

COMMITMENT TO
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Condensed Interim Financial Information
for the Three months ended March 31, 2015

Corporate Information

Board of Directors

Mueen Afzal
Chairman and Non-Executive Director

Graeme Amey
Managing Director and CEO

Syed Javed Iqbal
Director Finance & IT

Tajamal Shah
Legal Director

Lt. Gen. (Retd.) Ali Kuli Khan Khattak
(Non-Executive Director)

Syed Asif Shah
(Non-Executive Director)

Abid Niaz Hasan
(Non-Executive Director)

Brendan Brady
(Non-Executive Director)

Felicio Ferraz
(Non-Executive Director)

Audit Committee

Abid Niaz Hasan

Lt. Gen. (Retd.) Ali Kuli Khan Khattak

Syed Asif Shah

Umar Mansoor (Secretary)

Company Secretary

Ayesha Rafique

Registered Office

Pakistan Tobacco Company Limited
Serena Business Complex, Khayaban-e-
Suhrawardy. P.O. Box 2549, Islamabad-44000
Telephone: +92 (051) 2083200, 2083201
Fax: +92 (051) 2604516
Web: www.ptc.com.pk

Factories

Akora Khattak Factory
P.O. Akora Khattak
Tehsil and District Nowshera,
Khyber Pakhtunkhwa
Telephone: +92 (0923) 561561-72
Fax: +92 (0923) 561502

Jhelum Factory
G.T. Road, Kala Gujran
Jhelum
Telephone: +92 (0544) 646500-7
Fax: +92 (0544) 646524

Bankers

Citibank N.A.
Deutsche Bank
Habib Bank Limited
MCB Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Ltd.

Auditors

A.F. Ferguson & Co.
Chartered Accountants
3rd Floor, PIA Building
49 Blue Area, P.O. Box 3021
Islamabad-44000
Telephone: +92 (051) 2273457-60
Fax: +92 (051) 2277924

Share Registrar

FAMCO Associates (Pvt.) Ltd.
8-F, Near Hotel Faran, Nursery, Block 6,
P.E.C.H.S, Shahrah-e-Faisal,
Karachi
Ph: +92 (021) 34380101-2

Directors' Review

The Directors present the performance of Pakistan Tobacco Company Limited (PTC) for the first quarter ended March 31, 2015.

The Company has shown notable performance in Q1'15 despite external challenges including political instability, volatile security and down trading to cheap duty evaded cigarettes. PTC was able to marginally grow its market share and volume in Q1'15 vs. SPLY attributed mainly to effective marketing spend and strong brand portfolio.

Key financial indicators of PTC for Q1 2015 are:

	Rs (million)	
	Jan - Mar, 2015	Jan - Mar, 2014
Gross Turnover	32,861	26,883
Net Turnover	11,346	9,190
Cost of Sales	6,622	6,045
Gross Profit	4,724	3,145
Operating Profit	3,100	1,897
Profit Before Tax – PBT	3,126	1,884
Profit After Tax – PAT	2,083	1,243
Earnings Per Share – EPS (Rs)	8.15	4.87

PTC registered growth in Gross Turnover vs. SPLY due to carry over impact of June 2014 price increase and sales volume increase. Increase in turnover is mainly attributed to investments behind our largest Value for Money brand i.e. 'Capstan by Pall Mall Original' (CbPMO) that have revamped the packaging of CbPMO to further enhance its brand equity.

Cost of Sales are 9.5% higher vs. SPLY primarily due to inflationary increase in raw material prices and higher sales volumes. PTC continues to focus on productivity enhancements to grow gross profit.

PTC contributed Rs.22.7bn during Q1'15 (22% higher vs. SPLY) to the National Exchequer in the form of excise duty, sales tax, customs duties and income tax. Sustainable growth in Government revenues is under threat due to exponential rise in illicit trade of cigarettes. Furthermore, economic pressures can result in consumer down trading from legitimate brands to low priced duty evaded brands. Better enforcement and corrective actions by the Government can help curtail the growth of illicit sector in the economy.

