PAKISTAN CABLES

TRUSTED NOT TO COMPROMISE

65 YEARS SINCE 1953

65 YEARS OF LEADERSHIP

Half Yearly Accounts for six months ended December 31, 2018

Company Information

Board of Directors

Mr. Mustapha A. Chinoy	Chairman
Mr. Haroun Rashid	
Mr. Mohammad Younus Dagha	
Mr. Roderick Macdonald	
Ms. Sadia Khan	
Mr. Saquib H. Shirazi	
Mr. Kamal A. Chinoy	Chief Executive
Mr. Fahd Kamal Chinoy	
Mr. Muhammad Ashfaq Alam	

Company Secretary
Ms. Nazifa Khan

Auditors
KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisor
Barrister M. Jamshid Malik

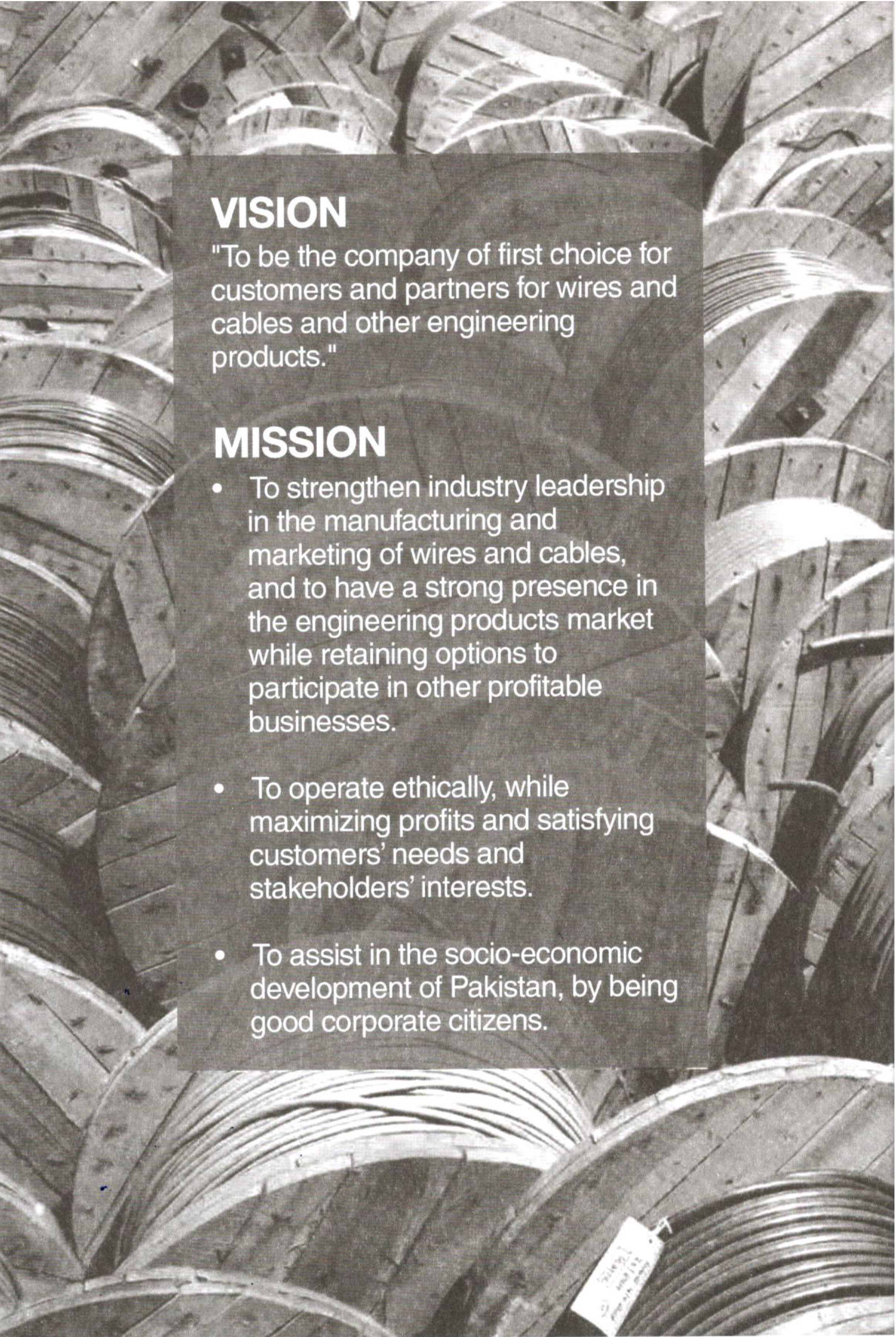
Tax Advisors
A.F. Fergusons & Co.
Muhammad Bilal & Co.

Bankers
Standard Chartered Bank (Pakistan) Limited
Bank Al-Habib Limited
Habib Bank Limited
Meezan Bank Limited
MCB Bank Limited
Industrial and Commercial Bank of China Limited

Share Registrar
THK (Pvt.) Limited 1st Floor, 40-C,
Block-6, P.E.C.H.S., Karachi - 75400
Tel: +92 -21-34168270
Fax: +92-21-34168271
Email: secretariat@thk.com.pk

Registered Office
B-21 Pakistan Cables Road
Sindh Industrial Trading Estates,
Karachi -75700
P.O Box 5050
Tel: +92 -21- 32561170-5
Fax: +92-21-32564614
Email: info@pakistancables.com

Website: www.pakistancables.com



VISION

"To be the company of first choice for customers and partners for wires and cables and other engineering products."

MISSION

- To strengthen industry leadership in the manufacturing and marketing of wires and cables, and to have a strong presence in the engineering products market while retaining options to participate in other profitable businesses.

- To operate ethically, while maximizing profits and satisfying customers' needs and stakeholders' interests.

- To assist in the socio-economic development of Pakistan, by being good corporate citizens.

DIRECTORS' REVIEW

Sales revenue for the half year period ended December 31, 2018 stood at Rs. 4.6 billion which is 4% higher than the sales for the corresponding period of last year. Gross profit was recorded at Rs. 635.1 million for the half year compared to Rs. 633.5 million in the same period of last year.

Selling, Marketing and Administrative expenses and impairment loss on doubtful trade debts are Rs. 404.7 million compared to Rs. 342.9 million. The increase is mainly due to higher expenses on account of advertising and publicity. Finance cost for the half year are Rs. 75.3 million compared to Rs. 65.8 million in the same period of last year. The rise in finance cost is a result of increased in policy rate by the State Bank of Pakistan.

As a result of the above factors, the company ended the half year with a profit after tax of Rs. 116.5 million compared to a profit after tax of Rs. 181.4 million in the same period of last year.

