

**GROWTH**

W I T H P R O G R E S S



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## Company Information

### Board of Directors

Laith G. Pharaon - Chairman  
Wael G. Pharaon  
Shuaib A. Malik  
Sajid Nawaz  
Abdus Sattar  
Agha Sher Shah  
Babar Bashir Nawaz

### Chief Executive

Babar Bashir Nawaz

### Alternate Directors

Shuaib A. Malik  
Irfan Amanullah

### Audit Committee of the Board

|                 |          |
|-----------------|----------|
| Abdus Sattar    | Chairman |
| Shuaib A. Malik | Member   |
| Agha Sher Shah  | Member   |

### HR & Remuneration Committee

|                    |          |
|--------------------|----------|
| Shuaib A. Malik    | Chairman |
| Abdus Sattar       | Member   |
| Babar Bashir Nawaz | Member   |

### Company Secretary

Irfan Amanullah

### Bankers

The Bank of Punjab Limited  
Allied Bank Limited  
MCB Bank Limited  
Askari Bank Limited  
United Bank Limited  
NIB Bank Limited  
Bank Al-Habib Limited  
Meezan Bank Limited  
National Bank of Pakistan Limited  
Habib Bank Limited  
Samba Bank Limited  
Dubai Islamic Bank Limited  
Faysal Bank Limited



**Auditors**

A.F. Ferguson & Co.  
Chartered Accountants

**Cost Auditors**

Naveed Zafar Ashfaq Jaffery & Co.  
Chartered Accountants

**Registered Office**

D - 70, Block-4, Kehkashan-5  
Clifton, Karachi-75600  
Tel: (92-21) 35309773-4  
UAN: (92-21) 111 17 17 17  
Fax: (92-21) 35309775  
Email: [acpl@attockcement.com](mailto:acpl@attockcement.com)  
Website: [www.attockcement.com](http://www.attockcement.com)

**Plant**

Hub Chowki, Lasbella  
Baluchistan

**Legal Advisor**

Sattar & Sattar  
Attorneys at Law

**Share Registrar**

Technology Trade (Pvt) Limited  
Dagia House, 241 - C, Block - 2, PECHS  
Off: Shahr-e-Quaideen, Karachi.  
Tel: (92-21) 34391316 - 17  
Fax: (92-21) 34391318

## Directors' Review

The Directors are pleased to announce the results of the Company for the nine months period ended March 31, 2017.

### Operational & Financial Review

Production and sales figures for the period ended March 31, 2017 are as follows:

|                              | July - March<br>2017 | July - March<br>2016 |
|------------------------------|----------------------|----------------------|
|                              | -----Tons-----       |                      |
| Clinker Production           | 1,432,835            | 1,425,449            |
| Cement Production            | 1,579,991            | 1,455,684            |
| Cement Despatch - Local      | 1,180,938            | 1,028,920            |
| - Export                     | 394,103              | 433,892              |
|                              | 1,575,041            | 1,462,812            |
| Clinker Exports              | -                    | 11,355               |
| Total Despatches             | 1,575,041            | 1,474,167            |
| Clinker Capacity Utilization | 110%                 | 109%                 |

### Industry Review

In the first 9 months of fiscal year 2016-2017, the local market witnessed a very healthy growth of 11% owing to massive investments by both public and private sectors in infrastructure and housing sectors. This increased investment was the result of lower interest rates & inflation, improved law and order situation and positive economic indicators.

Since the industry is now mainly focused to meet the increased local demand, exports are showing a declining trend and recorded a reduction of 15% as compared to corresponding period. However, the net overall increase in dispatches has been recorded at 7% in the first nine months of the fiscal year 2016-17.

### Sales Review

During the period under review, the overall cement dispatches of the company increased by 112,229 M Tons (8%) as compared to same period last year mainly due to increase in local sales. As a strategy, the company, while considering the improved local demands, has shifted, wherever possible, low price export quantities to local market without disturbing the pricing equilibrium. In order to ensure maximum penetration in local markets the company, during the period under review, has successfully explored the far flung areas taking the advantage of lower transportation cost and FALCON is now a visible brand in the markets of Quetta, Gawadar, Turbat and Multan.

### Financial Review

The net sales revenue for the first nine months of the current year improved by Rs. 928 million (9%) due to higher local despatches made during the period. Production cost per ton of cement sold decreased by Rs. 103 (2%) due to lower input costs and higher efficiencies achieved because of sustained plant operations. The coal prices in the international market have shown a sharp increase and FOB prices have jumped up from US\$ 63 to US\$ 95 per ton in a very short period of six months. Since then management as a prudent practice is continuously maintaining coal inventory equivalent of at least 60-75 days' consumption. Higher sales, improved efficiencies and prudent management of coal inventory has contributed positively towards margins and overall gross and operating margins increased from 38% and 26% respectively to 41% and 30%. As a result the company recorded a net profit after tax of Rs. 2,238 million higher by Rs. 144.5 million (7%) as compared to same period last year.

## Progress On Projects

### Installation of New Production Line

As earlier informed to the share holders, the company is installing a new production line of 1.2 million tons capacity at its existing site. Majority of plant and machinery has arrived at site and work on civil, mechanical and electrical infrastructure / installation is now at its full swing. The Management is making every effort to expedite the work and achieve the commercial operation date of December 2017.

### Cement Grinding Unit in Basra, Iraq

As apprised earlier, a limited liability company by the name of "Saqr Al Keetan For Cement Production Company Limited" has been formed under Iraqi Laws, which is a subsidiary of the company.

Letter of credit for supply of complete cement grinding plant has been established and civil work at the project site has commenced.

## Future Outlook

It is anticipated that the Pakistan's economic growth will be driven by China Pakistan Economic Corridor (CPEC), which is part of the Chinese initiative of One Belt One Road (OBOR). It will not only boost the local demand but may also change the demand equation in other parts of the region in coming years. The CPEC's allocation between infra-structure and power projects would lead to strong double digit growth from 2018 onwards. This presumption has induced the local players to enhance their capacities and so far 20 million tones additional capacity is expected in next 1-4 years which will cater to this additional demand. We anticipate that the local demand will remain buoyant on the back of increased public sector infrastructure spending as election year comes closer and also the private sector spending on mega projects will remain steady in the near future.