PTC's operating environment poses numerous regulatory and other challenges to the sustainable growth of our business. Despite these challenges, we are committed to enhance shareholder value through investing in our brands and people.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Condensed Interim Profit and Loss Account (Unaudited)

for the three months ended March 31, 2015

	Note	Jan - March 2015	Rs '000 Jan - March 2014
Gross turnover		32,860,780	26,883,110
Excise duties		(16,568,762)	(13,642,943)
Sales tax		(4,946,065)	(4,050,162)
Net turnover		11,345,953	9,190,005
Cost of sales	4	(6,622,310)	(6,044,668)
Gross profit		4,723,643	3,145,337
Selling and distribution expenses		(919,312)	(685,914)
Administrative expenses		(484,657)	(448,791)
Other operating expenses	5	(246,019)	(150,446)
Other operating income		26,300	36,889
		(1,623,688)	(1,248,262)
Operating profit		3,099,955	1,897,075
Finance income		47,667	17,533
Finance cost		(21,300)	(31,020)
Net finance income / (cost)		26,367	(13,487)
Profit before income tax		3,126,322	1,883,588
Income tax expense - current		(1,049,812)	(643,282)
- deferred		6,702	3,144
		(1,043,110)	(640,138)
Profit for the period		2,083,212	1,243,450
Earnings per share - basic and diluted (Rupees)		8.15	4.87

The annexed notes 1 to 13 are an integral part of this condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Condensed Interim Statement of Comprehensive Income (Unaudited)

for the three months ended March 31, 2015

	Jan - March 2015	Rs '000 Jan - March 2014
Profit for the three months	2,083,212	1,243,450
Other comprehensive income for the three months	-	-
Total comprehensive income for the three months	2,083,212	1,243,450

The annexed notes 1 to 13 are an integral part of this condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Condensed Interim Balance Sheet (Unaudited)

as at March 31, 2015

	Note	March 31, 2015	Rs '000 December 31, 2014
Non current assets			
Property, plant and equipment	6	8,605,388	8,713,477
Long term investment in subsidiary company	7	5,000	5,000
Long term loans		13	19
Long term deposits and prepayments		26,059	32,453
		8,636,460	8,750,949
Current assets			
Stock-in-trade		9,632,016	11,894,508
Stores and spares		532,575	472,029
Trade debts		3,002	3,225
Loans and advances		88,936	66,692
Short term prepayments		177,723	183,145
Other receivables	8	468,899	425,467
Cash and bank balances		4,810,346	149,573
		15,713,497	13,194,639
Current liabilities			
Trade and other payables	9	11,299,416	11,266,499
Short term running finance	10	466,133	562,870
Finance lease obligation		118,832	119,375
Accrued interest / mark-up		13,659	24,166
Current income tax liability		810,609	460,732
		12,708,649	12,433,642
Net current assets		3,004,848	760,997
Non current liabilities			
Deferred income tax liability		(1,139,927)	(1,100,229)
Finance lease obligation		(406,806)	(400,354)
		(1,546,733)	(1,500,583)
Net assets		10,094,575	8,011,363
Share capital and reserves			
Authorised share capital			
300,000,000 ordinary shares of Rs 10 each		3,000,000	3,000,000
Issued, subscribed and paid-up capital			
255,493,792 ordinary shares of Rs 10 each		2,554,938	2,554,938
Revenue reserves		7,539,637	5,456,425
Shareholders' equity		10,094,575	8,011,363
Contingencies and commitments			
	11		

The annexed notes 1 to 13 are an integral part of this condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Condensed Interim Cash Flow Statement (Unaudited)

for the three months ended March 31, 2015

	March 31, 2015	Rs '000 March 31, 2014
Cash flows from operating activities		
Cash receipts from customers	32,861,003	26,883,195
Cash paid to Government for Federal excise duty, Sales tax and other levies	(20,883,324)	(16,045,742)
Cash paid to suppliers, employees and others	(6,401,793)	(4,508,153)
Finance cost paid	(31,807)	(37,692)
Cash paid as royalty	-	(122,262)
Income tax paid	(699,935)	(408,895)
Other cash (payments) / receipts	(4,752)	13,326
	4,839,392	5,773,777
Cash flows from investing activities		
Purchase of property, plant and equipment	(94,451)	(137,320)
Sale of property, plant and equipment	42,340	3,575
Interest received	36,667	17,533
	(15,444)	(116,212)
Cash flows from financing activities		
Dividends paid	(35,112)	(53)
Finance lease payments	(31,326)	(23,773)
	(66,438)	(23,826)
Increase in cash and cash equivalents	4,757,510	5,633,739
Cash and cash equivalents at January 1	(413,297)	(2,376,317)
Cash and cash equivalents at March 31	4,344,213	3,257,422
Cash and cash equivalents comprise:		
Cash and bank balances	4,810,346	3,257,422
Short term running finance	(466,133)	-
	4,344,213	3,257,422