There is considerable uncertainty with respect to the overall economic scenario in the country. With high fiscal and current account deficits and low foreign exchange reserves, the market continues to wait for clarity on the Government's next steps, including the possibility of entering into an IMF plan and its underlying impact(s). With the devaluation of the rupee and the recent increase in interest rates, gas and electricity prices, the cost of business has increased substantially. We expect this to result in continued subdued activity, particularly in the projects market. Furthermore, residential construction has slowed down thereby directly impacting our business.

As a result of the above factors, the Company is emphasizing various cost control initiatives and efforts are underway to drive improved efficiencies via several programs underway to enhance productivity.

The Directors would like to place on record their sincere appreciation for the hard work and dedication shown by the Management and employees of the Company during the period. On behalf of the Board of Directors and employees of the Company, we express our gratitude and appreciation to all our valued customers, distributors, dealers, bankers and all other stakeholders for the trust and confidence reposed in the Company.

On behalf of the Board of Directors

MUSTAPHA A. CHINOY
Chairman

Karachi: January 29, 2019

	(Unaudited) 31 December 2018	(Audited) 30 June 2018
	(Rupees in '000)	
Deposits from distributors	**5,973**	5,973
Deposits from employees	**8,897**	9,131
	14,870	15,104

12.2.1 This includes security deposit from distributors under mark-up arrangements amounting to Rs. 5.0 million (30 June 2018: Rs. 5.0 million) and carries mark-up at 6% per annum.

12.2.2 There are certain deposits from employees as a part of their employment contract with the Company and are non-interest bearing deposits.

13. LOANS FROM BANKING COMPANIES

	Note	(Unaudited) 31 December 2018	(Audited) 30 June 2018
		(Rupees in '000)	
Secured			
Running musharka under Shariah arrangements		**58,495**	101,548
Running finance under mark-up arrangements		**455,053**	391,068
Running finance from banks	*13.1*	**513,548**	492,616
Short term finances under mark-up arrangements	*13.2*	**500,000**	1,278,966
Export refinance under mark-up arrangements		-	7,557
		1,013,548	1,779,139

13.1 Running finance from banks

Running Musharaka under Shariah arrangement carries mark-up at 10.91% per annum (30 June 2018: 6.90% per annum) and the available facility is Rs. 400 million. At 31 December 2018, the facility unutilised was Rs. 342 million.

The Company has also arranged short-term running finance facilities under mark-up arrangements from certain banks. Overall facility for these running finances under mark-up arrangements amounts to Rs. 2,550 million (30 June 2018: Rs. 2,408 million). Rate of mark up on these running finance facilities under mark-up arrangements ranges between 10.66% to 11.54% net of prompt payment rebate (30 June 2018: 6.65% to 7.92% per annum). These facilities will expire between 31 December 2018 to 31 July 2019 and are renewable.

13.2 Short term finances under mark-up arrangement

The amount outstanding against the short term finance facilities as at 31 December 2018 amounted to Rs. 500 million (30 June 2018: Rs. 1,278.97 million) against the available facilities of Rs. 2,945 million (30 June 2018: Rs. 3,203 million). This includes facilities earmarked out of the total running finance facilities for Rs. 1,745 million obtained from these banks. Mark-up on term finance is agreed at each disbursement and as at 31 December 2018, it ranged between 9.01% to 10.74% per annum (30 June 2018: 6.45% to 7.13% per annum). These are payable latest by 09 January 2019.

13.3 Other facilities

Facility for opening letters of credit and guarantees as at 31 December 2018 amounted to Rs. 3,175 million including Rs. 775 million relating to the guarantees (30 June 2018: Rs 2,817 million including Rs. 817 million relating to guarantees) of which the amount remaining unutilized as at that date was Rs. 2,576 million, including Rs. 344 million relating to the guarantees (30 June 2018: Rs. 2,323 million including Rs. 360 million relating to guarantees).

13.4 Securities

These above arrangements are secured by way of joint pari passu hypothecation over stocks, stores and spares and present and future trade debts of the company of Rs. 5,625 million.

14. CONTINGENCIES AND COMMITMENTS

14.1 Contingencies

a) The Company has issued to the Collector of Customs post dated cheques amounting to Rs. 5.65 million (30 June 2018: Rs. 9.41 million) against partial exemption of import levies.

b) Bank guarantees amounting to Rs. 431 million (30 June 2018: Rs. 457 million) have been given to various parties for contract performance, tender deposits, import levies, etc.

14.2 Commitments

a) Aggregate commitments for capital expenditure as at 31 December 2018 amounted to Rs. 151.92 million (30 June 2018: Rs. 36.51 million).

b) Commitments under letters of credit for the import of raw materials, etc. (non-capital expenditure) as at 31 December 2018 amounted to Rs. 32.15 million (30 June 2018: Rs. 14.70 million). These are in respect of the letters of credit opened before the year end but no shipment by then had been made.

15. NET SALES

The nature and effect of initially applying IFRS 15 on the Company's interim condensed financial statements are disclosed in Note 3.4.1.

	Six months period ended	
	(Unaudited) **31 December** **2018**	(Unaudited) 31 December 2017
	(Rupees in '000)	
Gross local sales	**5,415,972**	5,229,082
Export sales	**30,018**	8,309
	5,445,990	5,237,391
Sales tax	**(808,221)**	(776,490)
Discount	**-**	(1,736)
	(808,221)	(778,226)
	4,637,769	4,459,165

15.1 Disaggregation of Revenue

As required for the condensed interim financial statements, the Company disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

In the following table, revenue is disaggregated by primary geographical markets, major product lines and sales channels:

	Six months period ended	
	(Unaudited) **31 December** **2018**	(Unaudited) 31 December 2017
	(Rupees in '000)	
Primary geographical markets		
Pakistan	**4,607,751**	4,450,856
Middle East	**7,768**	2,350
Africa	**4,336**	5,959
Asia	**17,914**	-
	4,637,769	4,459,165

	Six months period ended	
	(Unaudited) **31 December** **2018**	(Unaudited) 31 December 2017
	(Rupees in '000)	
Major products lines		
Wire and Cables	**4,536,496**	4,345,237
Aluminium profile business	**101,273**	113,928
	4,637,769	4,459,165
Sales channels		
Goods sold:		
- directly to consumers	**3,800,662**	3,666,303
- through intermediaries	**837,107**	792,862
	4,637,769	4,459,165

6. STOCK-IN-TRADE	Note	(Unaudited) 31 December 2018	(Audited) 30 June 2018
		(Rupees in '000)	
Raw materials [including Rs. 61.19 million in transit (30 June 2018 : Rs. 24.10 million)]	*6.1*	**1,249,623**	878,375
Work-in-process	*6.2*	**494,521**	503,424
Finished goods	*6.2*	**618,534**	523,037
Scrap		**50,642**	49,748
		2,413,320	1,954,584

6.1 Raw material includes slow moving items carried at Rs. Nil (30 June 2018: Nil) as against their cost of Rs. 25.46 million (30 June 2018: Rs. 25.46 million).

