Profit before tax	Rs. 405 million increased by	31.19%
• Profit after tax	Rs. 284 million increased by	35.19%
• Earnings per share	was Rs.12.32 against Rs.9.12 in the previous year.	

Important issues:

1. Ban on sale of liquor in Sindh

Two parties filed a Writ Petition in the Sindh High Court, Karachi with regard to sale of liquor in the province.

The Divisional Bench of the Honourable Sindh High Court on 18th October, 2016 ordered with reference to Prohibition (Enforcement of Hadd) Order 1979 that "liquor can only be provided to non-Muslim citizens of Pakistan (or to non-Muslim foreigners) as a part of religious ceremony only" and later the Director General Excise Taxation and Narcotics Control was instructed to initiate the process of recalling, licenses granted to liquor shops which has been done.

Although this does not amount to prohibition of the sale of liquor in the province (as in Khyber Pakhtunkhwa) the Honourable Court wants to limit the sale to non muslims for their religious ceremonies.

As this concerns minorities protected by the Constitution it is likely to be contested and take time to be decided. This is a serious matter for the company as liquor sales to Sindh province which were 70% of our production will be drastically reduced till the licenses remain revoked.

2. Diversification

The Board is conscious of the need to diversify by producing non alcoholic products and for many year the liquor division is producing (non alcoholic products) like Bigg Apple and Cindy.

The glass division was able to sell part of its production to outside parties in the year to 30th June, 2016 which is increasing resulting in an increase in operating profit of over Rs.100 million in the quarter which is the main reason for the increased earnings per share.

3. Still Head Duty

The Punjab Government issued a notification # SO(E&M)2-3/2011(P-II) dated 24th June, 2015 through which Still Head Duty was levied from 1st July, 2015 on all Pakistan made Foreign Liquor and Beer meant for consumption outside the Province of Punjab. The Company challenged this notification in the Lahore High Court, Lahore. The notification was set aside by the Honorable High Court on 27th June 2016, The Punjab Government has filed an appeal for review which is pending before the Honorable High Court, Lahore and continue to charge the duty on dispatches outside the province of Punjab.

The company is contesting the case vigorously.

Murree Brewery Company Limited

4. Gas Infrastructure Development Cess (GIDC)

The Company and Industry has challenged the GIDC Act, 2015 and filed a Writ Petition in the Islamabad High Court including retrospective treatment of the provision of the GIDC Act. The Court has granted a stay under the GIDC Act, 2015.

Your attention is also drawn to Note No. 4.2 of the financial information as at 30th September, 2016 was approx: Rs.127 million (30th June: 116.8 million)

5. Case Filed By Shareholder

One of our Shareholders M/s Kingsway Fund filed a petition in the Lahore High Court, Rawalpindi Bench praying therein to restrain Murree Brewery Co. Ltd. from increasing the Authorized Share Capital and from issuing the Stock Dividend @ 1500% and also to restrain announcing the Book Closure in September 2016. M/s Kingsway Fund later filed an application before the Principal Seat praying therein "the case may be transferred to Lahore Bench". The case has been transferred to Lahore and came up for hearing on 18th October, 2016 when judgment was reserved. Later the Honourable Court directed that Book Closure (fixed from 3rd November, 2016 to 9th November, 2016) be held in abeyance till an order is issued.

The Company has followed the Law and SECP directions and is contesting the shareholders petitions.

Attention of Shareholders is also invited to the directors' report for the year ended 30th June, 2016 which provides a detailed review of the Company's operations.

The Board would like to express its appreciation for the commitment, devotion and hard work of employees, support of our customers, stakeholders and Government department in our operations.