On behalf of the Board



**BABAR BASHIR NAWAZ**  
Director & Chief Executive

April 17, 2017  
Rawalpindi, Pakistan.





# STANDALONE CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months period ended March 31, 2017



## Condensed Interim Balance Sheet

as at March 31, 2017

|  | Note | (Unaudited)<br>March 31,<br>2017 | (Audited)<br>June 30,<br>2016 |
|--|------|----------------------------------|-------------------------------|
| ----- Rupees in '000 -----   |      |                                  |                               |
| <b>ASSETS</b>  |      |                                  |                               |
| <b>Non-current assets</b>  |      |                                  |                               |
| Fixed assets - property, plant and equipment                         | 4    | 14,577,862                       | 7,140,508                     |
| Long-term investments  |      | 628,761                          | 4,500                         |
| Long-term loans and advances - considered good                       |      | 40,123                           | 41,538                        |
| Long-term deposits   |      | 42,980                           | 42,980                        |
|  |      | <u>15,289,726</u>                | <u>7,229,526</u>              |
| <b>Current assets</b>  |      |                                  |                               |
| Stores, spares and loose tools                                       | 5    | 1,230,399                        | 1,317,012                     |
| Stock-in-trade   |      | 419,423                          | 599,753                       |
| Trade debts - considered good  |      | 195,058                          | 211,112                       |
| Loans and advances - considered good                                 |      | 261,826                          | 81,935                        |
| Short-term deposits and prepayments                                  |      | 39,178                           | 17,518                        |
| Investments at fair value through profit or loss                     |      | -                                | 4,273,362                     |
| Refunds due from government - sales tax                              |      | 665,423                          | -                             |
| Other receivables  |      | 111,042                          | 114,864                       |
| Cash and bank balances   |      | 23,063                           | 581,318                       |
|  |      | <u>2,945,412</u>                 | <u>7,196,874</u>              |
| <b>Total assets</b>  |      | <u><b>18,235,138</b></u>         | <u><b>14,426,400</b></u>      |
| <b>EQUITY AND LIABILITIES</b>  |      |                                  |                               |
| <b>Share capital and reserves</b>                                    |      |                                  |                               |
| Share capital  |      | 1,145,225                        | 1,145,225                     |
| Unappropriated profit  |      | <u>10,108,531</u>                | <u>9,301,618</u>              |
|  |      | <b>11,253,756</b>                | <b>10,446,843</b>             |
| <b>LIABILITIES</b>   |      |                                  |                               |
| <b>Non-current liabilities</b>                                       |      |                                  |                               |
| Liability against asset subject to finance lease                     |      | 2,065                            | 4,029                         |
| Deferred taxation  |      | 799,816                          | 809,516                       |
| Long term borrowings   |      | 1,600,000                        | -                             |
| Retirement benefit - obligations                                     |      | <u>397,768</u>                   | <u>425,333</u>                |
|  |      | <b>2,799,649</b>                 | <b>1,238,878</b>              |
| <b>Current liabilities</b>   |      |                                  |                               |
| Trade and other payables   | 6    | 2,582,616                        | 2,680,056                     |
| Short term borrowings  |      | 1,514,065                        | -                             |
| Current maturity of liability against asset subject to finance lease |      | 3,411                            | 3,927                         |
| Taxation - provision less payments                                   |      | <u>81,641</u>                    | <u>56,696</u>                 |
|  |      | <u><b>4,181,733</b></u>          | <u><b>2,740,679</b></u>       |
| <b>Total liabilities</b>   |      | <b>6,981,382</b>                 | <b>3,979,557</b>              |
| <b>Contingency and commitments</b>                                   |      |                                  |                               |
|  | 7    |                                  |                               |
| <b>Total equity and liabilities</b>                                  |      | <u><b>18,235,138</b></u>         | <u><b>14,426,400</b></u>      |

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Condensed Interim Profit and Loss Account

For the nine months period ended March 31, 2017 - Unaudited

|                             | Note | Quarter ended            |                    | Nine months ended  |                    |
|-----------------------------|------|--------------------------|--------------------|--------------------|--------------------|
|                             |      | March 31,<br>2017        | March 31,<br>2016  | March 31,<br>2017  | March 31,<br>2016  |
|                             |      | -----Rupees in '000----- |                    |                    |                    |
| Net sales                   | 8    | 4,013,698                | 3,918,118          | 11,242,430         | 10,314,713         |
| Cost of sales               |      | <u>(2,284,175)</u>       | <u>(2,188,561)</u> | <u>(6,668,257)</u> | <u>(6,343,360)</u> |
| Gross Profit                |      | 1,729,523                | 1,729,557          | 4,574,173          | 3,971,353          |
| Distribution cost           | 9    | (218,760)                | (260,629)          | (744,873)          | (750,810)          |
| Administrative expenses     |      | (128,068)                | (163,826)          | (337,867)          | (355,668)          |
| Other operating expenses    |      | (102,000)                | (95,733)           | (253,904)          | (213,000)          |
| Other income                |      | <u>23,557</u>            | <u>89,902</u>      | <u>127,494</u>     | <u>239,628</u>     |
| Profit from operations      |      | 1,304,252                | 1,299,271          | 3,365,023          | 2,891,503          |
| Finance cost                |      | <u>(1,837)</u>           | <u>(4,017)</u>     | <u>(18,279)</u>    | <u>(15,741)</u>    |
| Profit before taxation      |      | 1,302,415                | 1,295,254          | 3,346,744          | 2,875,762          |
| Taxation                    |      | <u>(442,000)</u>         | <u>(354,169)</u>   | <u>(1,108,300)</u> | <u>(781,854)</u>   |
| Profit after taxation       |      | 860,415                  | 941,085            | 2,238,444          | 2,093,908          |
| Other comprehensive income  |      | -                        | -                  | -                  | -                  |
| Total comprehensive income  |      | <u>860,415</u>           | <u>941,085</u>     | <u>2,238,444</u>   | <u>2,093,908</u>   |
| Earnings per share (Rupees) |      | <u>7.51</u>              | <u>8.22</u>        | <u>19.55</u>       | <u>18.28</u>       |