The annexed notes 1 to 13 are an integral part of this condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Condensed Interim Statement of Changes in Equity (Unaudited)

as at March 31, 2015

	Share capital	Revenue reserves	Rs '000 Total
Balance at January 1, 2014	2,554,938	2,857,270	5,412,208
Total comprehensive income for the three months	-	1,243,450	1,243,450
Balance at March 31, 2014	2,554,938	4,100,720	6,655,658
Balance at January 1, 2015	2,554,938	5,456,425	8,011,363
Total comprehensive income for the three months	-	2,083,212	2,083,212
Balance at March 31, 2015	2,554,938	7,539,637	10,094,575

The annexed notes 1 to 13 are an integral part of this condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

for the three months ended March 31, 2015

1. Legal status and operations

Pakistan Tobacco Company Limited (the Company) is a public listed company incorporated in Pakistan on November 18, 1947 under the Companies Act, 1913 (now the Companies Ordinance, 1984) and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges of Pakistan. The Company is a subsidiary of British American Tobacco (Investments) Limited, United Kingdom, whereas its ultimate parent company is British American Tobacco p.l.c, United Kingdom. The registered office of the Company is situated at Serena Business Complex, Khayaban-e-Suharwardy, Islamabad. The Company is engaged in the manufacture and sale of cigarettes.

2. Basis of preparation

This condensed interim financial information of the Company for the three months period ended March 31, 2015 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.

3. 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 preparation of the financial statements for the year ended December 31, 2014.

4. Cost of sales

	Jan - March 2015	Rs 000 Jan -March 2014
Raw materials consumed		
Opening stock of raw materials and work in process	9,802,963	7,558,214
Raw material purchases and expenses	3,142,437	3,458,638
Closing stock of raw materials and work in process	(6,911,695)	(6,275,323)
	6,033,705	4,741,529
Excise duty, Customs duty and tobacco development cess	161,465	232,592
Royalty	146,696	122,845
Production overheads	839,220	957,275
Cost of goods manufactured	7,181,086	6,054,241
Cost of finished goods:		
Opening stock	2,161,545	1,608,153
Closing stock	(2,720,321)	(1,617,726)
	(558,776)	(9,573)
	6,622,310	6,044,668

Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

for the three months ended March 31, 2015

	Jan - March 2015	Rs '000 Jan - March 2014
5. Other operating expenses		
Workers' Profit Participation Fund	167,960	101,168
Workers' Welfare Fund	64,922	38,612
Bank charges and fees	12,245	10,149
Interest paid to Workers' Profit Participation Fund	892	517
	246,019	150,446
	March 31, 2015	December 31, 2014
6. Property, plant and equipment		
Operating fixed assets - note 6.1	7,691,553	7,648,611
Capital work in progress	913,835	1,064,866
	8,605,388	8,713,477
	March 31, 2015	December 31, 2014
6.1 Movement in operating assets		
Net book amount at January 1	7,648,611	6,070,353
Additions to the operating assets		
Owned Assets		
Building	5,669	49,420
Plant and machinery	115,732	1,869,111
Vehicles	-	20,907
Office and household equipment	2,549	165,289
Furniture and fittings	1,300	262,987
Leased Assets		
Vehicles	181,408	129,955
	306,658	2,497,669
Book value of disposals of operating assets		
Building	-	(1,032)
Plant and machinery	(31)	(28,089)
Vehicles	(21,278)	(54,790)
Office and household equipment	-	(601)
Furniture and fittings	-	(1,102)
	(21,309)	(85,614)
Depreciation charge for three months	(242,407)	(833,797)
	7,691,553	7,648,611

7. Long term investment in subsidiary company

This represents 500,001 (2014: 500,001) fully paid ordinary shares of Rs 10 each in Phoenix (Private) Limited. The break up value of shares calculated by reference to net assets worked out to be Rs 10 per share based on audited financial statements for the year ended December 31, 2014. This is a wholly owned subsidiary of the Company which has not yet commenced commercial production.

Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

for the three months ended March 31, 2015

8. Other receivables

These include following balances due from related parties:

	March 31, 2015	Rs '000 December 31, 2014
Due from holding company / associated companies	42,905	45,979
Due from subsidiary company	20,021	20,021
Due from employees retirement benefit plans	350,733	319,535

9. Trade and other payables

These include following balances due to related parties:

Due to holding company / associated companies	1,335,806	1,007,494
Due to employees retirement benefit plans	333,458	327,900

10. Short term running finance

Short term finance facilities available under mark-up arrangements with banks amount to Rs 6,500 million (2014: Rs 6,500 million), out of which the amount unavailed at the period end was Rs 6,034 million (2014: Rs 5,937 million). These facilities are secured by hypothecation of stock-in-trade. The mark-up ranges between 8.70% and 10.34% (2014: 10.03% and 10.69%) per annum and is payable quarterly. The facilities are renewable on an annual basis.