Rawalpindi

Date: 28th October, 2016


Chairman

Murree Brewery Company Limited

CONDENSED INTERIM BALANCE SHEET AS AT 30 SEPTEMBER 2016

	30 Sep 16 (Un-audited)	30 June 16 (Audited)		30 Sep 16 (Un-audited)	30 June 16 (Audited)	
	(Rs '000)	(Rs '000)		(Rs '000)	(Rs '000)	
SHARE CAPITAL AND RESERVES			NON-CURRENT ASSETS			
Share capital	3	230,530	230,530	5	3,896,385	3,942,906
Reserves:			Investment Property		284,571	284,570
Capital reserve		30,681	30,681			
Reserve for Issue of Bonus Shares	3	3,457,954	-		12,920	9,910
Contingency reserve		20,000	20,000		323,497	323,497
General reserve		327,042	327,042		23,168	22,785
Unappropriated Profit		1,788,481	5,189,816		4,540,541	4,583,668
		5,624,158	5,567,539			
		5,854,688	5,798,069			
SURPLUS ON REVALUATION OF PROPERTY, PLANT AND EQUIPMENT - Net of Tax		2,568,908	2,571,936			
NON CURRENT LIABILITIES			CURRENT ASSETS			
Liabilities against assets subject to finance lease		17,827	12,345		106,214	106,572
Deferred liabilities - staff retirement benefits		189,305	176,286		1,228,271	1,477,354
Deferred taxation		84,293	88,649		101,356	57,736
		291,425	277,280		101,597	52,125
					38,652	61,064
CURRENT LIABILITIES			Short term investments		1,273,401	1,283,131
Current portion of liabilities against assets subject to finance lease		566	8,059		257,549	168,372
Trade and other payables		882,018	836,374		2,180,554	1,701,696
Dividend Payable		230,530	-		5,287,594	4,908,050
		1,113,115	844,433			
CONTINGENCIES AND COMMITMENTS	4	-	-			
		9,828,136	9,491,718		9,828,136	9,491,718

The annexed notes form an integral part of these interim financial statements.


CHIEF EXECUTIVE


DIRECTOR

Murree Brewery

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

	Liquor Division		Glass Division	
	1st Quarter Ended		1st Quarter Ended	
	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
TURNOVER				
Third party sales - net	2,028,052	1,646,235	124,267	-
Inter divisional sales	148,465	137,907	257,026	65,062
	2,176,517	1,784,142	381,293	65,062
Less: Duties and taxes	(785,276)	(606,731)	(18,056)	-
	1,391,241	1,177,410	363,237	65,062
COST OF SALES				
Third party	(775,849)	(757,684)	(239,025)	(45,366)
Inter divisional	(246,881)	(65,317)	-	-
	(1,022,730)	(823,001)	(239,025)	(45,366)
GROSS PROFIT	368,511	354,409	124,212	19,696
Distribution cost	(63,989)	(67,164)	(1,397)	(944)
Administrative expenses	(70,001)	(40,861)	(9,151)	(6,491)
Finance cost	(1,205)	(182)	(206)	(5)
	(135,195)	(108,208)	(10,754)	(7,439)
	233,317	246,201	113,458	12,257
Other expenses				
Other operating income				
NET PROFIT BEFORE TAXATION				
Provision for taxation				
NET PROFIT AFTER TAXATION				
EARNINGS PER SHARE - BASIC AND DILUTED (Rupees) - Note 7				

The annexed notes form an integral part of these interim financial statements.



CHIEF EXECUTIVE

Company Limited

FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Tops Division		MBC	
	1st Quarter Ended		1st Quarter Ended	
	30 Sep 16	30 Sep 15	30 Sep 16	30 Sep 15
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
	744,611	652,357	2,896,931	2,298,592
	8,692	6,154	-	-
	753,303	658,511	2,896,931	2,298,592
	(169,162)	(145,082)	(972,494)	(751,813)
	584,141	513,429	1,924,437	1,546,779
	(310,064)	(282,452)	(1,324,938)	(1,085,502)
	(167,302)	(143,805)	-	-
	(477,365)	(426,257)	(1,324,938)	(1,085,502)
	106,776	87,172	599,499	461,277
	(66,996)	(55,038)	(132,383)	(123,146)
	(17,204)	(13,541)	(96,355)	(60,893)
	(209)	(131)	(1,621)	(318)
	(84,409)	(68,710)	(230,359)	(184,357)
	22,367	18,461	369,141	276,920
			(26,364)	(20,456)
			62,680	52,597
NET PROFIT BEFORE TAXATION			405,457	309,061
Provision for taxation			(121,336)	(98,900)
NET PROFIT AFTER TAXATION			284,121	210,162
EARNINGS PER SHARE - BASIC AND DILUTED (Rupees) - Note 7			12.32	9.12



DIRECTOR

Murree Brewery Company Limited

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Quarter ended 30 Sep. 16 (Rs. '000)	Quarter ended 30 Sep. 15 (Rs. '000)
Profit after tax	284,121	210,162
Other comprehensive income for the period	-	-
Total comprehensive income for the period	284,121	210,162

The annexed notes form an integral part of these interim financial statements.