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Condensed Interim Statement of Cash Flows

For the nine months period ended March 31, 2017 - Unaudited

|  | Note | March 31,<br>2017        | March 31,<br>2016 |
|--|------|--------------------------|-------------------|
|  |      | -----Rupees in '000----- |                   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |      |                          |                   |
| Cash generated from operations                           | 10   | 2,990,745                | 3,460,333         |
| Finance cost paid  |      | (18,279)                 | (15,741)          |
| Income tax paid  |      | (1,093,055)              | (691,066)         |
| Decrease in long-term loans and advances                 |      | 1,415                    | 15,908            |
| Retirement benefit obligations paid                      |      | (93,567)                 | (80,725)          |
| Net cash from operating activities                       |      | 1,787,259                | 2,688,709         |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |      |                          |                   |
| Fixed capital expenditure incurred                       |      | (7,762,153)              | (1,088,142)       |
| Advance for issue of shares in subsidiary                |      | (624,261)                | -                 |
| Proceeds from disposal of fixed assets                   |      | 2,492                    | 3,517             |
| Purchase of open ended mutual fund units                 |      | (2,498,310)              | (5,429,731)       |
| Proceeds from sale of open ended mutual fund units       |      | 6,844,342                | 4,611,465         |
| Dividend received from open ended mutual fund units      |      | -                        | 2,368             |
| Interest received  |      | 10,603                   | 16,883            |
| Net cash used in investing activities                    |      | (4,027,287)              | (1,883,640)       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>              |      |                          |                   |
| Dividend paid  |      | (1,429,812)              | (1,201,654)       |
| Lease rentals paid                                       |      | (2,480)                  | (2,479)           |
| Net cash used in financing activities                    |      | (1,432,292)              | (1,204,133)       |
| Net decrease in cash and cash equivalents                |      | (3,672,320)              | (399,064)         |
| Cash and cash equivalents at the beginning of the period |      | 581,318                  | 858,698           |
| Cash and cash equivalents at the end of the period       |      | (3,091,002)              | 459,634           |

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Condensed Interim Statement of Changes in Equity

For the nine months period ended March 31, 2017 - Unaudited

|  | Share<br>capital           | Unappropriated<br>profit | Total                    |
|--|----------------------------|--------------------------|--------------------------|
|  | ----- Rupees in '000 ----- |                          |                          |
| Balance as at July 1, 2015   | 1,145,225                  | 7,789,909                | 8,935,134                |
| Final dividend for the year ended June 30, 2015<br>@ Rs. 10.50 per share | -                          | (1,202,486)              | (1,202,486)              |
| Profit after taxation for the nine months period ended<br>March 31, 2016 | -                          | 2,093,908                | 2,093,908                |
| Balance as at March 31, 2016   | <u>1,145,225</u>           | <u>8,681,331</u>         | <u>9,826,556</u>         |
| Other comprehensive loss for the year ended<br>June 30, 2016             | -                          | (175,827)                | (175,827)                |
| Profit after taxation for the period ended<br>June 30, 2016              | -                          | 796,114                  | 796,114                  |
| Balance as at June 30, 2016  | <u>1,145,225</u>           | <u>9,301,618</u>         | <u>10,446,843</u>        |
| Final dividend for the year ended June 30, 2016 @<br>Rs. 12.50 per share | -                          | (1,431,531)              | (1,431,531)              |
| Profit after taxation for the nine months period ended<br>March 31, 2017 | -                          | 2,238,444                | 2,238,444                |
| Balance as at March 31, 2017   | <u><u>1,145,225</u></u>    | <u><u>10,108,531</u></u> | <u><u>11,253,756</u></u> |

The annexed notes 1 to 13 form an integral part of these condensed interim financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Selected Notes to the Condensed Interim Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 1 THE COMPANY AND ITS OPERATION

- 1.1 The company was incorporated in Pakistan on October 14, 1981 as a public limited company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement. The registered office of the company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan. The company also has a representative / liaison office in Dubai, UAE, to explore business opportunities in the growing markets of Middle East and Africa.

The company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon.

- 1.2 The company had entered into a Joint Venture agreement with Al Geetan Commercial Agencies, Iraq, to form a limited liability company in Iraq. The principal activity of the company will be to build and operate a cement grinding plant having production capacity of approximately 900,000 metric tons per annum. The new limited liability company has been established and registered under the Iraqi law on November 3, 2014 by the name Saqr Al-Keetan for Cement Production Company Limited having share capital of 30,000,000 Iraqi Dinar. Attock Cement Pakistan Limited will hold 60% share in the company. The expected investment of the Company in foreign subsidiary would be USD 24 million. Moreover, subsequent to December 31, 2016, Company has remitted USD 6 million (approx) to Iraq and LC for the import of plant and machinery has been established in February 2017.

### 2 BASIS OF PRESENTATION

This condensed interim financial information of the Company for the nine months period ended March 31, 2017, has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 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. This condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Pakistan Stock Exchange.

This condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2016.

