

Riaz Ahmad & Company

Chartered Accountants

AKD CAPITAL LIMITED

CONDENSED INTERIM FINANCIAL STATEMENTS

**FOR THE SIX-MONTH PERIOD ENDED
31 DECEMBER 2018**

COMPANY INFORMATION

Board of Directors

Mr. Nadeem Saulat Siddiqui
(Chairman)
Mr. Aurangzeb Ali Naqvi
(Chief Executive Officer)
Mr. Aamir Nazir Dhedhi
Mr. Muhammad Munir
Mr. Mohammad Sohail
Mr. Muhammad Jamal Dhedhi
Mrs. Mehrunnisa Siddiqui

Company Secretary

Asghar Ali Anjum

Auditors

Riaz Ahmad & Co.
Chartered Accountants

Share Registrar

C&K Management Associates
(Pvt) Limited

Bankers

MCB Bank Limited
United Bank Limited
Bank Al-Habib Limited

Registered Office

618 Continental Trade Center
Main Clifton Road Clifton
Karachi-74000, Pakistan
Tel: (92-21) 35302902 (5 Lines)
Fax: (92-21) 35302913

Audit Committee

Mr. Muhammad Jamal Dhedhi
Mr. Muhammad Sohail
Mrs. Mehrunnisa Siddiqui

AKD CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UNAUDITED)
AS AT 31 DECEMBER 2018

	Note	Unaudited 31 December 2018 Rupees	Audited 30 June 2018 Rupees
ASSETS			
NON-CURRENT ASSETS			
Property and equipment	4	1,680,702	1,725,258
Long term investments		98,000	98,000
Long term deposit		20,000	20,000
		1,798,702	1,843,258
CURRENT ASSETS			
Trade debts - considered good & unsecured	5	4,631,944	3,131,944
Advances and prepayments		236,887	10,000
Short term investment	6	26,399,520	27,780,800
Other receivable - considered good & unsecured	7	4,078,448	4,058,402
Advance income tax		631,685	1,215,488
Bank balances		2,930,548	5,335,327
		38,909,032	41,531,961
TOTAL ASSETS		40,707,734	43,375,219
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital 50,000,000 (30 June 2018: 50,000,000 ordinary shares of Rupees 10 each)		500,000,000	500,000,000
Issues subscribed and paid up share capital 2,507,471 (30 June 2018: 2,507,471) ordinary shares of Rupees 10 each		25,072,733	25,072,733
Reserves		12,015,620	14,426,177
TOTAL EQUITY		37,088,353	39,498,910
NON CURRENT LIABILITIES			
Deferred taxation		9,179	183,375
CURRENT LIABILITIES			
Trade and other payables	8	1,930,797	1,874,009
Provision for taxation		201,480	341,000
Unclaimed dividend		1,477,925	1,477,925
		3,610,202	3,692,934
TOTAL LIABILITIES		3,619,381	3,876,309
Contingencies and commitments	9		
TOTAL EQUITY AND LIABILITIES		40,707,734	43,375,219

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


 CHIEF EXECUTIVE OFFICER


 DIRECTOR


 CHIEF FINANCIAL OFFICER

AKD CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2018

	Note	Six-month period ended		Three-month period ended	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
		Rupees	Rupees	Rupees	Rupees
INCOME					
Consultancy income		1,500,000	-	1,500,000	-
Dividend income		543,200	1,940,000	543,200	1,940,000
		2,043,200	1,940,000	2,043,200	1,940,000
EXPENSES					
Administrative expenses		(2,114,958)	(2,021,225)	(1,248,362)	(1,303,444)
(Loss) / profit before taxation		(71,758)	(81,225)	794,838	636,556
Taxation					
- Current		(201,480)	(291,000)	(201,480)	(291,000)
- Prior		(270,000)	41,886	(270,000)	-
- Deferred		174,196	-	174,196	-
		(297,284)	(249,114)	(297,284)	(291,000)
(Loss) / profit after taxation		(369,042)	(330,339)	497,554	345,556
OTHER COMPREHENSIVE LOSS					
Items that will not be reclassified subsequently to profit or loss					
Items that may be reclassified subsequently to profit or loss:					
- Remeasurement loss on available for sale investments - net		(1,381,280)	(2,172,800)	(2,871,200)	(6,192,480)
		(1,381,280)	(2,172,800)	(2,871,200)	(6,192,480)
Total comprehensive loss for the period		(1,750,322)	(2,503,139)	(2,373,646)	(5,846,924)
(Loss) / earnings per share - basic and diluted	10	(0.15)	(0.13)	0.20	0.14