CHIEF EXECUTIVE



DIRECTOR

Murree Brewery Company Limited

CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Quarter ended 30 Sep. 16 (Rs. '000)	Quarter ended 30 Sep. 15 (Rs. '000)
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	405,457	309,061
Adjustment for:		
Depreciation	69,500	49,518
Provision for staff retirement benefits	16,457	8,343
Profit on deposits/dividend income	(20,017)	(54,444)
Finance cost	1,621	318
Unrealised (Profit)/loss on re-measurement of Investments	(21,453)	(618)
(Profit)/loss on disposal of property, plant and equipment	(6,328)	1,847
	39,605	4,789
Operating profit before working capital changes	445,062	313,851
(Increase)/decrease :		
- Stock and stores	358	801
- Stock in trade	249,083	(42,570)
- Trade debts	(43,620)	(4,511)
- Advances, receivables and prepayments	(21,483)	(23,074)
- Current Liabilities	46,359	(60,967)
	230,697	(130,322)
	675,759	183,529
Finance cost paid	(1,621)	(318)
Staff retirement benefits paid	(3,437)	(2,572)
Income tax paid	(214,869)	(149,772)
NET CASH GENERATED/(USED IN) OPERATING ACTIVITIES	455,832	30,866
CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(23,119)	(49,176)
Proceeds of property, plant and equipment	6,463	268
Long term deposits and advances	(3,393)	(1,771)
Decrease/(Increase) in short term investments	31,000	(31,617)
Profit on deposits/dividend income	14,441	39,390
NET CASH GENERATED/(USED IN) INVESTING ACTIVITIES	25,392	(42,905)
CASH FLOW FROM FINANCING ACTIVITIES		
Re-payment of finance leases	(1,950)	(328)
Dividend paid	(416)	-
NET CASH USED IN FINANCING ACTIVITIES	(2,366)	(328)
Net increase in cash and cash equivalents	478,858	(12,366)
Cash and cash equivalents at beginning of the period	1,701,696	3,013,619
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	2,180,554	3,001,253

The annexed notes form an integral part of these interim financial statements.



CHIEF EXECUTIVE



DIRECTOR

Murree Brewery Company Limited

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

	Share capital (Rs. '000)	Capital reserve (Rs. '000)	Reserve for Issue of Bonus Shares (Rs. '000)	Contingency reserve (Rs. '000)	General reserve (Rs. '000)	Unappropriated profit (Rs. '000)	Total equity (Rs. '000)
Balance at 01 July, 2015	230,530	30,681		327,042	20,000	4,193,571	4,801,824
Total comprehensive income for the three months period ended 30 Sep. 2015	-	-		-	-	210,162	210,162
Surplus on revaluation of property, plant and equipment realized through depreciation for the year - net of deferred tax	-	-		-	-	12,115	12,115
Balance as at 30 September 2015	230,530	30,681		327,042	20,000	4,415,848	5,024,101
Balance at 01 July, 2016	230,530	30,681		327,042	20,000	5,189,816	5,798,069
Total comprehensive income for the three months period ended 30 Sep. 2016	-	-		-	-	284,121	284,121
Surplus on revaluation of property, plant and equipment realized through depreciation for the year - net of deferred tax	-	-		-	-	3,028	3,028
Transactions with owners, recorded directly in equity							
Interim Dividend for the year ended 30 June 2016 2016 Rs. 10/- per share						(230,530)	(230,530)
Transfer for Interim Bonus shares for the year ended 30 June 2016 @ 1500% i.e. 15 shares against one share			3,457,954			(3,457,954)	-
			3,457,954			(3,688,484)	(230,530)
Balance as at 30 September 2016	230,530	30,681	3,457,954	327,042	20,000	1,788,481	5,854,688



CHIEF EXECUTIVE



DIRECTOR

Murree Brewery Company Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

1 STATUS AND NATURE OF

Murree Brewery Company Limited ("the Company") was incorporated under the repealed Indian Companies Act (now the Companies Ordinance, 1984) in February 1861 as a public limited Company in Pakistan. Previously, the shares of the Company were quoted on Karachi, Lahore and Islamabad stock exchanges of Pakistan. However, due to integration of these Stock Exchanges into Pakistan Stock Exchange effective January 11, 2016 the shares of the Company are now quoted on Pakistan Stock Exchange. The registered office of the Company is situated at National Park Road in Rawalpindi. The Company is principally engaged in the manufacturing of alcoholic beer, non alcoholic beer, Pakistan Made Foreign Liquor (P.M.F.L), juices in tetra packs in Rawalpindi and food products, juices, mineral water, glass bottles and jars in Hattar. The Company is presently operating three divisions namely Liquor Division, Tops Division and Glass Division to carry out its principal activities.