6.2 Work-in-process and finished goods include slow moving items aggregating Rs. 9.16 million (30 June 2018: Rs. 17.25 million) and Rs. 24.14 million (30 June 2018: Rs. 23.21 million) respectively stated at their net realizable values against their cost of Rs. 9.79 million (30 June 2018: Rs. 18.24 million) and Rs. 47.08 million (30 June 2018: Rs. 38.68 million) respectively.

6.3 Provision against raw material	(Unaudited) 31 December 2018	(Audited) 30 June 2018
	(Rupees in '000)	
Balance as at 01 July	**25,456**	26,491
Reversal during the period - net	**-**	(1,035)
Balance as at 31 December	**25,456**	25,456

7. TRADE DEBTS

Unsecured and non-interest bearing

Considered good	**1,769,354**	1,971,710
Considered doubtful	**47,980**	47,914
	1,817,334	2,019,624
Impairment loss on doubtful trade debts	**(47,980)**	(47,914)
	1,769,354	1,971,710

8. CASH AND BANK BALANCES

With banks - in current accounts (non-interest bearing)	**68,441**	557,447
- in profit and loss sharing account (interest bearing)	**15,263**	15,112
Cash in hand	**407**	307
	84,111	572,866

9. SHARE CAPITAL, SHARE PREMIUM RESERVE AND ADVANCE AGAINST SHARE CAPITAL

In the previous year, right issue of shares was approved by the Board of Directors of the Company in its meeting held on 19 April 2018 in the proportion of 25 ordinary right shares for every 100 ordinary shares held as of 23 May 2018. Total number of right shares offered were 7,115,594 at the rate of Rs.160 per share (Rs.10 par value and Rs.150 premium per share). Total of 7,115,594 shares were issued during the period resulting in the increase in share capital to Rs. 355.779 million and the share premium account to Rs. 1,595.139 million. Advance against equity of Rs. 487.905 million received up to 30 June 2018 has been allocated to share capital and share premium account.

10. LONG TERM LOANS - secured	(Unaudited) 31 December 2018	(Audited) 30 June 2018
	(Rupees in '000)	
Loan from conventional financial institutions	**823,750**	358,125
Current portion shown under current liabilities	**(88,750)**	(68,750)
	735,000	289,375

10.1 Long term loans have been obtained for the purpose of capital expenditure and are secured against hypothecation of specific items of plant and machinery and mortgage property. Rate of mark-up on the loans at the period-end ranged between 7.69% to 10.52% per annum (30 June 2018: 6.59% to 7.16% per annum) at 6 months KIBOR plus 0.10% / 0.25% / 0.60% / 0.65% per annum. These loans are for five years from the date of disbursement and are repayable in eight half yearly equal principal instalments, except for loan against mortgage, of Rs. 6.25 million, Rs. 9.38 million, Rs. 14.38 million, Rs. 4.38 million and Rs. 20.00 million commencing from 06 November 2016, 09 August 2017, 24 November 2017, 22 February 2018 and 21 August 2019 respectively. The loan against mortgage is repayable in six half yearly equal instalments of Rs. 83.33 million commencing from 12 May 2021. Total facility available to the Company under the above arrangement amounted to Rs. 1,600 million of which the amount remaining unutilized as at 31 December 2018 was Rs. 665 million (30 June 2018: Total facility available of Rs. 600 million of which the amount unutilized as at 30 June 2018 was Rs. 165 million).

Above loans are secured against hypothecation charge of Rs. 1,915 million over the specific plant, machinery and equipment and mortgage property of the Company.

		(Unaudited) 31 December 2018	(Audited) 30 June 2018
		(Rupees in '000)	
11.	**DEFERRED TAX LIABILITY - net**		
	Taxable temporary difference on		
	Accelerated tax depreciation	**57,960**	79,158
	Surplus on revaluation of building on leasehold land	**67,900**	70,110
	Share of surplus on revaluation of land and building of the associated company	**1,116**	1,430
	Share of profit of an equity accounted associated company	**5,948**	5,523
		132,924	156,221
	Deductible temporary differences on		
	Provision for staff retirement benefits	**(8,783)**	(8,459)
	Impairment loss on doubtful trade debts	**(11,995)**	(11,979)
	Provision for slow-moving stores and spares	**(1,892)**	(1,630)
	Provision for import levies and other provisions	**(67,342)**	(71,603)
		(90,012)	(93,671)
	Deferred tax liability - net	**42,912**	62,550

12. TRADE AND OTHER PAYABLES

	Note		
Creditors		**239,102**	175,743
Accrued expenses		**312,320**	317,079
Provision for import levies		**240,928**	221,865
Security deposits from distributors and employees	12.2	**14,870**	15,104
Payable to staff provident fund - related party		**-**	2,829
Payable to staff pension fund - related party		**22,760**	18,586
Workers' profit participation fund		**8,645**	1,073
Workers' welfare fund		**3,251**	6,124
Withholding income tax payable		**978**	2,738
Others		**547**	979
		843,401	762,120

12.1 All the above liabilities are non-interest bearing except as disclosed in note 12.2 below:

12.2 Security deposits from distributors and employees

These deposits are placed in a separate bank account and comply with the requirement of section 217 of Companies Act, 2017. The break-up of security deposits is as follows:

Condensed Interim Statement Of Comprehensive Income (Unaudited)
For The Six Months Period Ended 31 December 2018

	Six months period ended		Three months period ended	
	31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
	(Rupees in '000)		(Rupees in '000)	
Profit after tax for the period	**116,492**	181,404	**86,151**	92,772
Other Comprehensive income:				
Items that will not be reclassified to profit and loss account				
Share of other comprehensive income from the associated company	**(326)**	(140)	**(56)**	11
Total comprehensive income - transferred to statement of changes in equity	**116,166**	181,264	**86,095**	92,783

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2018

	Note	Six months period ended 31 December 2018	31 December 2017
		(Rupees in '000)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from / (used in) operations	21	**106,555**	(229,098)
Gratuity paid		**(995)**	(1,395)
Finance costs paid		**(67,744)**	(52,213)
Taxation - net		**(176,521)**	(7,057)
Long-term loans receivable		**157**	(3,029)
Long-term prepayment		**(11,617)**	-
Net cash flows from operating activities		**(150,165)**	(292,792)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		**(570,849)**	(96,863)
Proceeds from disposal of fixed assets		**767**	171
Dividend received from an associate		**3,744**	1,152
Net cash flows of investing activities		**(566,338)**	(95,540)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long term loan obtained		**500,000**	-
Repayment of long-term loans		**(34,375)**	(30,000)
Net (decrease) / increase in short-term borrowings		**(786,523)**	436,630
Proceeds against subscription of right shares		**650,590**	-
Dividends paid		**(122,876)**	(77,934)
Net cash flows from financing activities		**206,816**	328,696
Net decrease in cash and cash equivalents		**(509,687)**	(59,636)
Cash and cash equivalents at beginning of the year		**80,250**	(245,999)
Cash and cash equivalents at end of the period	22	**(429,437)**	(305,635)