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD CAPITAL LIMITED
STATEMENT OF CHANGES IN EQUITY (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2018

	Reserves					Sub total	Total
	Capital Reserves		Revenue Reserves				
	Share premium	Fair value reserve on available for sale investment	General reserve	Accumulated loss			
Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	
Balance as at 30 June 2017 - audited	25,072,733	20,891,600	1,866,913	752,000	(7,547,631)	15,962,882	41,035,615
Transaction with owners							
Final dividend for the year ended 30 June 2017 @ Rupee 0.5 per share	-	-	-	-	(589,417)	(589,417)	(589,417)
Total comprehensive loss for the period							
Loss for the six-month period ended 31 December 2017	-	-	-	-	(330,339)	(330,339)	(330,339)
Other comprehensive loss							
Loss on re-measurement of available for sale investment	-	-	(2,172,800)	-	-	(2,172,800)	(2,172,800)
	-	-	(2,172,800)	-	(330,339)	(2,503,139)	(2,503,139)
Balance as at 31 December 2017 - unaudited	25,072,733	20,891,600	(305,887)	752,000	(8,467,387)	12,870,326	37,943,059
Total comprehensive income for the period							
Profit for the six-month period ended 30 June 2018	-	-	-	-	1,532,571	1,532,571	1,532,571
Other comprehensive income							
Gain on re-measurement of available for sale investment	-	-	23,280	-	-	23,280	23,280
	-	-	23,280	-	1,532,571	1,555,851	1,555,851
Balance as at 30 June 2018 - audited	25,072,733	20,891,600	(282,607)	752,000	(6,934,816)	14,426,177	39,498,910
Transaction with owners							
Final dividend for the year ended 30 June 2018 @ Rupee 0.5 per share	-	-	-	-	(660,235)	(660,235)	(660,235)
Total comprehensive loss for the period							
Loss for the six-month period ended 31 December 2018	-	-	-	-	(369,042)	(369,042)	(369,042)
Other comprehensive loss							
Loss on re-measurement of available for sale investment	-	-	(1,381,280)	-	-	(1,381,280)	(1,381,280)
	-	-	(1,381,280)	-	(369,042)	(1,750,322)	(1,750,322)
Balance as at 31 December 2018 - unaudited	25,072,733	20,891,600	(1,663,887)	752,000	(7,964,093)	12,015,620	37,088,353

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD CAPITAL LIMITED
CONDENSED INTERIM STATEMENT OF CASH FLOWS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2018

	31 December 2018 Rupees	31 December 2017 Rupees
CASH FLOW FROM OPERATING ACTIVITIES		
Loss before taxation	(71,758)	(81,225)
Adjustment for:		
Depreciation	106,211	119,766
Operating cash flow before working capital changes	34,453	38,541
Changes in working capital		
(Increase) / decrease in current assets		
Trade debts	(1,500,000)	555,556
Advances and prepayments	(226,887)	(121,601)
Other receivable	(20,046)	451,152
(Decrease) / increase in current liabilities		
Trade and other payables	(590,682)	302,274
	(2,337,615)	1,187,381
Cash (used in) / flow from operations	(2,303,162)	1,225,922
Income tax paid	(27,197)	(352,629)
Net cash (used in) / flow from operating activities	(2,330,359)	873,293
CASH FLOW FROM INVESTING ACTIVITIES		
Addition to property and equipment	(61,655)	-
Net cash used in investing activities	(61,655)	-
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid	(12,765)	(589,417)
Net cash used in financing activities	(12,765)	(589,417)
Net (decrease) / increase in cash and cash equivalents	(2,404,779)	283,876
Cash and cash equivalents at the beginning of the period	5,335,327	1,605,313
Cash and cash equivalents at the end of the period	2,930,548	1,889,189