2 BASIS OF PREPARATION

2.1 This condensed interim financial information of the Company for the three months period ended 30 September 2016 has been prepared in accordance with the requirements of the 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 disclosures in this condensed interim financial information do not include the information that reported for full annual audited financial statements and should therefore be read in conjunction with the annual audited financial statements for the year ended 30 June 2016. Comparative balance sheet is extracted from the annual audited financial statements as of 30 June 2016, whereas comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from condensed interim financial information for the three months period ended 30 September 2015.

2.2 This condensed interim financial information is unaudited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Pakistan Stock Exchange Limited.

2.3 The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations and the methods of computation adopted in preparation of this condensed interim financial information and financial risk management policy are the same as those applied in preparation of annual audited financial statements for the year ended 30 June 2016.

3 SHARE CAPITAL & RESERVES

There is no change in the paid up share capital of the Company as disclosed in the financial statements for the year ended 30 June 2016. Regarding the matter reported in note # 40 of the financial statements for the year ended 30 June 2016, in the Extra Ordinary General Meeting, as duly held on 29th September 2016, the shareholders passed the resolutions of the referred amendments for the increase of authorized capital from Rs. 300 million to Rs. 4 billion. However, a shareholder Kingsway has challenged the said in the Lahore High Court and the matter is yet subjudice. The sum of Rs. 3.46 billion has been appropriated to "Reserve for Issue of Bonus Shares" as per the referred resolutions to be capitalised upon the allotment of the bonus shares, however, the allotment of bonus shares is pending since book closure for bonus shares revised as per directions of the authorities. Also the matter at note 11 is referred.

Murree Brewery Company Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED)
FOR THE QUARTER ENDED 30 SEPTEMBER 2016

4 CONTINGENCIES AND COMMITMENTS

There is no change in the contingencies and commitments of the Company as disclosed in the financial statements for the year ended 30 June 2016, except the following:

Contingencies:

- 4.1 The Company is contingently liable in respect of guarantees amounting to Rs. 48.7 million (30 June 2016: Rs. 48.7 million) issued by banks on behalf of the Company in normal course of business.
- 4.2 Refer to note # 12.2 of the financial statements for the year ended 30 June, 2016, unpaid GIDC up to 30 September 2016 is of Rs. 127 million (30 June 2016: 116.8 million).

Commitments:

- 4.3 The Company has opened Letters of Credit for the import of machinery and inventory items valuing approximately Rs. 171 million (30 June 2016: Rs. 57.3 million).
- 4.4 The Company's contracted capital commitments outstanding at the balance sheet date amounting to Rs. 124 million (30 June 2016: Rs. 24.3 million).

5 PROPERTY, PLANT AND EQUIPMENT	Note	30 Sep 16 (Rs. '000)	30 Jun 16 (Rs. '000)
Opening balance		3,942,906	3,898,900
Additions during the period / year		23,119	301,371
		<u>3,966,025</u>	<u>4,200,271</u>
Disposals during the period / year at book value		135	15,398
Depreciation charged during the period / year		69,500	241,967
		69,635	257,365
		<u>3,896,389</u>	<u>3,942,906</u>
5.1 Additions during the period:			
Buildings		-	20,959
Plant and machinery		18,508	197,470
Furniture and fixtures		214	1,425
Motor vehicles		-	36,804
Capital work in progress		4,397	44,713
		<u>23,119</u>	<u>301,371</u>

- 5.2 Additions in and depreciation on property, plant and equipment during the quarter ended 30 September 2015 were Rs. 49.176 million and Rs. 49.518 million respectively.