### 3 ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2016.

### 4 FIXED ASSETS - Property, Plant and Equipment

|                                     | March. 31,<br>2017       | (Audited)<br>June 30,<br>2016 |
|-------------------------------------|--------------------------|-------------------------------|
|                                     | -----Rupees in '000----- |                               |
| Operating assets - Note 4.1         | 5,177,776                | 5,343,479                     |
| Capital work-in-progress            | 8,825,926                | 1,353,300                     |
| Stores held for capital expenditure | 574,160                  | 443,729                       |
|                                     | <u>14,577,862</u>        | <u>7,140,508</u>              |



## Selected Notes to the Condensed Interim Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 4.1 Additions to operating assets during the period were as follows:

|  | March 31,<br>2017        | March 31,<br>2016 |
|--|--------------------------|-------------------|
|  | -----Rupees in '000----- |                   |
| Buildings and roads on freehold land                   | 8,988                    | 13,910            |
| Plant and Machinery                                    | 169,299                  | 192,933           |
| Furniture and fittings                                 | -                        | 1,353             |
| Office equipment                                       | 4,396                    | 7,368             |
| Vehicles   | 23,454                   | 8,577             |
|  | <u>206,137</u>           | <u>224,141</u>    |
| Disposals during the period - Net book value           | <u>2,134</u>             | <u>3,165</u>      |
| Transfers to stores during the period - Net book value | <u>47,041</u>            | <u>23,821</u>     |

### 5 STORES SPARES AND LOOSE TOOLS

|  | March 31,<br>2017        | (Audited)<br>June 30,<br>2016 |
|--|--------------------------|-------------------------------|
|  | -----Rupees in '000----- |                               |
| Coal   | 479,071                  | 606,443                       |
| Stores & spares                                    | 691,350                  | 647,014                       |
| Bricks   | 97,218                   | 97,366                        |
| Loose tools  | 3,181                    | 2,691                         |
|  | <u>1,270,820</u>         | <u>1,353,514</u>              |
| Less: Provision for slow moving and obsolete items | <u>(40,421)</u>          | <u>(36,502)</u>               |
|  | <u>1,230,399</u>         | <u>1,317,012</u>              |

### 6 TRADE AND OTHER PAYABLES

|                                 | March 31,<br>2017        | (Audited)<br>June 30,<br>2016 |
|---------------------------------|--------------------------|-------------------------------|
|                                 | -----Rupees in '000----- |                               |
| Creditors                       | 275,114                  | 235,303                       |
| Accrued Liabilities             | 1,256,677                | 1,491,511                     |
| Advances from customers         | 219,770                  | 133,956                       |
| Sales tax & excise duty payable | 168,490                  | 42,037                        |
| Others                          | 662,565                  | 777,249                       |
|                                 | <u>2,582,616</u>         | <u>2,680,056</u>              |

## Selected Notes to the Condensed Interim Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 7 CONTINGENCY AND COMMITMENTS

- 7.1 The status of contingency as reported in note 20.1 to the financial statements for the year ended June 30, 2016 is the same.
- 7.2 Commitments in respect of capital expenditure outstanding as at March 31, 2017 amounted to Rs. 1,154 million (June 30, 2016: Rs. 6,352.25 million).

### 8 NET SALES

|                                   | March 31,<br>2017        | March 31,<br>2016        |
|-----------------------------------|--------------------------|--------------------------|
|                                   | -----Rs. in '000-----    |                          |
| Gross local sales                 | 12,290,568               | 10,080,961               |
| Sales tax and federal excise duty | (3,135,065)              | (2,117,044)              |
|                                   | <u>9,155,503</u>         | <u>7,963,917</u>         |
| Commission                        | (259,152)                | (231,522)                |
| Net local sales                   | <u>8,896,351</u>         | <u>7,732,395</u>         |
| Exports sales                     | <u>2,346,079</u>         | <u>2,582,318</u>         |
|                                   | <u><u>11,242,430</u></u> | <u><u>10,314,713</u></u> |

### 9 DISTRIBUTION COST

Distribution cost includes Rs. 591.74 million (Mar. 31, 2016: Rs. 575.7 million) in respect of export sales.

### 10 CASH GENERATED FROM OPERATIONS

|  | March 31,<br>2017       | March 31,<br>2016       |
|--|-------------------------|-------------------------|
|  | -----Rs. in '000-----   |                         |
| Profit before taxation   | 3,346,744               | 2,875,762               |
| Adjustment for non cash charges and other items:                                   |                         |                         |
| Depreciation   | 322,664                 | 317,219                 |
| Gain on disposal of operating assets   | (358)                   | (646)                   |
| Gain on sale of open ended mutual fund units                                       | (72,670)                | (27,790)                |
| Gain on re-measurement of fair value of investment in open ended mutual fund units | -                       | (168,740)               |
| Interest income  | (10,603)                | (16,883)                |
| Dividend income  | -                       | (2,368)                 |
| Retirement benefit obligations   | 66,003                  | 44,338                  |
| Finance cost   | 18,279                  | 15,741                  |
|  | <u>323,315</u>          | <u>160,871</u>          |
|  | <u><u>3,670,059</u></u> | <u><u>3,036,633</u></u> |

## Selected Notes to the Condensed Interim Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 10.1 Effect On Cash Flow Due To Working Capital Changes

|   | March 31,<br>2017        | March 31,<br>2016 |
|---|--------------------------|-------------------|
|   | -----Rupees in '000----- |                   |
| (Increase) / Decrease in current assets:      |                          |                   |
| Stores, spares and loose tools                | 86,613                   | (45,115)          |
| Stock-in-trade                                | 180,330                  | 120,143           |
| Trade debts                                   | 16,054                   | (96,316)          |
| Loans and advances                            | (179,891)                | (11,999)          |
| Short - term deposits and prepayments         | (21,660)                 | (18,112)          |
| Other receivables                             | 3,822                    | 2,500             |
| Refunds due from government - Sales tax       | (665,423)                | 147,585           |
|   | (580,155)                | 98,686            |
| (Decrease) / Increase in current liabilities: |                          |                   |
| Trade and other payables                      | (99,159)                 | 325,014           |
|   | (679,314)                | 423,700           |
| Cash generated from operations                | 2,990,745                | 3,460,333         |

### 11 SUMMARY OF TRANSACTIONS WITH RELATED PARTIES

|   | March 31,<br>2017        | March 31,<br>2016 |
|---|--------------------------|-------------------|
|   | -----Rupees in '000----- |                   |
| <b>Holding Company</b>                    |                          |                   |
| Dividend paid                             | 1,203,400                | 1,010,856         |
| Recovery of expenses                      | 1,159                    | 1,000             |
| <b>Subsidiary Company</b>                 |                          |                   |
| Investment                                | 624,261                  | -                 |
| <b>Associated Companies</b>               |                          |                   |
| Purchase of goods                         | 168,194                  | 146,595           |
| Reimbursement of expenses                 | 3,386                    | 3,392             |
| Recovery of expenses                      | 11,779                   | 3,495             |
| <b>Other related parties</b>              |                          |                   |
| Payments made to retirement benefit funds | 93,567                   | 80,725            |
| <b>Key management compensation</b>        |                          |                   |
| Salaries and other short-term benefits    | 88,867                   | 66,044            |
| Post employment benefits                  | 4,631                    | 5,161             |

### 12 CORRESPONDING FIGURES

Prior period figures have been reclassified wherever necessary for the purpose of appropriate presentation.

