

HISTORIC EXCELLENCE





A Kohinoor Maple Leaf Group Company



HISTORIC EXCELLENCE

Mughal architecture with its innate grace, balance, perfect proportions and splendour has created some of the world's timeless architectural gems. These are a tribute to human creativity, ingenuity and aesthetics.

This has been a source of inspiration through the ages and our team works tirelessly to incorporate indigenous with modern methods to help overcome the concerns of contemporary construction.

At Maple Leaf Cement, we take pride in being a pioneer in creating state of the art building materials.

Title painting showing the Mughal emperor Akbar, the ruler is depicted dressed in white in the upper section of the painting where Akbar directs the construction of the royal icly of Fathpur ('City of Victory', later known as Fatehpur Sikri) in 1571. Artist/Maker: Tulsi (artist, composition, maker), Bandi (artist, colours and details, maker) and Madhav Khord (portraits, artist).

(Printed with permission of the Victoria and Albert Museum, London, UK)

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COMPANY INFORMATION

Board of Directors

Mr. Tariq Sayeed Saigol Mr. Sayeed Tariq Saigol Mr. Taufique Sayeed Saigol Mr. Waleed Tariq Saigol Mr. Danial Taufique Saigol Syed Mohsin Raza Naqvi Mr. Zamiruddin Azar Mr. Karim Hatim

Audit Committee

Mr. Karim Hatim Mr. Zamiruddin Azar Mr. Waleed Tariq Saigol Mr. Danial Taufique Saigol

Human Resource & Remuneration Committee

Mr. Waleed Tariq Saigol
Mr. Zamiruddin Azar
Syed Mohsin Raza Naqvi
Mr. Danial Taufique Saigol

Chief Financial Officer

Syed Mohsin Raza Naqvi

Company Secretary

Mr. Muhammad Ashraf

Chief Internal Auditor

Mr. Bilal Hussain

Bankers of the Company

Allied Bank Limited Askari Bank Limited Bank Alfalah Limited Bank Al-Habib Limited BankIslami Pakistan Limited Burj Bank Limited Bank of Khyber Limited Dubai Islamic Bank Limited Faysal Bank Limited First Dawood Islamic Bank Limited First Women Bank Limited Habib Bank Limited Habib Metropolitan Bank Limited HSBC Bank Middle East Limited Islamic Corporation for the Development of the Private Sector, Jeddah **KASB Bank Limited** MCB Bank Limited

Chairman Chief Executive

Chairman
Member
Member
Member

Chairman
Member
Member
Member

Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Pak Brunei Investment Company Limited Pak-Libya Holding Company (Pvt.) Limited Pak Oman Investment Company Limited Saudi Pak Industrial & Agricultural Investment Co. Limited Silk Bank Limited Soneri Bank Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited The Bank of Punjab Trust Investment Bank Limited United Bank Limited

Auditors

KPMG Taseer Hadi & Co.

Chartered Accountants

Legal Adviser

Mr. Shahid Ismail

Advocate High Court

Geographical Presence

Registered Office

42-Lawrence Road, Lahore. Phone: (042) 36278904-5 Fax: (042) 36368721 E-mail: mohsin.naqvi@kmlg.com

Factory

Iskanderabad Distt. Mianwali. Phone: (0459) 392237-8

Call Centre (24 / 7)

0800-41111

Share Registrar

Vision Consulting Ltd. Head Office: 3-C, LDA Flats, Lawrence Road, Lahore Phone: (042) 36283096-97 Fax: (042) 36312550 E-mail: shares@vcl.com.pk

Company Website:

www.kmlg.com

Note: MLCFL's Financial Statements are also available at the above website.

DIRECTORS' REVIEW

The Directors are pleased to present un-audited financial statements of the Company for the first quarter ended 30th September 2014, in compliance with Section 245 of the Companies Ordinance, 1984.