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2018

	Share capital	Advance against share capital	Capital reserves: Share premium reserve	Capital reserves: Surplus on Revaluation of assets - Net of tax	Revenue reserves: General reserve	Revenue reserves: Unappro-priated Profit	Total
	(Rupees in'000)						
Balance as at 01 July 2017	284,623	-	527,800	1,103,112	926,000	270,023	3,111,558
Total comprehensive income for the six months period ended 31 December 2017							
- Profit for the period	-	-	-	-	-	181,404	181,404
- Other comprehensive income for the period - net of tax	-	-	-	-	-	(140)	(140)
	-	-	-	-	-	181,264	181,264
Transfer to general reserve for the year ended 30 June 2017	-	-	-	-	212,000	(212,000)	-
Transfer from surplus on revaluation of building - net of deferred tax	-	-	-	(5,334)	-	5,334	-
Share of surplus on revaluation of land and building of the associated company recognized during 01 July 2017 to 31 December 2017	-	-	-	(166)	-	-	(166)
Transactions with owners recorded directly in equity							
Final cash dividend for the year ended 30 June 2017 @ Rs. 2.00 per share	-	-	-	-	-	(56,925)	(56,925)
Balance as at 31 December 2017	284,623	-	527,800	1,097,612	1,138,000	187,696	3,235,731
Balance as at 01 July 2018	284,623	487,905	527,800	1,104,333	1,138,000	215,336	3,757,997
Total comprehensive income for the six months period ended 31 December 2018							
- Profit for the period	-	-	-	-	-	116,492	116,492
- Other comprehensive income for the period - net of tax	-	-	-	-	-	(326)	(326)
	-	-	-	-	-	116,166	116,166
Transfer to general reserve for the year ended 30 June 2018	-	-	-	-	89,000	(89,000)	-
Transfer from surplus on revaluation of building - net of deferred tax	-	-	-	(5,410)	-	5,410	-
Share of surplus on revaluation of land and building of the associated company recognized during 01 July 2018 to 31 December 2018	-	-	-	(1,777)	-	-	(1,777)
Right shares 7,115,594 issued at the rate Rs. 160 per share (Rs. 10 par value and Rs. 150 premium per share)	71,156	(487,905)	1,067,339	-	-	-	650,590
Transactions with owners recorded directly in equity							
Final cash dividend for the year ended 30 June 2018 @ Rs. 3.50 per share	-	-	-	-	-	(124,523)	(124,523)
Balance as at 31 December 2018	**355,779**	**-**	**1,595,139**	**1,097,146**	**1,227,000**	**123,389**	**4,398,453**

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Chief Executive | Director | Chief Financial Officer

1. INTRODUCTION

The Pakistan Cables Limited ("the Company") was incorporated in Pakistan as a private limited company on 22 April 1953 and in 1955 it was converted into a public limited company in which year it also obtained a listing on the Pakistan Stock Exchange. The Company is engaged in the manufacturing of copper rods, wires, cables and conductors, aluminium extrusion profiles and PVC compounds.

The registered office of the Company is situated at 11.15 acres of land at B/21, S.I.T.E., Karachi, Pakistan and head office of the Company is situated at 1st Floor, Arif Habib Centre, 23 M. T. Khan Road, Karachi, Pakistan.

2. BASIS OF PRESENTATION

These condensed interim financial statements of the Company have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

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

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

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

2.1 These condensed interim financial statements are unaudited and are being submitted to the shareholders as required section 237 of the Companies Act, 2017 and the listing regulations of the Pakistan Stock Exchange Limited. These condensed interim financial statements comprise of the statement of financial position as at 31 December 2018 and statement of profit and loss account, statement of other comprehensive income, statement of cash flow and statement of changes in equity for the six months period ended 31 December 2018.

2.2 The comparative statement of financial position presented in these condensed interim financial statements as at 30 June 2018 has been extracted from the audited financial statements of the Company for the year ended 30 June 2018, whereas the comparative statement of profit and loss account, statement of other comprehensive income, statement of cash flow and statement of changes in equity for the six months period ended 31 December 2017 have been extracted from the unaudited condensed interim financial statements for the period then ended.

2.3 These condensed interim financial statement does not include all the information required for full annual financial statements and should be read in conjunction with the audited annual financial statements of the Company as at and for the year ended 30 June 2018.

2.4 These condensed interim financial statements are presented in Pakistan Rupee which is also the Company's functional currency and all financial statements presented in Pakistani rupee have been rounded off to the nearest thousand, unless otherwise stated.

3. ACCOUNTING POLICIES

3.1 The accounting policies adopted in the preparation of these condensed interim financial statements are the same as those applied in the preparation of the financial statements of the Company for the year ended 30 June 2018 except for the adoption of new standards effective as of 1 July 2018 as referred to in note 3.4 to these condensed interim financial statements.

3.2 New standards, interpretations and amendments adopted by the Company

The Company has initially adopted IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 'Financial Instruments' from 1 July 2018. The impact of the adoption of these standards and the new accounting policies are disclosed in note 3.4 below. A number of other new standards are effective from 1 July 2018 but they do not have a material effect on the Company's condensed interim financial statements.

3.3 Standards, interpretations and amendments to published approved accounting standards that are not yet effective

The following International Financial Reporting Standards (IFRS Standards) as notified under the Companies Act, 2017 and the amendments and interpretations thereto will be effective for accounting periods beginning on or after 01 January 2019:

- IFRIC 23 'Uncertainty over Income Tax Treatments' (effective for annual periods beginning on or after 01 January 2019) clarifies the accounting for income tax when there is uncertainty over income tax treatments under IAS 12. The interpretation requires the uncertainty over tax treatment be reflected in the measurement of current and deferred tax. The application of interpretation is not likely to have an impact on the Company's condensed interim financial statements.

- IFRS 16 'Leases' (effective for annual period beginning on or after 01 January 2019). IFRS 16 replaces existing leasing guidance, including IAS 17 'Leases', IFRIC 4 'Determining whether an Arrangement contains a Lease', SIC-15 'Operating Leases- Incentives' and SIC-27 'Evaluating the Substance of Transactions Involving the Legal Form of a Lease'. IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognizes a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard i.e. lessors continue to classify leases as finance or operating leases. Management is not expecting impact of the standard on Company's condensed interim financial statements.

- Amendment to IAS 28 'Investments in Associates and Joint Ventures' - Long Term Interests in Associates and Joint Ventures (effective for annual period beginning on or after 01 January 2019). The amendment will affect companies that finance such entities with preference shares or with loans for which repayment is not expected in the foreseeable future (referred to as long-term interests or 'LTI'). The amendment and accompanying example state that LTI are in the scope of both IFRS 9 and IAS 28 and explain the annual sequence in which both standards are to be applied. The amendments are not likely to have an impact on the Company's condensed interim financial statements.