	March 31, 2015	Rs '000 December 31, 2014
11. Contingencies and commitments		
11.1 Contingencies		
Claims and guarantees		
(i) Claims against the Company not acknowledged as debt	131,800	131,800
(ii) Guarantees issued by banks on behalf of the Company	226,631	212,455
11.2 Commitments		
(i) Capital expenditure commitments outstanding	442,871	-
(ii) Letters of credit outstanding	529,252	584,891

Selected notes to and forming part of the Condensed Interim Financial Information (Unaudited)

for the three months ended March 31, 2015

12. Transactions with related parties

	March 31, 2015	Rs '000 March 31, 2014
Purchase of goods and services		
Holding company	165,829	101,051
Associated companies	350,036	265,604
Sale of goods and services		
Holding company	4,540	-
Associated companies	3,800	1,868
Royalty charge		
Holding company	146,696	122,845
Contribution to retirement benefit plans by the Company		
Staff pension fund	7,364	7,344
Defined contribution pension fund	11,865	10,752
Employee gratuity fund	19,932	17,913
Management provident fund	15,023	14,002
Employee provident fund	4,663	3,309

13. Date of authorisation

This condensed interim financial information has been authorised for issue by the Board of Directors of the Company on April 20, 2015.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Consolidated Condensed Interim Profit and Loss Account (Unaudited)

for the three months ended March 31, 2015

	Note	Jan - March 2015	Rs '000 Jan - March 2014
Gross turnover		32,860,780	26,883,110
Excise duties		(16,568,762)	(13,642,943)
Sales tax		(4,946,065)	(4,050,162)
Net turnover		11,345,953	9,190,005
Cost of sales	4	(6,622,310)	(6,044,668)
Gross profit		4,723,643	3,145,337
Selling and distribution expenses		(919,312)	(685,914)
Administrative expenses		(484,657)	(448,791)
Other operating expenses	5	(246,019)	(150,446)
Other operating income		26,300	36,889
		(1,623,688)	(1,248,262)
Operating profit		3,099,955	1,897,075
Finance income		47,667	17,533
Finance cost		(21,300)	(31,020)
Net finance income / (cost)		26,367	(13,487)
Profit before income tax		3,126,322	1,883,588
Income tax expense - current		(1,049,812)	(643,282)
- deferred		6,702	3,144
		(1,043,110)	(640,138)
Profit for the period		2,083,212	1,243,450
Earnings per share - basic and diluted (Rupees)		8.15	4.87

The annexed notes 1 to 12 are an integral part of this consolidated condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Consolidated Condensed Interim Statement of Comprehensive Income (Unaudited)


for the three months ended March 31, 2015

	Jan - March 2015	Rs '000 Jan - March 2014
Profit for the three months	2,083,212	1,243,450
Other comprehensive income for the three months	-	-
Total comprehensive income for the three months	2,083,212	1,243,450

The annexed notes 1 to 12 are an integral part of this consolidated condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Consolidated Condensed Interim Balance Sheet (Unaudited)

as at March 31, 2015

	Note	March 31, 2015	Rs '000 December 31, 2014
Non current assets			
Property, plant and equipment	6	8,630,436	8,738,525
Long term loans		13	19
Long term deposits and prepayments		26,059	32,453
		8,656,508	8,770,997
Current assets			
Stock-in-trade		9,632,016	11,894,508
Stores and spares		532,575	472,029
Trade debts		3,002	3,225
Loans and advances		88,936	66,692
Short term prepayments		177,723	183,145
Other receivables	7	448,878	405,446
Cash and bank balances		4,810,346	149,573
		15,693,476	13,174,618
Current liabilities			
Trade and other payables	8	11,299,443	11,266,526
Short term running finance	9	466,133	562,870
Finance lease obligation		118,832	119,375
Accrued interest / mark-up		13,659	24,166
Current income tax liability		810,609	460,732
		12,708,676	12,433,669
Net current assets		2,984,800	740,949
Non current liabilities			
Deferred income tax liability		(1,139,927)	(1,100,229)
Finance lease obligation		(406,806)	(400,354)
		(1,546,733)	(1,500,583)
Net assets		10,094,575	8,011,363
Share capital and reserves			
Authorised share capital 300,000,000 ordinary shares of Rs 10 each		3,000,000	3,000,000
Issued, subscribed and paid-up capital 255,493,792 ordinary shares of Rs 10 each		2,554,938	2,554,938
Revenue reserves		7,539,637	5,456,425
Shareholders' equity		10,094,575	8,011,363
Contingencies and commitments			
	10		