The Company recorded net sales of Rs. 4,453 million against Rs. 4,192 million in the corresponding period, showing robust growth of 6.23% as compared to the previous period. Strong local demand in spite of floods and political agitation augurs well for the cement sector. Improved prices in the domestic market on account of buoyant demand led to partial absorption of cost increases on the input side. Export volumes and prices however, remained disturbing due to lackluster demand from overseas. In the current quarter, cost increases in packing material and Rupee depreciation have depleted margins. However, to offset these adverse factors, the Company is efficiently utilizing the Waste Heat Recovery Plant along with use of alternative fuels. The Company also benefited from decline in coal prices and lower inland transportation costs through haulage via the railway network. Keeping in view the above factors, rise in gross profit to Rs. 1,579 million in the current quarter as compared to Rs. 1,355 million in the corresponding period, is encouraging.

Operating profits rose to Rs. 1,160 million during the current quarter as compared to Rs.1,049 million in the corresponding period last year. There is a notable decline of 22% in financial charges due to reduction in interest rates, deleveraging and improved cash management. The Company recorded pre-tax profit of Rs. 789 million during the period July-September 2014 against pre-tax profit of Rs. 574 million in the corresponding period last year. However, due to imposition of Alternative Corporate Tax (ACT), a considerable tax provision has had to be made for the period resulting in high effective tax rate of 31% which impacted post tax profit at Rs. 545 million during the period, against Rs. 556 million in the corresponding period last year despite improved performance.

Future Outlook

Going forward, on account of expected higher allocations for public programmes and post flood reconstruction, we expect local sales to improve in the second quarter and it can be reasonably expected this will favourably impact earnings. The Company is determined to explore new export markets to improve capacity utilization. The Afghanistan market is contracting on account of availability of inexpensive Iranian cement which is a worrying factor. However, the improving situation in Afghanistan after formation of the National Unity Government, may result in increase in cement export from Pakistan. Exports to India have also improved due to better demand. Cost reduction efforts continue to be the main focus in all operational areas and the Company has adopted various strategies to reduce cost including use of alternative fuels and optimized operations of the plant. On the cost side, it is expected that coal prices will remain subdued during the current financial year. Rupee

devaluation continues to be a worry and it is hoped that adherence to the covenants of the IMF Programme will lead to stabilization in the macro economic picture which may arrest further depreciation of the Rupee. The Company is paying off Sukuk / Syndicate and other debt obligations at an enhanced pace and is current on all debt obligations supported by improved cash flows and effective cash management.

The Board takes this opportunity to express its deep sense of gratitude and thanks to the shareholders, employees, customers, bankers and other stakeholders for the confidence and faith they have always reposed in us.

For and on behalf of the Board

(Sayeed Tariq Saigol) Chief Executive

Lahore: October 22, 2014

CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2014

Note	Un-audited September 30, 2014 (Rupees in	Audited June 30, 2014 thousand)
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital	7,000,000	7,000,000
Issued, subscribed and paid up capital Reserves Accumulated profit	5,277,340 2,058,137 3,015,203	5,277,340 2,058,137 2,414,100
SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX 5	4,835,730	9,749,577 4,891,515
NON - CURRENT LIABILITIES	4,000,700	4,091,515
Long term loans from banking company - secured Redeemable capital - secured Syndicated term finances - secured Liabilities against assets subject to finance lease - secured Long term deposits Deferred taxation Retirement benefits	440,437 4,983,000 895,500 731,972 6,729 2,328,644 78,627 9,464,909	478,615 5,583,000 1,046,000 735,090 6,879 2,208,403 79,654 10,137,641
Current portion of : - Long term loans from banking company - secured - Redeemable capital - secured - Syndicated term finances - secured - Liabilities against assets subject to finance lease - secured Trade and other payables Accrued profit / Interest / markup Short term borrowings 6 CONTINGENCIES AND COMMITMENTS	192,351 600,000 150,000 114,681 2,612,114 161,254 2,795,675 6,626,075	178,388 600,000 150,000 105,333 3,305,698 174,625 2,618,528 7,132,572
	31,277,394	31,911,305