- Amendments to IAS 19 'Employee Benefits'- Plan Amendment, Curtailment or Settlement (effective for annual periods beginning on or after 01 January 2019). The amendments clarify that on amendment, curtailment or settlement of a defined benefit plan, a company now uses updated actuarial assumptions to determine its current service cost and net interest for the period; and the effect of the asset ceiling is disregarded when calculating the gain or loss on any settlement of the plan and is dealt with separately in other comprehensive income. The application of amendments is not likely to have an impact on the Company's condensed interim financial statements.

- Amendment to IFRS 3 'Business Combinations' – Definition of a Business (effective for business combinations for which the acquisition date is on or after the beginning of annual period beginning on or after 01 January 2020). The IASB has issued amendments aiming to resolve the difficulties that arise when an entity determines whether it has acquired a business or a group of assets. The amendments clarify that to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The amendments include an election to use a concentration test. The standard is effective for transactions in the future and therefore would not have an impact on past financial statements.

- Amendments to IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (effective for annual periods beginning on or after 01 January 2020). The amendments are intended to make the definition of material in IAS 1 easier to understand and are not intended to alter the underlying concept of materiality in IFRS Standards. In addition, the IASB has also issued guidance on how to make materiality judgements when preparing their general purpose financial statements in accordance with IFRS Standards.

- Annual Improvements to IFRS Standards 2015–2017 Cycle - the improvements address amendments to following approved accounting standards:

- IFRS 3 Business Combinations and IFRS 11 Joint Arrangement - the amendment aims to clarify the accounting treatment when a company increases its interest in a joint operation that meets the definition of a business. A company remeasures its previously held interest in a joint operation when it obtains control of the business. A company does not remeasure its previously held interest in a joint operation when it obtains joint control of the business.

- IAS 12 Income Taxes - the amendment clarifies that all income tax consequences of dividends (including payments on financial instruments classified as equity) are recognized consistently with the transaction that generates the distributable profits.

- IAS 23 Borrowing Costs - the amendment clarifies that a company treats as part of general borrowings any borrowing originally made to develop an asset when the asset is ready for its intended use or sale.

The above amendments are effective from annual period beginning on or after 1 January 2019 and are not likely to have an impact on the Company's condensed interim financial statements.

3.4 Changes in accounting policies

Paragraphs below explains the impact of the adoption of IFRS 15 'Revenue from Contracts with Customers' and IFRS 9 Financial Instruments' on the Company's condensed interim financial statements and also discloses the new accounting policies that have been applied from 1 July 2018, where they are different to those applied in prior periods.

3.4.1 IFRS 15 'Revenue from Contracts with Customers'

IFRS 15 replaced IAS 18 Revenue, IAS 11 Construction Contracts and related interpretations. The Company has applied the modified retrospective method upon adoption of IFRS 15 as allowed under the Standard. This method requires the recognition of the cumulative effect (without practical expedients) of initially applying IFRS 15 to retained earnings. Accordingly, the informations presented for 2017 have not been restated i.e. it is presented, as previously reported under IAS 18 and related interpretations.

The Company manufactures and contracts with customers for the sale of wires and cables, aluminium profiles and PVC compound which generally include single performance obligation. Management has concluded that revenue from sale of goods be recognised at the point in time when control of the product has transferred, being when the products are delivered to the customer. Invoices are generated and revenue is recognised on delivery of products. Delivery occurs when the products have been shipped to or / and delivered to the customer's destination / specific location, the risks of loss have been transferred to the customer and the customer has accepted the product either as per the sales contract or lapse of acceptance provision or the Company has objective evidence that all criteria for acceptance have been satisfied. Revenue is measured based on the consideration specified in a contract with a customer.

The Company receives short term advances from its customers. Prior to adoption of IFRS 15, an advance consideration received from customers was included in 'Trade and other payables' which now is reclassified in 'Contract liabilities' presented separately on statement of financial position. In addition, reclassification has been made from 'Trade and other payables' to 'Contract liabilities' for outstanding balance of advance from customers for prior year to provide comparison. A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

The above is generally consistent with the timing and amounts of revenue the Company recognised in accordance with the previous standard, IAS 18. Therefore, the adoption of IFRS 15 did not have an impact on the timing and amounts of revenue recognition of the Company.

Apart from providing more extensive disclosures, the application of IFRS 15 has not had a significant impact on the financial position and / or financial performance of the Company for the reasons described above. Accordingly there was no adjustment to retained earnings on application of IFRS 15 at 1 July 2018.

As required for the condensed interim financial information, the Company disaggregated revenue recognised from contracts with customers into categories that depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic factors.

3.4.2 IFRS 9 Financial Instruments

IFRS 9 replaces the provisions of IAS 39 'Financial Instruments: Recognition and Measurement' that relates to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The details of new significant accounting policies and the nature and effect of the changes to previous accounting policies are set out below:

Classification and measurement of financial assets and financial liabilities

IFRS 9 largely retains the existing requirements in IAS 39 for the classification and measurement of financial liabilities. However, it eliminates the previous IAS 39 categories for financial assets of held to maturity, loans and receivables and available for sale.

Under IFRS 9, on initial recognition, the Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through Other Comprehensive Income (OCI), or through profit or loss); and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at fair value through profit or loss:

- it is held within business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principaland interest on principal amount outstanding.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

The classification and measurement under IFRS 9 does not have any impact on Company's accounting policy. Trade and other receivables and cash and cash equivalents that were classified as loans and receivables under IAS 39 are now classified at amortised cost. Trade receivable is initially measured at transaction price and are subsequently measured at amortised cost using the effective interest method, net of impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Impairment

IFRS 9 replaces the 'incurred loss' model in IAS 39 with an 'expected credit loss' (ECL) model. IFRS 9 introduces a forward looking expected credit losses model, rather than the current incurred loss model, when assessing the impairment of financial assets in the scope of IFRS 9. The new impairment model applies to financial assets measured at amortised cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. Impairment losses related to trade and other receivables, including contract assets, are presented separately in the statement of profit or loss. Trade receivables are written off when there is no reasonable expectation of recovery. Based on the management's ECL workings under IFRS 9 and given the Company's experience with customers having good collection history with no significant historical loss rates / bad debts and normal receivable ageing, the move from an incurred loss model to an expected loss model has not had an impact on the financial position and / or financial performance of the Company. In addition, reclassification has been made from 'Administrative Expenses' to 'Impairment loss on trade debts' for impairment losses recognised under IAS 39, for prior year to provide comparison.

3.5 Accounting Estimates and Judgements

The preparation of condensed interim financial statements requires 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 the management in applying the Company's accounting policies and the key sources of estimation are the same as those that applied to the financial statements for the year ended 30 June 2018.