Murree Brewery Company Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

6 COST OF SALES	Note	Quarter ended			Quarter ended	
		Liquor (Rs. '000)	Glass (Rs. '000)	Tops (Rs. '000)	30 Sep. 16 (Rs. '000)	30 Sep. 15 (Rs. '000)
Raw material consumed	6.1	816,966	81,965	427,324	1,326,255	1,145,976
Stores and spares consumed		8,715	18,706	152	27,573	10,363
Fuel and power		42,548	49,340	9,071	100,958	71,831
Salaries, wages and other benefits		61,184	19,319	22,118	102,621	72,500
Repair and maintenance		7,735	9,773	9,511	27,019	20,756
Other manufacturing overhead		3,922	6,194	1,769	11,885	6,927
Depreciation		19,097	36,126	7,954	63,177	43,321
		960,166	221,424	477,899	1,659,489	1,371,673
Work in process						
Opening stock 01 July		303,653	1,445	13,966	319,064	341,768
Closing stock 30 September		(264,273)	(1,445)	(21,480)	(287,198)	(340,301)
		39,380	-	(7,514)	31,866	1,468
Cost of goods manufactured		999,547	221,424	470,385	1,691,355	1,373,141
Add: Opening stock of finished goods 01 July		67,411	117,601	64,885	249,898	99,846
Less: Closing stock of finished goods 30 September		(44,227)	(100,000)	(57,905)	(202,131)	(178,362)
		23,185	17,601	6,980	47,766	(78,515)
		1,022,732	239,025	477,365	1,739,121	1,294,625
Less: Interdivisional transfers		(246,881)	-	(167,302)	(414,183)	(209,122)
		775,849	239,026	310,064	1,324,939	1,085,503
6.1 Raw material consumed						
Opening stock of raw material 01 July		687,645	16,980	203,544	908,169	494,117
Purchases		648,819	75,261	432,948	1,157,028	1,170,583
		1,336,465	92,240	636,492	2,065,197	1,664,700
Less: Closing stock of raw material 30 September		(519,499)	(10,275)	(209,168)	(738,942)	(518,724)
		816,966	81,965	427,324	1,326,255	1,145,976

7 EARNINGS PER SHARE - BASIC AND DILUTED	Quarter Ended	
	30 Sep. 16	30 Sep. 15
There is no dilutive effect on the basic earnings per share of the Company, which is based on :		
Net profit for the period - Rupees in ('000)	284,121	210,162
Weighted average number of shares - Numbers	23,053,025	23,053,025
Earnings per share - Rupees	12.32	9.12

8 ADDITIONAL INFORMATION ON DIVISIONS

The detail of utilization of the Company assets by the divisions as well as related liabilities is as follows:

	Liquor Division	Glass Division	Tops Division	Unallocated	Total
	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)	(Rs. '000)
Assets					
30 September 2016	6,596,341	758,862	876,035	1,596,898	9,828,136
30 June 2016	6,258,337	763,089	887,257	1,583,036	9,491,719
Liabilities					
30 September 2016	1,087,243	61,014	144,994	84,293	1,377,544
30 June 2016	790,608	59,793	181,852	89,462	1,121,715
Capital expenditure					
30 September 2016	18,245	2,424	2,450	-	23,119
30 June 2016	228,259	49,075	24,037	-	372,627
Depreciation					
30 September 2016	23,872	36,150	9,479	-	69,500
30 June 2016	76,030	130,967	34,970	-	241,967

Murree Brewery Company Limited

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION (UN-AUDITED) FOR THE QUARTER ENDED 30 SEPTEMBER 2016

9 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise directors, key management personnel, major shareholders, entities over which the directors are able to exercise influence and employees' fund. Transactions and balances with the related parties for the period are as follows:

	Quarter ended	
	30 Sep. 16 (Rs. '000)	30 Sep. 15 (Rs. '000)
Transactions with associated companies under common directorship		
Sales commission	19,778	15,968
Services acquired	3,000	3,000
Transactions with other related parties		
Contribution to staff provident fund	667	542
Contribution to staff pension fund	829	825
Remuneration of the Key Management Personnel	6,891	6,306

10 DATE OF APPROVAL

This condensed interim unaudited financial information was approved by the Board of Directors of the Company in their meeting held on 28 October, 2016.

11 POST BALANCE SHEET EVENTS

The Board of Directors have proposed a final cash dividend of Rs.10/- per share, for the year ended 30 June 2016 at their meeting held on 30 September 2016 for the approval of the members at the Annual General Meeting to be held on 28 October 2016. Also the matter at note 3 is referred.

12 GENERAL

- Figures have been re-arranged / re-classified, wherever necessary for the purpose of comparison.
- Figures have been rounded off to the nearest thousand of rupees, unless otherwise stated.



CHIEF EXECUTIVE



DIRECTOR