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


CHIEF EXECUTIVE OFFICER


DIRECTOR


CHIEF FINANCIAL OFFICER

AKD CAPITAL LIMITED
SELECTED NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS (UNAUDITED)
FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2018

1. THE COMPANY AND ITS OPERATIONS

1.1 AKD Capital Limited ("the Company") was incorporated as a Public Limited Company in the Year 1936 under Companies Act, 1913 (Now Companies Act, 2017). Shares of the Company are quoted on the Pakistan Stock Exchange Limited. The principal activity of the Company is to deal in real estate / providing consultancy, projects financing and management, investment in listed securities and to engaged in leasing. The registered office of the Company is situated at 416-418, Continental Trade Center, Clifton, Karachi.

1.2 GOING CONCERN ASSUMPTIONS

This condensed interim financial statements has reported net loss for the six-month amounting to Rupees 0.448 million. The Company's net assets position and other financial indicators depict a healthy financial position as at the reporting date. However, the Company's primary commercial operations i.e. to deal in real estate projects, providing consultancy services, projects financing and management etc remained at halt for some years due to economic conditions prevailing in the Country and other ancillary reasons. This situation indicates the existence of material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and, therefore, it may be unable to realize its assets and discharge its liabilities in the normal course of business. However, the management is proactively considering new business avenues and looking for different options. The Company has been successful in securing contracts from Construction Venture for provision of consultancy services in recent years. During the preceding years, the Company entered into another an agreement of Rupees 20 million against which services are being rendered and partial billing had been made. The Company is also exploring other construction projects and business opportunities to enhance its revenues in the coming years. The Company has also invested its surplus funds in a housing scheme Company from which lucrative returns are expected going forward. The sponsor directors and management of the Company are committed to the viable and profitable commercial operations of the Company in the upcoming financial year and, based upon the future financial projections, strongly believe that the Company will continue as a going concern.

These condensed interim financial statements have, therefore, been prepared on going concern basis and do not include any adjustment relating to the realization of its assets and liquidation of any liabilities that might be necessary should the Company be unable to continue as a going concern.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim financial statements of the Company for the six-month period ended 31 December 2018 has been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:

- International Accounting Standard (IAS) 34 "Interim Financial Reporting" issued by the International Accounting Standards Board (IASB);
- 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.

- 2.1.1** This condensed interim financial statements do not include all the information and disclosures required for full annual financial statements and should be read in conjunction with the annual unaudited financial statements of the Company for the year ended 30 June 2018.
- 2.1.2** These condensed interim financial statements are unaudited, however, have been subjected to limited scope review by the auditors and are being submitted to the shareholders as required by the Listed Companies (Code of Corporate Governance) Regulations, 2017 and Section 237 of the Companies Act, 2017.
- 2.1.3** The comparatives in the condensed interim statement of financial position presented in the condensed interim financial statements as at 31 December 2018 have been extracted from the annual audited financial statements for the year ended 30 June 2018, where as the comparative in condensed interim statement of profit or loss and other comprehensive income, condensed interim statement of changes in equity and condensed interim statement of cash flows are extracted from unaudited condensed interim financial statement for the period ended 31 December 2017.