The annexed notes 1 to 12 are an integral part of this consolidated condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Consolidated Condensed Interim Cash Flow Statement (Unaudited)

for the three months ended March 31, 2015

	March 31, 2015	Rs '000 March 31, 2014
Cash flows from operating activities		
Cash receipts from customers	32,861,003	26,883,195
Cash paid to Government for Federal excise duty, Sales tax and other levies	(20,883,324)	(16,045,742)
Cash paid to suppliers, employees and others	(6,401,793)	(4,508,153)
Finance cost paid	(31,807)	(37,692)
Cash paid as royalty	-	(122,262)
Income tax paid	(699,935)	(408,895)
Other cash (payments) / receipts	(4,752)	13,326
	4,839,392	5,773,777
Cash flows from investing activities		
Purchase of property, plant and equipment	(94,451)	(137,320)
Sale of property, plant and equipment	42,340	3,575
Interest received	36,667	17,533
	(15,444)	(116,212)
Cash flows from financing activities		
Dividends paid	(35,112)	(53)
Finance lease payments	(31,326)	(23,773)
	(66,438)	(23,826)
Increase in cash and cash equivalents	4,757,510	5,633,739
Cash and cash equivalents at January 1	(413,297)	(2,376,317)
Cash and cash equivalents at March 31	4,344,213	3,257,422
Cash and cash equivalents comprise:		
Cash and bank balances	4,810,346	3,257,422
Short term running finance	(466,133)	-
	4,344,213	3,257,422

The annexed notes 1 to 12 are an integral part of this consolidated condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Consolidated Condensed Interim Statement of Changes in Equity (Unaudited)

as at March 31, 2015

	Share capital	Revenue reserves	Rs '000 Total
Balance at January 1, 2014	2,554,938	2,857,270	5,412,208
Total comprehensive income for the three months	-	1,243,450	1,243,450
Balance at March 31, 2014	2,554,938	4,100,720	6,655,658
Balance at January 1, 2015	2,554,938	5,456,425	8,011,363
Total comprehensive income for the three months	-	2,083,212	2,083,212
Balance at March 31, 2015	2,554,938	7,539,637	10,094,575

The annexed notes 1 to 12 are an integral part of this consolidated condensed interim financial information.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

Selected notes to and forming part of the Consolidated Condensed Interim Financial Information (Unaudited) for the three months ended March 31, 2015

1. Legal status and operations

Pakistan Tobacco Company Limited (the Company) is a public listed company incorporated in Pakistan on November 18, 1947 under the Companies Act, 1913 (now the Companies Ordinance, 1984) and its shares are quoted on the Karachi, Lahore and Islamabad stock exchanges of Pakistan. The Company is a subsidiary of British American Tobacco (Investments) Limited, United Kingdom, whereas its ultimate parent company is British American Tobacco p.l.c, United Kingdom. The registered office of the Company is situated at Serena Business Complex, Khayaban-e-Suharwardy, Islamabad. The Company is engaged in the manufacture and sale of cigarettes.

Phoenix (Private) Limited (PPL) is a private company incorporated on March 9, 1992 in Azad Jammu and Kashmir under the Companies Ordinance 1984. The registered office of PPL is situated at Bun Khurma, Chichian Road, Mirpur, Azad Jammu and Kashmir. The objective for which PPL has been incorporated is to operate and manage an industrial undertaking in Azad Jammu and Kashmir to deal in tobacco products. PPL has not yet commenced its commercial operations.

For the purpose of this consolidated condensed financial information, the Company and its wholly owned subsidiary PPL is referred to as the Group.

2. Basis of preparation

This condensed interim financial information of the Group for the three months period ended March 31, 2015 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.

3. Accounting policies

The accounting policies and the methods of computation adopted in the preparation of this consolidated condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended December 31, 2014.

