

The



1ST QUARTERLY REPORT
SEPTEMBER 30, 2016

CEMENT



میپل لیف



MAPLE LEAF CEMENT

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COMPANY INFORMATION

Board of Directors

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

Summit Bank Limited
The Bank of Punjab
Trust Investment Bank Limited
U Microfinance Bank Limited
United Bank Limited

Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Audit Committee

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

Legal Adviser

Mr. Shahid Ismail
Advocate High Court

Human Resource & Remuneration Committee

Mr. Waleed Tariq Saigol	Chairman
Mr. Zamiruddin Azar	Member
Mr. Danial Taufique Saigol	Member

Registered Office

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

Chief Financial Officer

Syed Mohsin Raza Naqvi

Factory

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

Company Secretary

Mr. Muhammad Ashraf

Call Centre (24 / 7)

0800-41111

Chief Internal Auditor

Mr. Zeeshan Malik Bhutta

Share Registrar

Vision Consulting Ltd.
Head Office: 3-C, LDA Flats, First Floor,
Lawrence Road, Lahore
Phone: (00-92-42) 36283096-97
Fax: (00-92-42) 36312550
E-mail: shares@vcl.com.pk

Bankers of the Company

Allied Bank Limited
Askari Bank Limited
Bank Alfalah Limited
Bank Al-Habib Limited
BankIslami Pakistan Limited
Burj Bank Limited
Dubai Islamic Bank Limited
Faysal Bank Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
Islamic Corporation for the Development
of the Private Sector, Jeddah
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
NIB Bank Limited
Silk Bank Limited
Soneri Bank Limited
Standard Chartered Bank (Pakistan) Limited

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 1st quarter ended September 30, 2016, in compliance with Section 245 of the Companies Ordinance, 1984.

The financial highlights are as follows:-

	1st Qtr (Jul. to Sep.)		Variance	Percentage
	2016	2015		
	(----- Rupees in thousand -----)			
Net Sales Revenue	5,556,065	4,965,847	590,218	11.89%
Gross Profit	2,380,828	1,825,457	555,371	30.42%
Operating Profit	1,740,753	1,338,372	402,381	30.06%
Finance Cost	46,066	185,930	(139,864)	(75.22%)
Profit Before Taxation	1,694,687	1,152,442	542,245	47.05%
Taxation	471,278	305,713	165,565	54.16%
Profit After Taxation	1,223,410	846,729	376,681	44.49%
Earnings Per Share (Rupees)	2.32	1.60	0.71	44.49%

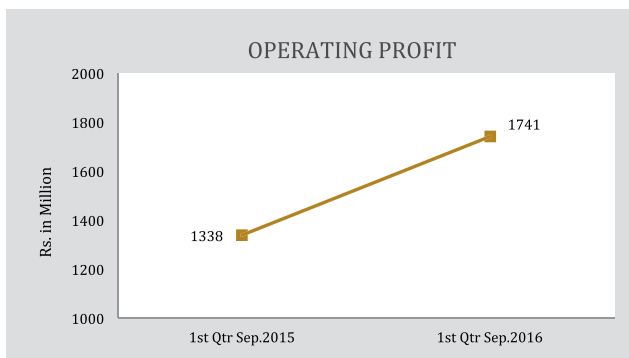
During the 1st quarter under review, net sales revenue enhanced by 11.89% as compared to the corresponding period on account of improvement in dispatches due to volumetric growth, reflecting improved pace of economic activity. This growth can be attributed to acceleration in private and public sector construction activities. This encouraging development took place despite the fact that the first quarter of the period, for the cement sector is generally dull due to seasonal effect and public holidays. Export by sea and selling prices on the other hand, did not depict a buoyant trend and additional quantities were diverted in-country due to lackluster demand from abroad. Volumes to Afghanistan continue to shrink because of reduced investments and increased competition from Iranian cement.