### 13 DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 17, 2017 by the Board of Directors of the company.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director



CONSOLIDATED CONDENSED INTERIM FINANCIAL INFORMATION

For the nine months period ended March 31, 2017



# Condensed Interim Consolidated Balance Sheet

as at March 31, 2017

|  | Note | (Unaudited)<br>March 31,<br>2017 | (Audited)<br>June 30,<br>2016 |
|--|------|----------------------------------|-------------------------------|
|  |      | Rupees '000                      |                               |
| <b>ASSETS</b>  |      |                                  |                               |
| <b>Non-current assets</b>  |      |                                  |                               |
| Fixed assets - property, plant and equipment                               | 4    | 14,737,037                       | 7,140,508                     |
| Long-term investment   |      | 4,500                            | 4,500                         |
| Long-term loans and advances - considered good                             |      | 40,123                           | 41,538                        |
| Long-term deposits   |      | 42,980                           | 42,980                        |
|  |      | <u>14,824,640</u>                | <u>7,229,526</u>              |
| <b>Current assets</b>  |      |                                  |                               |
| Stores, spares and loose tools   | 5    | 1,230,399                        | 1,317,012                     |
| Stock-in-trade   |      | 419,423                          | 599,753                       |
| Trade debts - considered good  |      | 195,058                          | 211,112                       |
| Loans and advances - considered good                                       |      | 262,510                          | 81,935                        |
| Short-term deposits and prepayments  |      | 47,183                           | 17,518                        |
| Investments at fair value through profit or loss                           |      | -                                | 4,273,362                     |
| Refunds due from government - sales tax                                    |      | 665,423                          | -                             |
| Other receivables  |      | 45,124                           | 114,864                       |
| Cash and bank balances   |      | 1,061,378                        | 581,318                       |
|  |      | <u>3,926,498</u>                 | <u>7,196,874</u>              |
| <b>Total assets</b>  |      | <u><b>18,751,138</b></u>         | <u><b>14,426,400</b></u>      |
| <b>EQUITY AND LIABILITIES</b>  |      |                                  |                               |
| <b>EQUITY</b>  |      |                                  |                               |
| Share capital  |      | 1,145,225                        | 1,145,225                     |
| Unappropriated profit  |      | 10,080,772                       | 9,301,618                     |
| Attributable to owners of Attock Cement Pakistan Limited - Holding Company |      | 11,225,997                       | 10,446,843                    |
| Non-controlling interest   |      | 397,668                          | -                             |
|  |      | <u>11,623,665</u>                | <u>10,446,843</u>             |
| <b>LIABILITIES</b>   |      |                                  |                               |
| <b>Non-current liabilities</b>   |      |                                  |                               |
| Liability against asset subject to finance lease                           |      | 2,065                            | 4,029                         |
| Deferred taxation  |      | 799,816                          | 809,516                       |
| Long term borrowings   |      | 1,600,000                        | -                             |
| Retirement benefit - obligations   |      | 397,768                          | 425,333                       |
|  |      | <u>2,799,649</u>                 | <u>1,238,878</u>              |
| <b>Current liabilities</b>   |      |                                  |                               |
| Trade and other payables   | 6    | 2,728,707                        | 2,680,056                     |
| Short term borrowings  |      | 1,514,065                        | -                             |
| Current maturity of liability against asset<br>subject to finance lease    |      | 3,411                            | 3,927                         |
| Taxation - provision less payments   |      | 81,641                           | 56,696                        |
|  |      | <u>4,327,824</u>                 | <u>2,740,679</u>              |
| <b>Total liabilities</b>   |      | <u><b>7,127,473</b></u>          | <u><b>3,979,557</b></u>       |
| <b>Contingency and commitments</b>   | 7    |                                  |                               |
| <b>Total equity and liabilities</b>  |      | <u><b>18,751,138</b></u>         | <u><b>14,426,400</b></u>      |

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director



## Condensed Interim Consolidated Profit and Loss Account

For the nine months period ended March 31, 2017 - Unaudited

|  |      | Quarter ended     |                   | Nine months ended |                   |
|--|------|-------------------|-------------------|-------------------|-------------------|
|  | Note | March 31,<br>2017 | March 31,<br>2016 | March 31,<br>2017 | March 31,<br>2016 |
| -----Rupees in '000-----                                 |      |                   |                   |                   |                   |
| Net sales  | 8    | 4,013,698         | 3,918,118         | 11,242,430        | 10,314,713        |
| Cost of goods sold                                       |      | (2,284,175)       | (2,188,561)       | (6,668,257)       | (6,343,360)       |
| Gross Profit   |      | 1,729,523         | 1,729,557         | 4,574,173         | 3,971,353         |
| Distribution cost  | 9    | (218,760)         | (260,629)         | (744,873)         | (750,810)         |
| Administrative expenses                                  |      | (133,597)         | (163,826)         | (343,396)         | (355,668)         |
| Other operating expenses                                 |      | (102,000)         | (95,733)          | (253,904)         | (213,000)         |
| Other income   |      | 23,822            | 89,902            | 127,759           | 239,628           |
| Profit from operations                                   |      | 1,298,988         | 1,299,271         | 3,359,759         | 2,891,503         |
| Finance cost   |      | (4,096)           | (4,017)           | (20,537)          | (15,741)          |
| Profit before taxation                                   |      | 1,294,892         | 1,295,254         | 3,339,222         | 2,875,762         |
| Taxation   |      | (442,000)         | (354,169)         | (1,108,300)       | (781,854)         |
| Profit after taxation                                    |      | 852,892           | 941,085           | 2,230,922         | 2,093,908         |
| Other comprehensive loss                                 |      | (203)             | -                 | (203)             | -                 |
| Total comprehensive income                               |      | 852,689           | 941,085           | 2,230,719         | 2,093,908         |
| Total comprehensive income attributable to:              |      |                   |                   |                   |                   |
| Owners of Attock Cement Pakistan Limited Holding Company |      | 855,779           | 941,085           | 2,233,809         | 2,093,908         |
| Non-controlling interest                                 |      | (3,090)           | -                 | (3,090)           | -                 |
|  |      | 852,689           | 941,085           | 2,230,719         | 2,093,908         |
| Earnings per share (Rupees)                              |      | 7.47              | 8.22              | 19.51             | 18.28             |