3. ACCOUNTING POLICIES

The accounting policies and methods of computations adopted for the preparation of these condensed interim financial statements are the same as applied in the preparation of the preceding audited annual published financial statements of the Company for the year ended 30 June 2018 except for the adoption of new and amended standards as set out below:

3.1 Standards, amendments and interpretations to International Financial Reporting Standards ('IFRS') those are effective in the current period

Certain standards, amendments and interpretations to IFRS are effective for accounting periods beginning on 01 July 2018, but are considered not to be relevant or to have any significant effect on the company's operations (although they may affect the accounting for future transactions and events) and are, therefore, not detailed in this condensed interim financial statements except for IFRS – 15 'Revenue from Contracts with Customers'. The impact of the adoption of this standard and new accounting policy is disclosed in Note 3.4.1 below.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company

The Securities and Exchange Commission of Pakistan (SECP) through SRO 1007(I)/2017 dated 04 October 2017 had notified that IFRS 9, 'Financial Instruments' would be applicable for annual periods beginning on or after 01 July 2018, however, subsequent to reporting date, SECP through SRO 229(I)/2019 dated 14 February 2019 has notified the deferment of this standard to reporting period/year ending on or after 30 June 2019 (earlier application is permitted). Consequently, the Company has not adopted this standard in the preparation of these condensed interim financial statements for the six-month period ended 31 December 2018.

This standard replaces the guidance in IAS 39, 'Financial Instruments: Recognition and measurement'. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit losses model that replaces the current incurred loss impairment model. As allowed above, the Company will apply this standard in the preparation of its financial statements for the year ending on 30 June 2019 and it is yet to assess the full impact of this standard.

Further, the following amendments and interpretations to existing standards have been published and are mandatory for the Company's accounting period beginning on 01 July 2019 and the Company has not early adopted them:

	Effective date (accounting periods beginning on or after)
IFRS 16, 'Leases'	01 January 2019
IFRIC 23, 'Uncertainty over income tax treatments'	01 January 2019

The Company will apply these standards / interpretations from their respective effective date and has yet to assess their impact on its financial statements.

3.3 CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of these condensed interim financial statements in conformity with the approved accounting standards requires the use of certain critical accounting estimates. It also requires the management to exercise its judgment in the process of applying the Company's accounting policies. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During preparation of these condensed interim financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied in the preceding audited annual published financial statements of the Company for the year ended 30 June 2018.

3.4 CHANGES IN ACCOUNTING POLICIES

The following change in accounting policy has taken place effective from 01 July 2018:

3.4.1 IFRS 15 'Revenue from Contracts with Customers'

The Company has adopted IFRS 15 from 01 July 2018. The standard provides a single comprehensive model for revenue recognition. The core principle of the standard is that an entity shall recognise revenue to depict the transfer of promised goods or services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The standard introduced a new contract-based revenue recognition model with a measurement approach that is based on an allocation of the transaction price. This is described further in the accounting policies below. Credit risk is presented separately as an expense rather than adjusted against revenue. Contracts with customers are presented in a Company's statement of financial position as a contract liability, a contract asset, or a receivable, depending on the relationship between the Company's performance and the customer's payment. Customer acquisition costs and costs to fulfill a contract can, subject to certain criteria, be capitalised as an asset and amortised over the contract period.

The Company has adopted IFRS 15 by applying the modified retrospective approach according to which the Company is not required to restate the prior year results.

i) Key changes in accounting policies resulting from application of IFRS 15

The Company recognises revenue as follows:

Revenue from contracts with customers

Revenue is recognised at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a

customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognises revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Variable consideration within the transaction price, if any, reflects concessions provided to the customer such as discounts, rebates and refunds, any potential bonuses receivable from the customer and any other contingent events. Such estimates are determined using either the 'expected value' or 'most likely amount' method. The measurement of variable consideration is subject to a constraining principle whereby revenue will only be recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The measurement constraint continues until the uncertainty associated with the variable consideration is subsequently resolved. Amounts received that are subject to the constraining principle are initially recognised as deferred revenue in the form of a separate refund liability.

a) Rendering of services

Revenue from a contract to provide services is recognised over time as the services are rendered.

b) Interest

Interest income is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

c) Other revenue

Other revenue is recognized when it is received or when the right to receive payment is established.