Capacity utilization and dispatches also improved, as evident from data reproduced below:-

	(Jul. to Sep.)		Variance	Percentage
	2016	2015		
	(------ M. Tons -----)			
Particulars				
Production:				
Clinker Production	749,210	642,832	106,378	16.55%
Cement Production	764,841	702,684	62,157	8.85%
Sales:				
Domestic	632,202	567,821	64,381	11.34%
Exports	160,594	136,730	23,864	17.45%
	792,796	704,551	88,245	12.52%

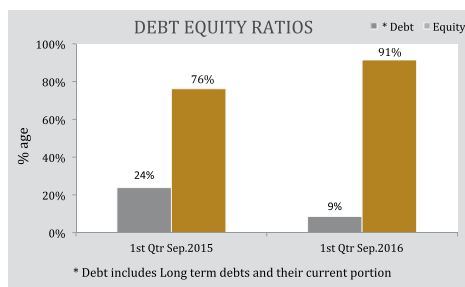
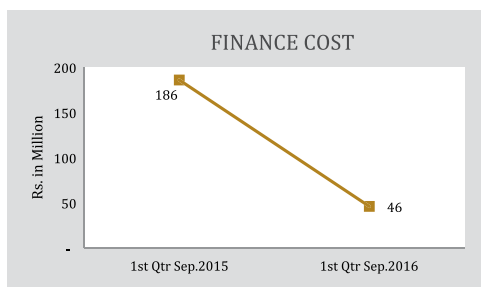
Total Sales volume of 792,796 tons achieved depicts an increase of 12.52% over 704,551 tons sold during the corresponding period last year. The domestic sales volume increased to 632,202 tons registering an increase of 11.34% and exports sales volume to 160,594 tons, an increase of 17.45%.

During the first quarter, coal prices in international markets rebounded due to output cut on coal production in China and limited supply from the mines due to logistic factors resulting in increase in coal prices. The Company, however, derived benefit of reduced prices throughout the quarter on account of utilization of coal inventory which was built up at lower cost. Oil price trend is also on increasing side resulting in higher rate of power from the national grid due to lower fuel price adjustments. During the 1st quarter, the Company continued to operate its Furnace Oil based engines due to improved viability owing to lower oil prices as compared to price of power from the grid. The Company is also continuously benefitting from lower inland transportation costs through haulage via the railway network resulting in reasonable savings. Due to these factors, the Company achieved gross profit of Rs.2,381 million in the current period as compared to Rs.1,825 million in the corresponding period, delineating an increase of 30.42%.



This uptick in earnings performance is majorly attributable to increase in operating profit to Rs.1,741 million during the current period, as compared to Rs.1,338 million in the corresponding period last year, showing an increase of 30.06%.

Finance costs continue to reduce as the Company deleverages and debt equity ratios also improved significantly as shown below:-



The Company recorded pre-tax profit of Rs.1,695 million during the period against pre-tax profit of Rs.1,152 million in the corresponding period last year showing growth of 47.05%.

Above earnings performance impacted post-tax profits at Rs.1,223 million for the current period against Rs.847 million in the corresponding period last year showing robust growth in the bottom line by 44.49%.

Future Outlook

Going forward, we expect increased domestic demand for cement on account of rise in PSDP allocations as the elections approach and investment increases on China Pak Economic Corridor

(CPEC) alongside other key projects such as Bhasha Dam, Dasu Hydropower project, Tarbela Extension Projects and Karachi-Lahore Motorway, together with increased construction activities in the private sector due to upbeat macroeconomic picture including lower inflation levels. CPEC is expected to prove to be a great opportunity for speeding up the country's economic development and it should increase demand for cement in the mid-term.

The increase in PSDP budget for the financial year 2016-2017 is a clear indication that the focus of the government will remain on completion of infrastructure schemes including power projects, motorways, Orange Train and low income housing schemes. 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 profitability of the cement sector should remain stable as local dispatches command higher retention rates as compared to exports.

As oil prices are expected to remain bullish, it is expected that the Company will continue to enjoy savings resulting from the usage of its Heavy Furnace Oil based standby engines to generate lower cost power with less reliance on the national grid. Grid prices are expected to increase due to expected rise in oil prices.

Other 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.

Expansion Project

The Board of Directors has already approved the setting up of an additional dry process clinker production line-3 of 7,000 tpd grey clinker production for enhancing grey cement capacity upto 17,700 tons per day at the existing plant site (brown field project) with total estimated project cost of Rs.20 billion. At present, the final negotiations with suppliers are going on and it is expected to establish Letters of Credit during the month of November, 2016. It is targetted to begin commercial operations within 26 months after establishing elcees.

Maple Leaf Power Limited

Partial shipment of equipment relating to coal fired power project have started to arrive at site. Civil works are also in full swing. The project is expected to be operational in the first quarter of financial year 2017-18. The purpose of this project is to add another reliable and inexpensive source of power compared to the national grid and reduce dependency on the same. It will also provide a cushion against current bullish trend in furnace oil prices and is expected to be the cheapest source of electricity after waste heat recovery plant.