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Condensed Interim Consolidated Cash Flow Statement

For the nine months period ended March 31, 2017 - Unaudited

|  | Note | March 31,<br>2017  | March 31,<br>2016 |
|--|------|--------------------|-------------------|
| -----Rupees in '000-----                                 |      |                    |                   |
| <b>CASH FLOWS FROM OPERATING ACTIVITIES</b>              |      |                    |                   |
| Cash generated from operations                           | 10   | 4,075,807          | 3,460,333         |
| Finance cost paid  |      | (20,537)           | (15,741)          |
| Income tax paid  |      | (1,093,055)        | (691,066)         |
| Decrease in long-term loans and advances                 |      | 1,415              | 15,908            |
| Retirement benefit obligations paid                      |      | (93,567)           | (80,725)          |
| Net cash generated from operating activities             |      | <u>2,870,063</u>   | <u>2,688,709</u>  |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES</b>              |      |                    |                   |
| Fixed capital expenditure incurred                       |      | (7,807,851)        | (1,088,142)       |
| Interest in subsidiary company                           |      | (624,261)          | -                 |
| Proceeds from disposal of fixed assets                   |      | 2,492              | 3,517             |
| Purchase of open ended mutual fund units                 |      | (2,498,310)        | (5,429,731)       |
| Proceeds from sale of open ended mutual fund units       |      | 6,844,342          | 4,611,465         |
| Dividend received from open ended mutual fund units      |      | -                  | 2,368             |
| Interest received  |      | <u>10,868</u>      | <u>16,883</u>     |
| Net cash used in investing activities                    |      | (4,072,720)        | (1,883,640)       |
| <b>CASH FLOWS FROM FINANCING ACTIVITIES</b>              |      |                    |                   |
| Dividend paid  |      | (1,429,812)        | (1,201,654)       |
| Lease rentals paid                                       |      | <u>(2,480)</u>     | <u>(2,479)</u>    |
| Net cash used in financing activities                    |      | (1,432,292)        | (1,204,133)       |
| Net decrease in cash and cash equivalents                |      | <u>(2,634,949)</u> | <u>(399,064)</u>  |
| Cash and cash equivalents at the beginning of the period |      | 581,318            | 858,698           |
| Cash and cash equivalents acquired from subsidiary       |      | 944                | -                 |
| Cash and cash equivalents at the end of the period       |      | <u>(2,052,687)</u> | <u>459,634</u>    |

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Condensed Interim Consolidated Statement of Changes in Equity

For the nine months period ended March 31, 2017 - Unaudited

|  | Attributable to owners of Attock Cement Pakistan Limited |                       |                              | Non-Controlling interest | Total Equity |
|--|--|-----------------------|------------------------------|--------------------------|--------------|
|  | Share capital  | Unappropriated profit | Exchange revaluation reserve |                          |              |
| ----- Rupees in '000 -----   |  |                       |                              |                          |              |
| Balance as at July 1, 2015   | 1,145,225  | 7,789,909             | -                            | -                        | 8,935,134    |
| Final dividend for the year ended June 30, 2015 @ Rs. 10.50 per share  | -  | (1,202,486)           | -                            | -                        | (1,202,486)  |
| Total comprehensive income for the nine months period ended March 31, 2016   |  |                       |                              |                          |              |
| Profit for the nine months period ended March 31, 2016   | -  | 2,093,908             | -                            | -                        | 2,093,908    |
| Other comprehensive income for the nine months period ended March 31, 2016   | -  | -                     | -                            | -                        | -            |
|  | -  | 2,093,908             | -                            | -                        | 2,093,908    |
| Balance as at March 31, 2016   | 1,145,225  | 8,681,331             | -                            | -                        | 9,826,556    |
| Other comprehensive loss for the year ended June 30, 2016  | -  | (175,827)             | -                            | -                        | (175,827)    |
| Profit after taxation for the period ended June 30, 2016   | -  | 796,114               | -                            | -                        | 796,114      |
| Balance as at July 1, 2016   | 1,145,225  | 9,301,618             | -                            | -                        | 10,446,843   |
| Final dividend for the year ended June 30, 2016 @ Rs. 12.50 per share  | -  | (1,431,531)           | -                            | -                        | (1,431,531)  |
| Share in accumulated loss of Saqr Al Keetan for Cement Production Company Limited, Basra, Iraq at the time of remittance of equity | -  | (23,124)              | -                            | (15,416)                 | (38,540)     |
| Equity contribution by Non-controlling interest during the period  | -  | -                     | -                            | 416,174                  | 416,174      |
| Total comprehensive income for the nine months period ended March 31, 2017   |  |                       |                              |                          |              |
| Profit / (loss) for the nine months period ended March 31, 2017  | -  | 2,233,931             | -                            | (3,009)                  | 2,230,922    |
| Other comprehensive loss for the nine months period ended March 31, 2017   | -  | -                     | (122)                        | (81)                     | (203)        |
|  | -  | 2,233,931             | (122)                        | (3,090)                  | 2,230,719    |
| Balance as at March 31, 2017   | 1,145,225  | 10,080,894            | (122)                        | 397,668                  | 11,623,665   |

The annexed notes 1 to 13 form an integral part of these condensed interim consolidated financial information.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director

## Selected Notes to the Condensed Interim Consolidated Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 1. LEGAL STATUS AND OPERATIONS

#### 1.1 The Group consists of :

##### Holding Company - Attock Cement Pakistan Limited (the "Company")

The Company was incorporated in Pakistan on October 14, 1981 as public limited company and is listed on Pakistan Stock Exchange (formerly Karachi Stock Exchange). Its main business activity is manufacturing and sale of cement. The registered office of the company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan. The company also has a representative / liaison office in Dubai, UAE, to explore business opportunities in the growing markets of Middle East and Africa. The company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon.