4. PROPERTY, PLANT AND EQUIPMENT

The costs of additions and disposals in property, plant and equipments during the period are as under:

	Note	Six months period ended **(Unaudited) 31 December 2018**	 (Unaudited) 31 December 2017
		(Rupees in '000)	
Additions			
Land	4.1	**505,648**	-
Plant and machinery		**26,639**	17,680
Office equipment and appliances		**4,664**	3,714
Vehicles		**17,852**	4,466
Capital work in progress	4.2	**13,841**	67,804
Furnitures and fixtures		**286**	1,954
Buildings		**-**	251
Others		**1,919**	994
		570,849	96,863
Disposals (cost)		**(1,547)**	(218)

4.1 This land is purchased for Company's operations and situated at Nooriabad.

4.2 This represents the purchase of plant and machinery & others.

5. INVESTMENT IN AN ASSOCIATED COMPANY - equity accounted for

5.1 This represents investment of 576,000 (30 June 2018 : 576,000) fully paid ordinary shares of Rs. 10 each in International Industries Limited (IIL). The market value of investment as of 31 December 2018 amounted to Rs. 88.73 million (30 June 2018 : Rs. 133.80 million).

5.2 Above associate has been equity accounted for up to 30 September 2018. The management does not expect the results of operations for the 3 months ended 31 December 2018 to be material.

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT 31 December 2018

	Note	(Unaudited) 31 December 2018	(Audited) 30 June 2018
		(Rupees in '000)	
ASSETS			
Non-current assets			
Property, plant and equipment	4	**2,647,320**	2,186,084
Intangible assets		**6,688**	6,891
Investment in an associated company	5	**97,343**	96,926
Long-term loans receivable		**5,564**	5,721
Long-term prepayment		**11,617**	-
Total non current assets		**2,768,532**	2,295,622
Current assets			
Stores and spares		**61,695**	64,264
Stock-in-trade	6	**2,413,320**	1,954,584
Trade debts	7	**1,769,354**	1,971,710
Short-term loans and advances		**47,576**	66,619
Short-term deposits and prepayments		**55,844**	50,185
Other receivables		**4,584**	9,509
Advance tax - net of provisions		**298,366**	185,675
Cash and bank balances	8	**84,111**	572,866
Total current assets		**4,734,850**	4,875,412
Total assets		**7,503,382**	7,171,034
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital	9	**355,779**	284,623
Advance against share capital	9	-	487,905
Capital reserves			
Share premium reserve	9	**1,595,139**	527,800
Surplus on revaluation of assets (land and building) - net of tax		**1,097,146**	1,104,333
Revenue reserves			
General reserve		**1,227,000**	1,138,000
Un-appropriated profit		**123,389**	215,336
Total shareholders' equity		**4,398,453**	3,757,997
Non-current liabilities			
Long-term loans	10	**735,000**	289,375
Deferred liability for staff gratuity		**34,154**	32,695
Other long-term employee benefits		**37,969**	35,051
Deferred tax liability - net	11	**42,912**	62,550
Total non current liabilities		**850,035**	419,671
Current liabilities			
Current portion of long-term loans	10	**88,750**	68,750
Trade and other payables	12	**843,401**	762,120
Loans from banking companies	13	**1,013,548**	1,779,139
Contract liabilities	3.4.2	**250,516**	333,927
Unclaimed dividend		**25,423**	23,776
Mark-up accrued on bank borrowings		**33,256**	25,654
Total current liabilities		**2,254,894**	2,993,366
Contingencies and commitments	14		
Total equity and liabilities		**7,503,382**	7,171,034

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Chief Executive	Director	Chief Financial Officer

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UNAUDITED)
FOR THE SIX MONTHS PERIOD ENDED 31 DECEMBER 2018

	Note	Six months period ended		Three months period ended	
		31 December 2018	31 December 2017	**31 December 2018**	31 December 2017
		(Rupees in '000)		**(Rupees in '000)**	
Net Sales	*15*	**4,637,769**	4,459,165	**2,837,465**	2,462,142
Cost of sales		**(4,002,652)**	(3,825,652)	**(2,437,867)**	(2,121,566)
Gross profit		**635,117**	633,513	**399,598**	340,576
Marketing, selling and distribution costs	*16*	**(262,983)**	(213,364)	**(159,259)**	(127,916)
Administrative expenses	*17*	**(141,601)**	(121,773)	**(69,242)**	(67,126)
Impairment loss on trade debts	*3.4.1*	**(141)**	(7,767)	**-**	(3,806)
		(404,725)	(342,904)	**(228,501)**	(198,848)
Finance costs		**(75,346)**	(65,816)	**(44,547)**	(32,674)
Other expenses	*18*	**(13,081)**	(17,423)	**(10,363)**	(8,677)
		(88,427)	(83,239)	**(54,910)**	(41,351)
Other income		**12,456**	19,624	**6,042**	13,945
Share of profit from associate under the equity basis of accounting		**6,578**	6,800	**2,513**	3,165
Profit before income tax		**160,999**	233,794	**124,742**	117,487
Taxation	*19*	**(44,507)**	(52,390)	**(38,591)**	(24,715)
Profit for the period		**116,492**	181,404	**86,151**	92,772
		(Rupees)		**(Rupees)**	
			(Restated)		**(Restated)**
Earnings per share - Basic and diluted	*20*	**3.31**	5.94	**2.42**	3.04

The annexed notes from 1 to 28 form an integral part of these condensed interim financial statements.

Chief Executive	Director	Chief Financial Officer

ڈائریکٹرز کا جائزہ

31 دسمبر 2018ء اختتام پذیر نصف سالہ مدت کے لئے سیلز ریونیو 4.6 بلین روپے رہا جو گذشتہ سال کی اس مدت کی سیلز کے لئے 4 فی صد زیادہ ہے۔ گذشتہ سال کی اس مدت میں 633.5 ملین روپے مجموعی منافع کے مقابلہ میں رواں نصف سالہ مدت میں 635.1 ملین روپے ہے۔

فروخت، مارکیٹنگ اور انتظامی اخراجات اور امپیئرمنٹ نقصان 342.9 ملین روپے کے مقابلہ میں 404.7 ملین روپے ہے۔ ایڈورٹائزنگ اور تشہیر کی مد میں زیادہ اخراجات کی وجہ سے یہ اضافہ دیکھنے میں آیا۔ قرضوں کی لاگت گذشتہ سال کی اسی مدت میں 65.8 ملین روپے کے مقابلہ میں رواں نصف سالہ مدت میں 75.3 ملین روپے رہی۔ اسٹیٹ بینک آف پاکستان کی جانب سے پالیسی شرح میں اضافہ کی وجہ سے قرضوں کی لاگت میں اضافہ ہوا۔