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Executive Officer

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Director

	Un-audited	Audited
Note	September 30,	June 30,
	2014	2014
	(Rupees in t	housand)

ASSETS

NON - CURRENT ASSETS

Fixed assets Long term Investments Long term Ioans to employees - secured Long term deposits	8	24,442,052 1,625 6,476 54,013	24,705,782 1,625 4,440 54,013
		24,504,166	24,765,860
CURRENT ASSETS			
Stores, spare parts and loose tools Stock-in-trade Trade debts Loans and advances Short term investments Short term deposits and prepayments Accrued profit Refunds due from Government Other receivables Advance tax - net of provision Cash and bank balances	9 10	3,804,338 1,002,144 842,152 730,070 7,650 132,246 385 16,797 111,000 - 126,446	3,772,803 1,151,460 839,037 907,509 6,780 73,680 2,352 16,797 97,969 70,214 206,844
		31,277,394	31,911,305

N r Chief Executive Officer

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CONDENSED INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2014

	Note	Un-audited September 30, 2014 (Rupees in	2013		
Sales - net Cost of goods sold	11	4,453,306 (2,874,595)	4,191,948 (2,837,418)		
Gross profit		1,578,711	1,354,530		
Distribution cost Administrative expenses Other charges		(300,108) (90,202) (44,891) (435,201)	(231,737) (66,763) (24,170) (322,670)		
Other income		16,445	16,718		
Profit from operations Finance cost	12	1,159,955 (370,678)	1,048,578 (474,740)		
Profit before taxation		789,277	573,838		
Taxation	13	(243,958)	(17,599)		
Profit after taxation		545,319	556,239		
		Rup	Rupees		
Earnings per share - basic and diluted		1.03	1.05		

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2014

	Un-audited Un-audite September 30, September 2014 2013 (Rupees in thousand)		
Profit after taxation	545,319	556,239	
Other comprehensive income			
Items that will never be reclassified to profit and loss account:	-		
Total comprehensive income for the period	545,319	556,239	

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Executive Officer

Director

CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE PERIOD ENDED SEPTEMBER 30, 2014