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 25, 2016

CONDENSED UNCONSOLIDATED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2016

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		7,000,000	7,000,000
Issued, subscribed and paid-up share capital	4	5,277,340	5,277,340
Capital reserves		2,058,137	2,058,137
Accumulated profits		10,703,010	9,414,403
		18,038,487	16,749,880
SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX	5	4,522,058	4,587,255
NON - CURRENT LIABILITIES			
Long term loans from banking companies - secured	6	1,086,509	927,298
Liabilities against assets subject to finance lease - secured		427,096	479,243
Long term deposits		6,499	6,499
Deferred taxation		4,071,069	4,124,673
Retirement benefits		119,256	119,783
		5,710,429	5,657,496
CURRENT LIABILITIES			
Current portion of :			
- Long term loans from banking companies - secured		-	-
- Liabilities against assets subject to finance lease - secured		178,075	167,519
Trade and other payables		2,897,160	3,193,583
Accrued profit / interest / mark-up		27,344	36,807
Provision for taxation - net		519,953	204,245
Short term borrowings		1,943,005	1,424,911
		5,565,537	5,027,065
CONTINGENCIES AND COMMITMENTS	7	33,836,511	32,021,696

The annexed notes from 1 to 19 form an integral part of this condensed unconsolidated interim financial information.



Chief Executive Officer



Director

		Un-audited Note September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	8	22,646,298	22,822,494
Long term investment	9	1,160,000	660,000
Long term loans to employees - secured		5,397	5,628
Long term deposits		55,819	55,867
		23,867,514	23,543,989
CURRENT ASSETS			
Stores, spare parts and loose tools		5,251,473	5,383,750
Stock-in-trade		942,982	872,820
Trade debts	10	1,415,732	576,861
Loans and advances		1,113,087	805,167
Short term investment	11	13,485	12,000
Short term deposits and prepayments		140,737	71,594
Accrued profit		516	1,582
Refunds due from Government		16,797	16,797
Other receivables		416,634	342,662
Cash and bank balances		657,554	394,474
		9,968,997	8,477,707
		33,836,511	32,021,696



Chief Executive Officer



Director

CONDENSED UNCONSOLIDATED INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2015
Sales - net	12	5,556,065	4,965,847
Cost of goods sold	13	(3,175,237)	(3,140,390)
Gross profit		2,380,828	1,825,457
Distribution cost		(373,481)	(303,031)
Administrative expenses		(121,778)	(112,513)
Other charges		(149,266)	(76,586)
		(644,525)	(492,130)
Other income		4,450	5,045
Profit from operations		1,740,753	1,338,372
Finance cost	14	(46,066)	(185,930)
Profit before taxation		1,694,687	1,152,442
Taxation		(471,277)	(305,713)
Profit after taxation		1,223,410	846,729
		(----- Rupees -----)	
Earnings per share - basic and diluted		2.32	1.60

The annexed notes from 1 to 19 form an integral part of this condensed unconsolidated interim financial information.



Chief Executive Officer




Director

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2015
Profit after taxation	1,223,410	846,729
Other comprehensive income	-	-
Total comprehensive income for the period	<u>1,223,410</u>	<u>846,729</u>

The annexed notes from 1 to 19 form an integral part of this condensed unconsolidated interim financial information.