The company's shareholding in Saqr Al-Keetan for Cement Production Company Limited is 60%.

##### Subsidiary Company - Saqr Al-Keetan for Cement Production Company Limited (SAKCPCL)

SAKCPCL was incorporated under the Iraqi law on November 3, 2014 by the name Saqr Al-Keetan for Cement Production Company Limited. The registered office of the company is at House # 35, Square 29, Near Al Buradia Super Market, Al Rbeea District Al Buradia, Basra, Iraq. The company's cement manufacturing plant is located in Industrial Sector, Land No. 1/7, Sector 56, Al-Arquili Al-Janobi, Khor Al-Zubair, Basra, Iraq. Its main business activity is manufacturing and sale of cement.

SAKCPCL has established letters of credit for plant and machinery in favor of Chinese suppliers.

#### 1.2 These are the first condensed interim consolidated financial information of the Company.

The Company had entered into a Joint Venture agreement with Al-Geetan Commercial Agencies, Iraq, to form a limited liability company in Iraq. The limited liability company has been established and registered under the Iraqi law on November 3, 2014 by the name "Saqr Al-Keetan for Cement Production Company Limited" having share capital of 30 million Iraqi Dinar. Attock Cement Pakistan Limited will hold 60% share in the company. The expected investment of the company in foreign subsidiary would be USD 24 million. The company had obtained approval from State Bank of Pakistan in 2015 for capital remittance. However, no capital had been remitted till December 2016. In January 2017, the Company remitted its first tranche of equity amounting to USD 5.9 million. As the Company started remittance of its contribution of equity in SAKCPCL and are accordingly presenting its condensed interim consolidated financial information.

Till December 2016, the Company was only incurring certain expenses on behalf of SAKCPCL, which will be reimbursed by SAKCPCL in due course of time.

### 2. Basis of preparation

These condensed interim consolidated financial information of the Company for the nine months ended March 31, 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 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. This condensed interim consolidated financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and Listing Regulations of the Pakistan Stock Exchange.

This condensed interim financial information does not include all the information required for full financial statements and should be read in conjunction with the annual financial statements for the year ended June 30, 2016.

## Selected Notes to the Condensed Interim Consolidated Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 2.1 Changes in accounting standards, interpretations and pronouncements

- a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant:

IAS 1, 'Presentation of financial statements' aims to improve presentation and disclosure in financial reports by emphasising the importance of understandability, comparability and clarity in presentation

The amendments provide clarification on number of issues, including:

Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.

Disaggregation and subtotals – line items specified in IAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.

Notes – confirmation that the notes do not need to be presented in a particular order.

Other Comprehensive Income (OCI) - arising from investments accounted for under the equity method the share of the OCI arising from equity - accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of comprehensive income.

- b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant:

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2016 are considered not to be relevant for Company's condensed interim consolidated financial information and hence have not been detailed here.

- c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant:

Amendments to IAS 7 - Disclosure initiative

IAS 7, 'Statement of cash flows' amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim consolidated financial information are the same as those applied in the preparation of the preceding annual financial statements of the Company for the year ended June 30, 2016. The policy for consolidation is explained below:

#### Consolidation

Subsidiaries are entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than 50% of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Further, the Group also considers whether:

- it has power to direct the relevant activities of the subsidiaries;
- is exposed to variable returns from the subsidiaries; and
- decision making power allows the Group to affect its variable returns from the subsidiaries.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are derecognised from the date the control ceases.

## Selected Notes to the Condensed Interim Consolidated Financial Information

For the nine months period ended March 31, 2017 - Unaudited

The Group recognises any non-controlling interest in the subsidiary on an acquisition-by-acquisition basis at the non-controlling interest's proportionate share of the recognised amounts of subsidiary's identifiable net assets.

Inter-company transactions, balances, income and expenses on transactions between Group companies are eliminated. Profits and losses resulting from intercompany transactions that are recognised in assets are also eliminated.

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. Gains or losses on disposals to non-controlling interests are also recorded in equity.

### 4. FIXED ASSETS - Property, Plant and Equipment

|                                     | March 31,<br>2017         | (Audited)<br>June 30,<br>2016 |
|-------------------------------------|---------------------------|-------------------------------|
|                                     | -----Rupees. in '000----- |                               |
| Operating assets                    | 5,189,667                 | 5,343,479                     |
| Capital work-in-progress            | 8,973,209                 | 1,353,300                     |
| Stores held for capital expenditure | <u>574,161</u>            | <u>443,729</u>                |
|                                     | <u>14,737,037</u>         | <u>7,140,508</u>              |

#### 4.1 Additions to operating assets during the period were as follows:

|  | March 31,<br>2017         | Mar. 31,<br>2016 |
|--|---------------------------|------------------|
|  | -----Rupees. in '000----- |                  |
| Buildings and roads on freehold land                   | 8,988                     | 13,910           |
| Plant and Machinery                                    | 169,303                   | 192,933          |
| Furniture and fittings                                 | -                         | 1,353            |
| Office equipment                                       | 4,767                     | 7,368            |
| Vehicles   | <u>23,512</u>             | <u>8,577</u>     |
|  | <u>206,570</u>            | <u>224,141</u>   |
| Disposals during the period - Net book value           | <u>2,134</u>              | <u>3,165</u>     |
| Transfers to stores during the period - Net book value | <u>47,041</u>             | <u>23,821</u>    |