Profit before taxation Adjustments for non - cash items: Depreciation Gain on disposal of fixed assets (Gain) Usos on re-measurement of short term investments at fair value Retirement benefits Finance cost Cash generated from operations before working capital changes (Increase) / decrease in current assets Stock-intrade Trade debts Cash generated from operations to chart rade (Sp5, Sp1) (Sp5, Sp1) (Sp3) (Sp3) (Sp3) (Sp3) (Sp3) (Sp3) (Sp4) (Sp4) (Sp4) (Sp4) (Sp3, Sp2) (Sp4) (Sp4) (Sp4) (Sp3) (Sp4)	CASH FLOW FROM OPERATING ACTIVITIES	Un-audited September 30, 2014 (Rupees in	Un-audited September 30, 2013 thousand)
Adjustments for non-cashitems:1.11Depreciation433,734418,818Gain on disposal of fixed assets(1,350)(Gain) / Loss on re-measurement of short term investments at fair value433,734418,818Retirement benefits3,1123,444Finance cost3,1123,444Cash generated from operations before working capital changes1,555,9311,471,100Effect on cash flow due to working capital changes1,555,9311,471,100Effect on cash flow due to working capital changes(31,535)1,473,100Stores, spare parts and lose tools(31,535)1,70,338Stores, spare parts and lose tools(31,535)1,70,338Stores, spare parts and lose tools(31,553)1,70,338Stores, spare parts and lose tools(31,553)1,72,433Accrued profit(1,60,00)(150,654)Trade and other payables(693,583)(32,9,206)Ket cash generated from operations1,124,8231,228,633(Increase) / decrease in long term loans to employees - secured(2,0,56) <tr<< td=""><td></td><td>780 277</td><td>E72 828</td></tr<<>		780 277	E72 828
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Taxes paid(53,503)(59,609)Net cash generated from operating activities1,065,1441,219,120CASH FLOW FROM INVESTING ACTIVITIES Fixed capital expenditure Proceeds from disposal of fixed assets Increase in long term deposits and prepayments(170,004)(172,585)Net cash used in investing activities(170,004)(171,576)CASH FLOW FROM FINANCING ACTIVITIES Repayment of long term loans from banking companies - secured Redemption of redeemable capital - secured Payment of liabilities against assets subject to finance lease Acquisition of short term borrowings Preference dividend paid(204,942) (22,7200)(204,942) (232,869) (50) (50) (50) (50) (50) (51,502) (649,671)Net cash used in financing activities(975,538)(1,079,664)Net cash used in financing activities(80,398) (32,120)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540			66
Net cash generated from operating activities1,065,1441,219,120CASH FLOW FROM INVESTING ACTIVITIES Fixed capital expenditure Proceeds from disposal of fixed assets Increase in long term deposits and prepayments(170,004)(172,585) 1,715 (706)Net cash used in investing activities(170,004)(171,576)CASH FLOW FROM FINANCING ACTIVITIES Repayment of long term loans from banking companies - secured Redemption of redeemable capital - secured Decrease in long term deposits Payment of liabilities against assets subject to finance lease Preference dividend paid(25,163) (50) (50) (50) (50) (50) (515,502) (531,502) (689,380) (1)(204,942) (25,163) (22,200) (150) (50) (50) (531,502) (89,380) (1)Net cash used in financing activities(975,538) (1,079,664)(1,079,664) (223,540)Net cash used in financing activities(80,398) (32,120)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540			
CASH FLOW FROM INVESTING ACTIVITIESFixed capital expenditureProceeds from disposal of fixed assetsIncrease in long term deposits and prepaymentsNet cash used in investing activities(170,004)(172,585)Increase in long term loans from banking companies - securedRepayment of long term loans from banking companies - securedRepayment of long term loans from banking companies - securedRepayment of syndicated term finances - securedDecrease in long term depositsPayment of liabilities against assets subject to finance leaseAcquisition of short term borrowingsFinance cost paidRedemption of preference sharesPreference dividend paidNet cash used in financing activitiesNet cash used in financing activitiesNet cash used in financing activitiesCash and cash equivalentsCash and cash equivalents - as at beginning of the period	•		
Fixed capital expenditure(170,004)(172,585)Proceeds from disposal of fixed assets1,715(706)Increase in long term deposits and prepayments(170,004)(171,576) CASH FLOW FROM FINANCING ACTIVITIES (170,004)(171,576)Repayment of long term loans from banking companies - secured(25,163)(204,942)Redemption of redeemable capital - secured(600,000)(1232,869)Repayment of liabilities against assets subject to finance lease(27,200)(41,675)Payment of liabilities against assets subject to finance lease(27,200)(41,675)Acquisition of short term borrowings(10)(10)(10)Finance cost paid(10)(11)(11)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540	Net cash generated from operating activities	1,005,144	1,219,120