4. Cost of sales

	Jan - March 2015	Rs 000 Jan - March 2014
Raw materials consumed		
Opening stock of raw materials and work in process	9,802,963	7,558,214
Raw material purchases and expenses	3,142,437	3,458,638
Closing stock of raw materials and work in process	(6,911,695)	(6,275,323)
	6,033,705	4,741,529
Excise duty, Customs duty and tobacco development cess	161,465	232,592
Royalty	146,696	122,845
Production overheads	839,220	957,275
Cost of goods manufactured	7,181,086	6,054,241
Cost of finished goods:		
Opening stock	2,161,545	1,608,153
Closing stock	(2,720,321)	(1,617,726)
	(558,776)	(9,573)
	6,622,310	6,044,668

Selected notes to and forming part of the Consolidated Condensed Interim Financial Information (Unaudited) for the three months ended March 31, 2015

	Jan - March 2015	Rs '000 Jan - March 2014
5. Other operating expenses		
Workers' Profit Participation Fund	167,960	101,168
Workers' Welfare Fund	64,922	38,612
Bank charges and fees	12,245	10,149
Interest paid to Workers' Profit Participation Fund	892	517
	246,019	150,446
	March 31, 2015	December 31, 2014
6. Property, plant and equipment		
Operating fixed assets - note 6.1	7,694,917	7,651,975
Capital work in progress	935,519	1,086,550
	8,630,436	8,738,525
	March 31, 2015	December 31, 2014
6.1 Movement in operating assets		
Net book amount at January 1	7,651,975	6,073,717
Additions to the operating assets		
Owned Assets		
Building	5,669	49,420
Plant and machinery	115,732	1,869,111
Vehicles	-	20,907
Office and household equipment	2,549	165,289
Furniture and fittings	1,300	262,987
Leased Assets		
Vehicles	181,408	129,955
	306,658	2,497,669
Book value of disposals of operating assets		
Building	-	(1,032)
Plant and machinery	(31)	(28,089)
Vehicles	(21,278)	(54,790)
Office and household equipment	-	(601)
Furniture and fittings	-	(1,102)
	(21,309)	(85,614)
Depreciation charge for three months	(242,407)	(833,797)
Net book amount	7,694,917	7,651,975

Selected notes to and forming part of the Consolidated Condensed Interim Financial Information (Unaudited) for the three months ended March 31, 2015

7. Other receivables

These include following balances due from related parties:

	March 31, 2015	Rs '000 December 31, 2014
Due from holding company / associated companies	42,905	45,979
Due from employees retirement benefit plans	350,733	319,535

8. Trade and other payables

These include following balances due to related parties:

Due to holding company / associated companies	1,335,806	1,007,494
Due to employees retirement benefit plans	333,458	327,900

9. Short term running finance

Short term finance facilities available under mark-up arrangements with banks amount to Rs 6,500 million (2014: Rs 6,500 million), out of which the amount unavailed at the period end was Rs 6,034 million (2014: Rs 5,937 million). These facilities are secured by hypothecation of stock-in-trade. The mark-up ranges between 8.70% and 10.34% (2014: 10.03% and 10.69%) per annum and is payable quarterly. The facilities are renewable on an annual basis.

	March 31, 2015	Rs '000 December 31, 2014
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10. Contingencies and commitments

10.1 Contingencies

Claims and guarantees

(i) Claims against the Company not acknowledged as debt	131,800	131,800
(ii) Guarantees issued by banks on behalf of the Company	226,631	212,455

10.2 Commitments

(i) Capital expenditure commitments outstanding	442,871	-
(ii) Letters of credit outstanding	529,252	584,891

Selected notes to and forming part of the Consolidated Condensed Interim Financial Information (Unaudited) for the three months ended March 31, 2015

11. Transactions with related parties

	March 31, 2015	Rs '000 March 31, 2014
Purchase of goods and services		
Holding company	165,829	101,051
Associated companies	350,036	265,604
Sale of goods and services		
Holding company	4,540	-
Associated companies	3,800	1,868
Royalty charge		
Holding company	146,696	122,845
Contribution to retirement benefit plans by the Company		
Staff pension fund	7,364	7,344
Defined contribution pension fund	11,865	10,752
Employee gratuity fund	19,932	17,913
Management provident fund	15,023	14,002
Employee provident fund	4,663	3,309

12. Date of authorisation

This consolidated condensed interim financial information has been authorised for issue by the Board of Directors of the Company on April 20, 2015.



Graeme Amey
Managing Director and CEO



Syed Javed Iqbal
Director Finance & IT

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Pakistan Tobacco Company Limited
Serena Business Complex
Khayaban-e-Suhrwardy P.O. Box 2549
Islamabad-44000