Impact of adoption of IFRS 15 on these condensed interim financial statements:

The Company has applied IFRS 15 using the modified retrospective approach for transition. This approach requires entities to recognize the cumulative effect of initially applying IFRS 15 as an adjustment to the opening balance of accumulated profit in the period of initial application. Comparative prior year periods would not be adjusted. The application of IFRS 15 does not have any significant impact on the revenue recognition of the Company and therefore, the cumulative effect of initially applying this standard as an adjustment to the opening balance of accumulated profit in the period of initial application is nil.

	Unaudited 31 December 2018 Rupees	Audited 30 June 2018 Rupees
4. PROPERTY AND EQUIPMENT		
Written down value at the beginning of the period / year	1,725,258	1,964,792
Addition during the period	61,655	-
Depreciation charged for the period / year	(106,211)	(239,534)
Written down value at the closing of the period / year	<u>1,680,702</u>	<u>1,725,258</u>

5. TRADE DEBTS - Considered good & unsecured

Related party:

R.A. Enterprises

4,631,944	3,131,944
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5.1 This balance represents the billing made against consultancy services provided in connection with infrastructure designing of the construction project.

5.2 The maximum aggregate amount receivable from related party at the end of any month during the period was Rupees 4.632 million.

6. SHORT TERM INVESTMENTS

2018 (Number of shares)	2017	Available for sale		
838,080	776,000	Javedan Corporation Limited - cost	28,063,407	28,063,407
		Fair value adjustment:		
		Balance as on 1 July 2018	(282,607)	1,866,913
		Effect of remeasurement to fair value for the period / year	(1,381,280)	(2,149,520)
		Balance as on 31 December 2018	(1,663,887)	(282,607)
			26,399,520	27,780,800

7. OTHER RECEIVABLE - Considered good & unsecured

Related parties:

Creek Developers (Private) Limited (CDPL)

7.1

4,078,448

4,038,402

AKD Securities Limited (AKDSL)

-

20,000

4,078,448

4,058,402

7.1 This represents the balance receivable of allocated share of common expenses.

7.2 The maximum aggregate amounts receivable from CDPL and AKDSL at the end of any month during the period were Rupees 4.078 million and Rupees 0.02 million, respectively.

8. TRADE AND OTHER PAYABLES

Accrued liabilities

456,585

1,106,940

Payable to Pakistan Stock Exchange Limited (PSX)

-

62,000

Payable to AKD Securities Limited

8.1

121,930

-

Withholding tax payable

392,343

281,374

Provision for workers' welfare fund

294,522

294,522

Zakat payable

167,974

129,173

Dividend payable

497,443

-

1,930,797

1,874,009

8.1 This represents the balance payable against common expenses paid by AKD Securities Limited.

9. CONTINGENCIES AND COMMITMENTS

9.1 Contingencies

- a) The Company has filed a law suit in the Honorable High Court of Sindh against a consortium based in Lahore by sending legal notice unduly involving the name of the Company. In response, the said Consortium also filed a counter law suit on the Company in the same court claiming certain consultancy fees from the Company. The management and the legal counsel of the Company are of the view that based on the legal merits, the said law suits will be disposed of without any financial loss to the Company.
- b) An individual filed case against the Company, amongst others, by making the Company as a pro-forma defendant. Presently, the matter is pending in Honorable High Court of Sindh. The management and its legal counsel are confident that that the Company is not a party to the aforesaid case, therefore, the eventual outcome would be favorable and would not result in any financial loss to the Company.