Proceeds from disposal of fixed assets Increase in long term deposits and prepayments1,715 (706)Net cash used in investing activities(170,004)(171,576)CASH FLOW FROM FINANCING ACTIVITIES Redemption of redeemable capital - secured Repayment of syndicated term finances - secured Decrease in long term deposits Payment of liabilities against assets subject to finance lease Acquisition of short term borrowings Finance cost paid Redemption of preference shares Preference dividend paid(204,942) (232,869) (150,500) (150) (50) (50) (51,532) (89,380) (1)Net cash used in financing activities(975,538) (1,079,664)(1,079,664) (1,079,664)Net decrease in cash and cash equivalents(80,398) (32,120)(32,120)			
Increase in long term deposits and prepayments		(170,004)	
CASH FLOW FROM FINANCING ACTIVITIES(204,942)Repayment of long term loans from banking companies - secured(25,163)Redemption of redeemable capital - secured(600,000)Repayment of syndicated term finances - secured(150,500)Decrease in long term deposits(150,150)Payment of liabilities against assets subject to finance lease(27,200)Acquisition of short term borrowings(177,147)Finance cost paid(349,671)Redemption of preference shares(1)Preference dividend paid(1)Net cash used in financing activities(975,538)Net decrease in cash and cash equivalents(80,398)Cash and cash equivalents - as at beginning of the period206,844		-	
Repayment of long term loans from banking companies - secured(25,163)(204,942)Redemption of redeemable capital - secured(600,000)(323,869)Repayment of syndicated term finances - secured(150,500)(70,250)Decrease in long term deposits(27,200)(41,675)Payment of liabilities against assets subject to finance lease(27,200)(41,675)Acquisition of short term borrowings177,14791,004Finance cost paid(349,671)(531,502)Redemption of preference shares(1)(1)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540	Net cash used in investing activities	(170,004)	(171,576)
Repayment of long term loans from banking companies - secured(25,163)(204,942)Redemption of redeemable capital - secured(600,000)(232,869)Repayment of syndicated term finances - secured(150,500)(70,250)Decrease in long term deposits(27,200)(1,675)Payment of liabilities against assets subject to finance lease(27,200)(41,675)Acquisition of short term borrowings177,14791,004Finance cost paid(349,671)(531,502)Redemption of preference shares(1)(1)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540	CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of syndicated term finances - secured(150,500)(70,250)Decrease in long term deposits(150,500)(50)Payment of liabilities against assets subject to finance lease(27,200)(41,675)Acquisition of short term borrowings177,14791,004Finance cost paid(349,671)(531,502)Redemption of preference shares(1)(1)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540	Repayment of long term loans from banking companies - secured		
Decrease in long term deposits(1)Payment of liabilities against assets subject to finance lease(27,200)Acquisition of short term borrowings177,147Finance cost paid(349,671)Redemption of preference shares(1)Preference dividend paid(1)Net cash used in financing activities(975,538)Net decrease in cash and cash equivalents(80,398)Cash and cash equivalents - as at beginning of the period206,844			
Payment of liabilities against assets subject to finance lease(27,200)(41,675)Acquisition of short term borrowings177,14791,004Finance cost paid(349,671)(531,502)Redemption of preference shares(1)(1)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540			
Finance cost paid Redemption of preference shares Preference dividend paid(349,671) (349,671)(551,502) (89,380) (1)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540			
Redemption of preference shares Preference dividend paid(89,380) (1)Net cash used in financing activities(975,538)Net decrease in cash and cash equivalents(80,398)Cash and cash equivalents - as at beginning of the period206,844523,540			
Preference dividend paid(1)(1)Net cash used in financing activities(975,538)(1,079,664)Net decrease in cash and cash equivalents(80,398)(32,120)Cash and cash equivalents - as at beginning of the period206,844523,540		(349,671)	
Net decrease in cash and cash equivalents (80,398) Cash and cash equivalents - as at beginning of the period 206,844		(1)	
Cash and cash equivalents - as at beginning of the period 206,844 523,540	Net cash used in financing activities	(975,538)	(1,079,664)
	Net decrease in cash and cash equivalents	(80,398)	(32,120)
Cash and cash equivalents - as at end of the period 126,446 491,420	Cash and cash equivalents - as at beginning of the period	206,844	523,540
	Cash and cash equivalents - as at end of the period	126,446	491,420