### 5. STORES SPARES AND LOOSE TOOLS

|  | March 31,<br>2017         | (Audited)<br>June 30,<br>2016 |
|--|---------------------------|-------------------------------|
|  | -----Rupees. in '000----- |                               |
| Coal   | 479,071                   | 606,443                       |
| Stores & spares                                    | 691,350                   | 647,014                       |
| Bricks   | 97,218                    | 97,366                        |
| Loose tools  | <u>3,181</u>              | <u>2,691</u>                  |
|  | <u>1,270,820</u>          | <u>1,353,514</u>              |
| Less: Provision for slow moving and obsolete items | <u>(40,421)</u>           | <u>(36,502)</u>               |
|  | <u>1,230,399</u>          | <u>1,317,012</u>              |



## Selected Notes to the Condensed Interim Consolidated Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 6. TRADE AND OTHER PAYABLES

|  | March 31,<br>2017         | (Audited)<br>June 30,<br>2016 |
|--|---------------------------|-------------------------------|
|  | -----Rupees. in '000----- |                               |
| Creditors                                | 275,114                   | 235,303                       |
| Accrued Liabilities                      | 1,261,114                 | 1,491,511                     |
| Advances from customers                  | 219,770                   | 133,956                       |
| Sales tax & excise duty payable          | 168,490                   | 70,304                        |
| Payable to Al-Keetan Commercial Agencies | 141,654                   | -                             |
| Others                                   | 662,565                   | 748,982                       |
|  | <u>2,728,707</u>          | <u>2,680,056</u>              |

### 7. CONTINGENCY AND COMMITMENTS

- 7.1 The status of contingency as reported in note 20.1 to the financial statements for the year ended June 30, 2016 is the same.
- 7.2 Commitments in respect of capital expenditure outstanding as at March 31, 2017 amounted to Rs. 1,154 million (June 30, 2016: Rs. 6,352.25 million).

### 8. NET SALES

|                                   | March 31,<br>2017         | March 31,<br>2016  |
|-----------------------------------|---------------------------|--------------------|
|                                   | -----Rupees. in '000----- |                    |
| Gross local sales                 | 12,290,568                | 10,080,961         |
| Sales tax and federal excise duty | <u>(3,135,065)</u>        | <u>(2,117,044)</u> |
|                                   | 9,155,503                 | 7,963,917          |
| Commission                        | <u>(259,152)</u>          | <u>(231,522)</u>   |
| Net local sales                   | 8,896,351                 | 7,732,395          |
| Exports sales                     | <u>2,346,079</u>          | <u>2,582,318</u>   |
|                                   | <u>11,242,430</u>         | <u>10,314,713</u>  |

### 9. DISTRIBUTION COST

Distribution cost includes Rs. 591.74 million (March 31, 2016: Rs. 575.7 million) in respect of export sales.

## Selected Notes to the Condensed Interim Consolidated Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 10. CASH GENERATED FROM OPERATIONS

|   | March 31,<br>2017         | March 31,<br>2016 |
|---|---------------------------|-------------------|
|   | -----Rupees. in '000----- |                   |
| Profit before taxation  | 3,339,222                 | 2,875,762         |
| Adjustment for non cash charges and other items:                                      |                           |                   |
| Depreciation  | 323,560                   | 317,219           |
| Gain on disposal of operating assets  | (358)                     | (646)             |
| Gain on sale of open ended mutual fund units  | (72,670)                  | (27,790)          |
| Gain on re-measurement of fair value<br>of investment in open ended mutual fund units | -                         | (168,740)         |
| Interest income   | (10,868)                  | (16,883)          |
| Dividend income   | -                         | (2,368)           |
| Retirement benefit obligations  | 66,003                    | 44,338            |
| Finance cost  | 20,538                    | 15,741            |
|   | 326,205                   | 160,871           |
|   | <u>3,665,427</u>          | <u>3,036,633</u>  |

#### 10.1 Effect on cash flow due to working capital changes

(Increase) / Decrease in current assets :

|   |                |               |
|---|----------------|---------------|
| Stores, spares and loose tools          | 86,613         | (45,115)      |
| Stock-in-trade                          | 180,330        | 120,143       |
| Trade debts                             | 16,054         | (96,316)      |
| Loans and advances                      | 906,549        | (11,999)      |
| Short - term deposits and prepayments   | (18,519)       | (18,112)      |
| Other receivables                       | 3,822          | 2,500         |
| Refunds due from government - Sales tax | (665,423)      | 147,585       |
|   | <u>509,426</u> | <u>98,686</u> |

(Decrease) / Increase in current liabilities:

|                          |                |                |
|--------------------------|----------------|----------------|
| Trade and other payables | (99,046)       | 325,014        |
|                          | <u>410,380</u> | <u>423,700</u> |

|                                |                  |                  |
|--------------------------------|------------------|------------------|
| Cash generated from operations | <u>4,075,807</u> | <u>3,460,333</u> |
|--------------------------------|------------------|------------------|

## Selected Notes to the Condensed Interim Consolidated Financial Information

For the nine months period ended March 31, 2017 - Unaudited

### 11. SUMMARY OF TRANSACTIONS WITH RELATED PARTIES

|   | March 31,<br>2017         | March 31,<br>2016 |
|---|---------------------------|-------------------|
|   | -----Rupees. in '000----- |                   |
| <b>Holding Company</b>                    |                           |                   |
| Dividend paid                             | 1,203,400                 | 1,010,856         |
| Recovery of expenses                      | 1,159                     | 1,000             |
| <b>Associated Companies</b>               |                           |                   |
| Purchase of goods                         | 168,194                   | 146,595           |
| Reimbursement of expenses                 | 3,386                     | 3,392             |
| Recovery of expenses                      | 11,779                    | 3,495             |
| <b>Other related parties</b>              |                           |                   |
| Payments made to retirement benefit funds | 93,567                    | 80,725            |
| <b>Key management compensation</b>        |                           |                   |
| Salaries and other short-term benefits    | 88,867                    | 66,044            |
| Post employment benefits                  | 4,631                     | 5,161             |

### 12. CORRESPONDING FIGURES

Prior period figures have been reclassified wherever necessary for the purpose of appropriate presentation.

### 13. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorised for issue on April 17, 2017 by the Board of Directors of the company.



**Babar Bashir Nawaz**  
Chief Executive



**Abdus Sattar**  
Director








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