مذکورہ بالا عوامل کے نتیجہ میں گذشتہ سال کی اسی مدت میں 181.4 ملین روپے کے منافع علاوہ ٹیکس کے مقابلہ میں کمپنی نے 116.5 ملین روپے علاوہ ٹیکس منافع درج کیا۔

ملک میں مجموعی طور پر غیر یقینی اقتصادی صورت حال دیکھنے میں آرہی ہے۔ انتہائی مالیاتی اور کرنٹ اکاؤنٹ خسارہ اور غیر ملکی زرمبادلہ کے کم ذخائر کی وجہ سے مارکیٹ حکومت کے اقدامات میں ٹھہراؤ کے انتظار میں ہے۔ جس میں IMF پلان میں شامل ہونے کے امکانات اور اس کے ممکنہ اثرات شامل ہیں۔ روپے کی قدر میں کمی اور شرح سود، گیس اور بجلی کی قیمتوں میں حالیہ اضافہ کی وجہ سے کاروباری لاگت میں نمایاں اضافہ ہوا ہے۔ خصوصا پراجیکٹس مارکیٹ میں ہم مسلسل تابع سرگرمی کے انتظار میں ہیں۔ مزید برآں، رہائشی تعمیرات میں بھی کمی واقع ہو چکی ہے جس کی وجہ سے ہمارا کاروبار براہ راست اثر انداز ہو رہا ہے۔

مذکورہ بالا عوامل کے نتیجہ میں کمپنی متعدد کاسٹ کنٹرول اقدامات پر زور دے رہی ہے اور ہم پیداوار میں اضافہ کے لئے متعدد رواں پروگراموں کے ذریعے کارکردگی میں اضافہ کے لئے کوشاں ہیں۔

ڈائریکٹرز اس مدت کے دوران کمپنی کی انتظامیہ اور ملازمین کی محنت اور جذبہ کو خلوص نیت اور قدر کی نگاہ سے دیکھتے ہیں۔ بورڈ آف ڈائریکٹرز اور کمپنی کے ملازمین کی جانب سے ہم اپنے تمام معزز صارفین، ڈسٹری بیوٹرز، ڈیلرز، بینکرز اور دیگر تمام سٹیک ہولڈرز کے ہماری کمپنی پر بھروسہ اور اعتماد کے لئے شکر گزار ہیں۔

منجانب بورڈ آف ڈائریکٹرز

مصطفیٰ اے چنائے
چیئرمین

کراچی: 29 جنوری، 2019ء

Independent Auditor's Review Report

To the members of Pakistan Cables Limited
Report on review of Interim Financial Statements

Introduction

We have reviewed the accompanying condensed interim statement of financial position of **Pakistan Cables Limited** as at 31 December 2018 and the related condensed interim statement of profit or loss, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, and condensed interim statement of cash flows, and notes to the financial statements for the six-month period then ended (here-in-after referred to as the "interim financial statements"). Management is responsible for the preparation and presentation of this interim financial statements in accordance with accounting and reporting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these financial statements based on our review.

Scope of Review

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements is not prepared, in all material respects, in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting.

Other Matter

The figures for the quarter ended 31 December 2018 and 31 December 2017 in the interim financial statements have not been reviewed and we do not express a conclusion on them. The engagement partner on the engagement resulting in this independent auditor's review report is Amyn Pirani.

KPMG Taseer Hadi &Co.

Date: 29 January 2019

Karachi

KPMG Taseer Hadi & Co.
Chartered Accountants
Amyn Pirani

	Six months period ended	
	(Unaudited) 31 December 2018	(Unaudited) 31 December 2017
	(Rupees in '000)	
16. MARKETING, SELLING AND DISTRIBUTION COSTS		
Salaries, wages and benefits	**67,844**	57,381
Rent, rates and taxes	**9,192**	7,340
Commission	**738**	659
Repairs and maintenance	**816**	1,149
Communication and stationary	**2,195**	2,137
Training, travelling and entertainment	**10,491**	9,997
Advertising and publicity	**101,463**	61,287
Carriage and forwarding expenses	**57,127**	62,422
Depreciation	**5,932**	5,288
Subscriptions	**984**	978
Insurance	**883**	902
Other expenses	**5,318**	3,824
	262,983	213,364
17. ADMINISTRATIVE EXPENSES		
Salaries, wages and benefits	**91,681**	83,618
Office rent	**3,654**	2,351
Insurance	**702**	761
Donations	**3,760**	2,975
Repairs and maintenance	**4,707**	4,433
Legal and professional	**12,329**	7,962
Auditors' remuneration	**1,149**	979
Communication and stationary	**5,888**	4,040
Training, travelling and entertainment	**3,906**	2,049
Depreciation	**5,120**	4,936
Amortization	**783**	2,912
Other expenses	**7,922**	4,757
	141,601	121,773
18. OTHER EXPENSES		
Workers' profits participation fund	**8,645**	12,541
Workers' welfare fund	**3,814**	4,718
Liquidated damages for late deliveries	**622**	164
	13,081	17,423
19. TAXATION		
Current - for the period	**51,274**	77,385
- Prior years - net	**12,557**	(9,788)
Deferred - due to changes in temporary differences - net	**(19,324)**	(15,207)
	44,507	52,390

19.1 The Finance Act, 2015 introduced a new tax under Section 5A of the Income Tax Ordinance, 2001 as amended through Finance Act, 2018 and requires every public company other than a scheduled bank or modaraba, to pay tax at five percent of the accounting profit if it drives profit for a tax year but does not distribute at least 20 percent of its after tax profits within six months of the end of the tax year through cash.

The Company intends to distribute sufficient dividend for the accounting year ending 30 June 2019 to comply with the above stated requirement. Accordingly, no provision for taxation has been recognised in these interim financial statements.

	Six months period ended	
	(Unaudited)	(Unaudited)
	31 December	31 December
	2018	2017
	(Rupees in '000)	

20. EARNINGS PER SHARE - basic and diluted

Profit after taxation	**116,492**	181,404
	(Number of shares)	
		(Restated)
Weighted average number of ordinary shares outstanding during the period	**35,141**	30,553
	(Rupees)	
		(Restated)
Earnings per share - basic and diluted	**3.31**	5.94

21. CASH GENERATED FROM / (USED IN) OPERATIONS

	Six months period ended	
	(Unaudited)	(Unaudited)
	31 December	31 December
	2018	2017
	(Rupees in '000)	
Profit before taxation	**160,999**	233,794
Adjustments for non cash charges and other items:		
- Depreciation	**108,272**	102,102
- Amortization	**1,483**	2,912
- Provision for staff gratuity	**2,453**	2,089
- Other long-term employees benefits	**2,918**	5,609
- Gain on disposal of fixed assets	**(706)**	(121)
- Share of profit from associate	**(6,578)**	(6,800)
- Reversal of impairment loss on investment in associate	**-**	(6,955)
- Finance costs	**75,346**	65,816
Working capital changes:		
(Increase) / decrease in current assets		
- Stores and spares	**2,569**	8,478
- Stock-in-trade	**(458,736)**	(189,051)
- Trade debts	**202,356**	(290,200)
- Short-term loans and advances	**19,043**	(14,105)
- Short term deposits and payments	**(5,659)**	(12,678)
- Other receivables	**4,925**	4,891
	(235,502)	(492,665)
Increase / (decrease) in current liabilities		
- Trade and other payables	**81,281**	(42,191)
- Contract Liabilities	**(83,411)**	(92,688)
	(2,130)	(134,879)
	(237,632)	(627,544)
	106,555	(229,098)