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

Chief Executive Officer

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Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2014

			Capital Reserves		Revenue Reserves	
	Share Capital	Share premium	Capital redemption reserve	Sub- Total	Accumulated profit	Total Equity
			Rupe	es in thousand .		
As at 30 June 2013	5,277,340	1,529,874	528,263	2,058,137	(564,564)	6,770,913
Total comprehensive Income Profit for the period ended 30 September 2013	-		-	-	556,239	556,239
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	63,245	63,245
As at 30 September 2013	5,277,340	1,529,874	528,263	2,058,137	54,920	7,390,397
As at 30 June 2014	5,277,340	1,529,874	528,263	2,058,137	2,414,100	9,749,577
Total comprehensive Income Profit for the period ended 30 September 2014	-	-			545,319	545,319
Transfer of incremental depreciation from surplus on revaluation of fixed assets - net of tax	-	-	-	-	55,784	55,784
As at 30 September 2014	5,277,340	1,529,874	528,263	2,058,137	3,015,203	10,350,680

The annexed notes from 1 to 16 form an integral part of this condensed interim financial information.

N **Chief Executive Officer**

Director
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SELECTED EXPLANATORY NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2014

1. **REPORTING ENTITY**

Maple Leaf Cement Factory Limited ("the Company") was incorporated in Pakistan on 13 April 1960 under the Companies Act, 1913 (now the Companies Ordinance, 1984) as a public company limited by shares. The Company is currently listed on all three stock exchanges of Pakistan. The registered office of the Company is situated at 42-Lawrence Road, Lahore, Pakistan. The cement factory is located at Iskanderabad District Mianwali in the province of Punjab. The principal activity of the Company is production and sale of cement. The Company is a subsidiary of Kohinoor Textile Mills Limited ("the Holding Company").

2. STATEMENT OF COMPLIANCE

This condensed interim financial information has been prepared in condensed form in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting and is being submitted to shareholders in accordance with the requirements of section 245 of the Companies Ordinance 1984.

3. BASIS OF PREPARATION

This condensed interim financial information should be read in conjunction with annual audited financial statements for the year ended June 30, 2014. Comparative balance sheet is extracted from annual audited financial statements for the year ended June 30, 2014 whereas comparative profit and loss account, comparative statement of changes in equity and comparative cash flow statement are stated from un-audited interim financial information for the period ended on September 30, 2013.

4. SIGNIFICANT ACCOUNTING POLICES

The accounting policies adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of the financial statements for the year ended 30 June 2014.

5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX

Gross Surplus	Un-audited September 30, 2014 (Rupees in	Audited June 30, 2014 thousand)
As at beginning of period / year	6,608,146	6,956,695
Less: Effect of disposal of fixed assets Transferred to accumulated profit in respect of incremental	-	(225)
depreciation charged during the period / year	(87,145)	(348,324)
As at end of the period / year	6,521,001	6,608,146
Deferred tax liability on revaluation surplus		
Opening balance of revaluation Less: transferred to accumulated profit	1,716,631	1,904,860
Effect of disposal of fixed assets	-	(62)
Incremental depreciation charged on related assets	(31,360)	(188,167)
As at end of the period / year	1,685,271	1,716,631
	4,835,730	4,891,515

		Un-audited September 30, 2014 (Rupees in	Audited June 30, 2014 thousand)
6.	SHORT TERM BORROWINGS		
	From banking companies		
	Cash and running finances - secured Temporary bank overdrafts - unsecured	2,750,063 45,612	2,520,383 98,145
7.	CONTINGENCIES AND COMMITMENTS	2,795,675	2,618,528

7.1 Contingencies

There has been no significant change in the status of contingencies as reported in the preceding published annual financial statement of the company for the year ended 30 June 2014.

		Note	Un-audited September 30, 2014 (Rupees in	Audited June 30, 2014 thousand)
7.2	Commitments			
7.2.1	Guarantees issued by various commercial banks, in of financial and operational obligations of the co to various institutions and corporate bodies		399,707	399,710
	Commitments against capital expenditures		24,978	2,559
7.2.3	Commitments against irrevocable letter of credi - others spare parts	t	226,548	208,761
			651,233	611,029
8.	FIXED ASSETS			
	Operating fixed assets Capital work in progress - at cost	8.1 8.2	24,365,632 76,420	24,661,336 44,446
			24,442,052	24,705,782
8.1	Operating assets			
	Balance at beginning of the period / year		24,661,336	25,542,553
	Add: Additions during the period / year	8.1.1	138,030	811,962
			24,799,366	26,354,515
	Less: Book value of operating assets disposed - off during the period / year Depreciation charge during the period / year		- 433,734	2,932 1,690,247
			24,365,632	24,661,336