9.2 Commitment

There were no commitments as at the reporting date. (30 June 2018: Nil)

10. (LOSS) / EARNINGS PER SHARE - BASIC AND DILUTED

There is no dilutive effect on the basic (loss) / earnings per share of the Company which is based on:

	Unaudited		Unaudited	
	Six Month Period Ended		Three Month Period Ended	
	31 December	31 December	31 December	31 December
	2018	2017	2018	2017
	Rupees	Rupees	Rupees	Rupees
(Loss) / profit for the period - Rupees	(369,042)	(330,339)	497,554	345,556
Number of ordinary shares in issue - Number	2,507,471	2,507,471	2,507,471	2,507,471
(Loss) / earnings per share - Rupees	(0.15)	(0.13)	0.20	0.14

11. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise associated undertakings, other related companies and key management personnel. The Company in the normal course of business carries out transactions with various related parties. Detail of transactions with related parties are as follows:

Related party	Relationship	Nature of transaction	2018 Rupees	2017 Rupees
i. AKD Securities Limited	Common directorship and 2.28% shareholding	Expenses credited	141,930	361,721
		Dividend paid	28,645	28,645
ii. Aqeel Karim Dhedhi Securities (Private) Limited Staff Provident Fund	Other related party	Dividend paid	124,500	124,500
iii. Creek Developers (Private) Limited	Common directorship and 0.01% shareholding	Expenses debited	40,046	48,848
		Collection during the period	-	500,000
iv. R.A. Enterprises	Sponsor's interest	Consultancy income	1,500,000	-
		Collection during the period	-	500,000

The receivable / payable balances with related parties as at 31 December 2018 are disclosed in the respective notes to the financial statements.

12. RECOGNIZED FAIR VALUE MEASUREMENTS - FINANCIAL ASSETS

i. Fair value hierarchy

Judgments and estimates are made in determining the fair values of the financial instruments that are recognized and measured at fair value in these condensed interim financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the following three levels. An explanation of each level follows underneath the table.

Recurring fair value measurements at 31 December 2018	Level 1	Level 2	Level 3	Total
	Rupees	Rupees	Rupees	Rupees
Financial assets				
Available for sale financial assets	<u>26,399,520</u>	<u>-</u>	<u>-</u>	<u>26,399,520</u>

Recurring fair value measurements at at 30 June 2018	Level 1	Level 2	Level 3	Total
	Rupees	Rupees	Rupees	Rupees
Financial assets				
Available for sale financial assets	<u>27,780,800</u>	<u>-</u>	<u>-</u>	<u>27,780,800</u>

The above table does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amounts are a reasonable approximation of fair value. Due to short term nature, carrying amounts of certain financial assets and financial liabilities are considered to be the same as their fair value. For the majority of the non-current receivables, the fair values are also not significantly different to their carrying amounts.

There were no transfers between levels 1 and 2 for recurring fair value measurements during the six month period ended 31 December 2018. Further there was no transfer in and out of level 3 measurements.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded derivatives, and trading and available-for-sale securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the Company is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities.

ii. Valuation techniques used to determine fair values

Specific valuation techniques used to value financial instruments include the use of quoted market prices or dealer quotes for similar instruments and the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

13. RECOGNIZED FAIR VALUE MEASUREMENTS - NON FINANCIAL ASSETS

There were no any non-financial assets as at 31 December 2018 for the recognized fair value measurement.

14. DATE OF AUTHORIZATION

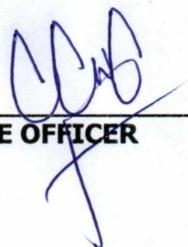
These condensed interim financial statements was approved and authorized for issue on _____ by the Board of Directors of the Company.

15. CORRESPONDING FIGURES

- No significant reclassification / rearrangement of the corresponding figure has been made during the period.

16. GENERAL

Figures have been rounded off to the nearest Rupee.



CHIEF EXECUTIVE OFFICER



DIRECTOR



CHIEF FINANCIAL OFFICER



Jama
Punj

مایہ کاری سمجھداری کے س