22. CASH AND CASH EQUIVALENTS

Cash and bank balances	**84,111**	118,450
Running finance from banks	**(513,548)**	(424,085)
	(429,437)	(305,635)

23. TRANSACTIONS WITH RELATED PARTIES

Parties which are related to the Company in pursuit of IAS 24 'Related Party Disclosures' including associates, staff retirement benefit plans and key management personnel are considered for disclosure of related party transactions.

Transactions with related parties:

Name of the related party	Relationship and percentage shareholding	Transactions during the period and period-end balances	Six months period ended (Unaudited) 31 December 2018	(Unaudited) 31 December 2017
			(Rupees in '000)	
Intermark (Pvt) Limited	Associate	Sale of goods	**390,949**	431,476
		Amount due at the period end	**230,229**	130,032
International Industries Limited	Associate	Sale of goods	**5,670**	4,348
		Purchase of goods, services & materials	**1,198**	53
		Sharing of rental office expenses	**270**	116
		Dividend paid	**21,324**	4,852
		Dividend received	**3,744**	1,152
		Proportionate share of changes in equity	**6,252**	6,660
		Reversal of impairment loss on investment	**-**	6,955
		Amount due at the period end	**386**	136
Amir Sultan Chinoy Foundation	Common directorship	Donation	**-**	2,000
International Steels Limited	Associate	Sale of goods	**4,458**	59,293
		Amount due at the period end	**-**	43,654
MCB Bank Limited	Common directorship	Repayments (net)	**(31,626)**	-
		Bank service charges & mark-up	**4,300**	-
Jubilee Life Insurance Company Limited	Common directorship	Insurance premium	**1,791**	856
		Insurance claim received	**-**	500
Cherat Cement Company	Common directorship	Sale of goods	**913**	1,216
Atlas Autos (Private) Limited	Common directorship	Sale of goods	**2,617**	5,192
		Amount due at the period end	**570**	772
Atlas Engineering Limited	Common directorship	Sale of goods	**-**	1,299
Atlas Power Limited	Common directorship	Sale of goods	**459**	87
		Amount due at the period end	**-**	102
Atlas Honda Limited	Common directorship	Sale of goods	**12,620**	7,686
		Purchase of goods, services & materials	**192**	63
		Amount due at the period end	**43**	2,589
ICI Pakistan Limited	Common directorship	Sale of goods	**119**	30,752
		Amount due at the period end	**48**	5
Pakistan Cables Limited - Staff Provident Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plan	**8,318**	7,099
		Retirement benefit plans - Receivable / (Payable)	**1,636**	(2,710)
Pakistan Cables Limited - Staff Pension Fund	Staff retirement benefit plans	Net charge in respect of Staff retirement benefit plans	**4,205**	2,364
		Retirement benefit plans (Payable) / Receivable	**(22,760)**	25,248
Board of Directors (executive and non-executive) and Key Management Personnel	Key management personnel	Remuneration	**86,941**	77,689
		Directors' fees	**1,300**	1,050
		Loan receivable from the executive director (including interest)	**467**	857
		Dividend paid	**27,614**	14,077
		Directors' fee payable	**475**	700

23.1 Remuneration of key management personnel are in accordance with their terms of employment.

23.2 Contributions to defined contribution plan (provident fund) are made as per the terms of employment and contribution to /charge for the defined benefit plan (pension scheme) are in accordance with the actuarial advice.

23.3 Share of profit of the associated company and dividend from them are as per the profit and dividend declared by them.

23.4 Other transactions are at agreed terms.

24. MEASUREMENT OF FAIR VALUES

Management assessed that the fair values of cash & cash equivalent, short-term loan, advances and deposits, other receivable, trade debts, trade payables, short term borrowing and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. For long term deposit assets and long term liabilities management consider that their carrying values approximates fair value.

Non financial assets measured at fair value	Date of valuation	Valuation approach and inputs used	Inter-relationship between significant unobservable input and fair value measurement
Revalued property, plant and equipment			
- Land and building	30 June 2016	The valuation model is based on price per square metre. In determining the valuation for land and building the valuer refers to numerous independent market inquiries from local estate agents / realtors in the vicinity to establish the present market value. The fair valuation of land and building are considered to represent a level 3 valuation based on significant non-observable inputs being the location and condition of the assets.	The fair value are subject to change owing to changes in input. However, management does not expect there to be a material sensitivity to the fair value arising from the non-observable inputs.

25. OPERATING SEGMENTS

These condensed interim financial statements have been prepared on the basis of single reportable segment.

25.1 Revenue from cables & wires represents 98% (30 June 2018 : 97%) of total revenue of the company.

25.2 Sales represent local sales of Rs 4,607.75 million (31 December 2017: Rs 4,450.86 million) and export sales of Rs. 30.02 million (31 December 2017 : Rs. 8.31 million). The export represents sales to Africa, Middle East and Asia regions amounting to Rs. 4.34 million, Rs. 7.77 million and Rs. 17.91 million respectively. (31 December 2017: sales to Africa and Middle East regions amounting to Rs. 5.96 million and Rs. 2.35 million respectively).

25.3 All non-current assets of the Company at 31 December 2018 are located in Pakistan. The Company does not have any customer having sales of 10% or more during the period ended 31 December 2018 (30 June 2018: Nil).

26. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the audited financial statement as at and for the year ended 30 June 2018.

27. CORRESPONDING FIGURES

Corresponding figures have been reclassified for the purposes of comparison and better presentation. These reclassifications have no impact on previously reported profit or equity.

28.1 NON-ADJUSTING EVENT AFTER THE BALANCE SHEET DATE

The Board of Directors in their meeting held on 29 January 2019 have for the half year ended 31 December 2018, declared interim cash dividend of Rs. 1.5 per share (31 December 2017: Rs. 2.5 per share) amounting to Rs. 53,37 million (31 December 2017: Rs. 71.16 million). The financial statements for the half year ended 31 December 2018 do not include the effect of the declared interim cash dividend which will be recognised in the financial statements for the year ending 30 June 2019.

28.2 DATE OF AUTHORISATION FOR ISSUE

These condensed interim financial statements were authorised for issue on 29 January 2019 by the Board of Directors of the Company.

Chief Executive	Director	Chief Financial Officer

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