8.1.1 Additions during the period / year:	Un-audited September 30, 2014 (Rupees in	Audited June 30, 2014 thousand)
 freehold land buildings on freehold land plant & machinery furniture, fixtures and equipment roads, bridges and railway sidings quarry equipment vehicles 	- 24,054 94,512 8,970 - - 10,494	3,100 69,839 663,338 59,666 1,000 1,879 13,140
8.2 Capital work in progress	138,030	811,962
Tangible Assets		
Plant & machinery Unallocated capital expenditures Advances to suppliers against: - purchase of land - furniture and fixtures - plant & machinery - vehicle	56,771 1,001 2,000 - 3,199 13,449 76,420	33,856 1,001 2,000 - 2,310 5,279 44,446
9. TRADE DEBTS		
Considered good Export - secured Local - unsecured	94,760 747,392	76,993 762,044
Considered doubtful	842,152	839,037
Local - unsecured	8,580	13,046
Less : provision for doubtful debts Less : trade debts written off	(8,580)	(8,580) (4,466)
	842,152	839,037

Un-audited	Audited	
September 30,	June 30,	
2014	2014	
(Rupees in thousand)		

10. SHORT TERM INVESTMENTS

At fair value through profit or loss - quoted

Next Capital Limited

1,500,000 (30 June 2014: 1,500,000) ordinary shares of Rs 10 each

Unrealized fair value loss

As at beginning of the period / year Fair value (gain) / loss for the period / year

As at end of the period / year

15,000	15,000
8,220 (870)	7,650 570
7,350	8,220
7,650	6,780

Three month ended (Un-audited) September 30, September 30, 2014 2013 (Rupees in thousand)

	ES -	
11.		

12.

Local Sales:		
Gross Less:	4,658,768	4,191,074
Federal Excise Duty Sales Tax Commission	201,271 768,385 31,288	178,592 701,830 27,936
	1,000,944	908,358
Net Local Sales	3,657,824	3,282,716
Export Sales	795,482	909,232
	4,453,306	4,191,948
FINANCE COST		
Profit / Interest / Markup on long term loans, finances, redeemable capital and short term finances Exchange loss Realized loss on derivative cross currency interest rate swap agreement Bank charges	304,965 59,922 - 5,791 370,678	340,377 123,526 1,152 9,685 474,740

13.	TAXATION	Note	September 30, 2014	ded (Un-audited) September 30, 2013 thousand)
·)·	Current Tax	13.1	123,717	42,151
	Deferred Tax	1.001	120,241	(24,552)
			243,958	17,599

13.1 The tax provision is charged by considering the provision of section 113, 113C and other tax credits available under the Income Tax Ordinance, 2001. In addition to this, it also includes tax on exports and capital gains which is full and final discharge of Company's tax liability in respect of income arising from such source.

14. TRANSACTIONS WITH RELATED PARTIES

Related parties comprise of the holding company, associated companies, directors, key management personnel and employee benefits funds. The Company in the normal course of business carries-out transactions with various related parties. Amounts due to holding company is shown under trade and other payables . Other significant transactions with related parties are as follows:

Relationship with the company	Nature of transaction	September 30, 2014	ded (Un-audited) September 30, 2013 thousand)
Holding Company	- Sale of goods and services	6,404	155
Key Management Pe	- Remuneration and other benefits	48,553	29,573

15. DATE OF AUTHORIZATION FOR ISSUE

This condensed interim financial information has been approved by the Board of Directors of the Company and authorized for issue on 22 October 2014.

16. **GENERAL**

Figures have been rounded off to the nearest thousand Rupees except stated otherwise.

Chief Executive Officer