Chief Executive Officer



Director

CONDENSED UNCONSOLIDATED INTERIM CASH FLOW STATEMENT FOR THE PERIOD ENDED SEPTEMBER 30, 2016

Note	Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,694,687	1,152,442
Adjustments for:		
Depreciation	461,178	453,985
Provision for doubtful debts	-	10,877
Provision for Workers' Profit Participation Fund	89,908	-
Provision for Workers' Welfare Fund	42,554	-
Provision for stock-in-trade write off	-	3,268
Loss on disposal of property, plant and equipment	15,739	12,182
Gain on re-measurement of short term investments at fair value	(1,485)	(1,815)
Retirement benefits	3,962	3,425
Finance cost	46,066	185,930
Profit on bank deposits	(2,209)	(2,763)
Cash generated from operations before working capital changes	2,350,400	1,817,530
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	132,277	(201,124)
Stock-in-trade	(70,162)	101,827
Trade debts	(838,871)	(356,740)
Loans and advances	(307,920)	(45,652)
Short term deposits and prepayments	(69,143)	(46,605)
Other receivables	(73,972)	(59,988)
	(1,227,791)	(608,282)
Decrease in current liabilities		
Trade and other payables	(428,415)	(144,136)
	(1,656,206)	(752,418)
Net cash generated from operations	694,194	1,065,112
Decrease / (increase) in long term loans to employees - secured	231	(1,416)
Retirements benefits paid	(4,488)	(3,855)
Taxes paid	(209,175)	(89,971)
Net cash generated from operating activities	480,762	969,870
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(311,084)	(148,322)
Proceeds from disposal of fixed assets	10,363	27,870
Decrease / (increase) in long term deposits and prepayments	48	(120)
Long term investment	(500,000)	-
Profit on bank deposits received	3,276	3,217
Net cash used in investing activities	(797,397)	(117,355)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown / (repayment) of long term loans from banking companies - secured	159,211	(27,520)
Redemption of redeemable capital - secured	-	(375,011)
Repayment of syndicated term finances- secured	-	(70,000)
Payment of liabilities against assets subject to finance lease - net	(41,920)	-
Acquisition / (repayment) of short term borrowings	330,146	(109,455)
Finance cost paid	(55,201)	(187,137)
Dividend paid	(469)	(420)
Net cash generated / (used) in financing activities	391,767	(769,543)
Net increase in cash and cash equivalents	75,132	82,972
Cash and cash equivalents at the beginning of the period	394,474	244,400
Cash and cash equivalents at the end of the period	15 469,606	327,372

The annexed notes from 1 to 19 form an integral part of this condensed unconsolidated interim financial information.



Chief Executive Officer



Director

CONDENSED UNCONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2016

Share Capital	Capital Reserves			Revenue Reserves	Total Equity
	Share premium	Capital redemption reserve	Sub- Total	Accumulated profits	

..... Rupees in thousand

Balance as at 30 June 2015 - audited 5,277,340 1,529,874 528,263 2,058,137 5,576,181 12,911,658

Total comprehensive Income

Profit for the period ended 30 September 2015
Other comprehensive Income for the period
ended 30 September 2015

-	-	-	-	846,729	846,729
-	-	-	-	-	-

Transfer of incremental depreciation from surplus
on revaluation of fixed assets - net of tax

-	-	-	-	846,729	846,729
-	-	-	-	62,100	62,100

Reversal of revaluation surplus on
disposal of fixed assets

-	-	-	-	11,465	11,465
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Balance as at 30 September 2015 - un-audited

5,277,340	1,529,874	528,263	2,058,137	6,496,475	13,831,952
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Balance as at 30 June 2016 - audited

5,277,340	1,529,874	528,263	2,058,137	9,414,403	16,749,880
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Total comprehensive Income

Profit for the period ended 30 September 2016
Other comprehensive Income for the period
ended 30 September 2016

-	-	-	-	1,223,410	1,223,410
-	-	-	-	-	-

Transfer of incremental depreciation from surplus
on revaluation of fixed assets - net of tax

-	-	-	-	1,223,410	1,223,410
-	-	-	-	65,197	65,197

Balance as at 30 September 2016 - un-audited

5,277,340	1,529,874	528,263	2,058,137	10,703,010	18,038,487
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The annexed notes from 1 to 19 form an integral part of this condensed unconsolidated interim financial information.



Chief Executive Officer



Director

SELECTED EXPLANATORY NOTES TO THE CONDENSED UNCONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2016

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 listed on Pakistan Stock Exchange. 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. BASIS OF PREPARATION

2.1 Separate financial statements

These unconsolidated financial statements are the separate financial statements of the Company in which investment in subsidiary is accounted for on the basis of direct equity interest rather than on the basis of reported results and net assets of the investee. Consolidated financial statements of the Company are prepared and presented separately.

The Company has the following long term investment:

	2016 (Direct holding percentage)	2016
Subsidiary Company		
Maple Leaf Power Limited	100	-

2.2 Basis of accounting

2.2.1 This condensed unconsolidated interim financial information comprises the condensed unconsolidated interim balance sheet of the Company, as at 30 September 2016 and the related condensed unconsolidated interim profit and loss account, condensed unconsolidated interim statement of comprehensive income, condensed unconsolidated interim cash flow statement and condensed unconsolidated interim statement of changes in equity together with the notes forming part thereof.

2.2.2 This condensed unconsolidated interim financial information of the Company for the three months period ended 30 September 2016 has been prepared in accordance with the requirement of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 has been followed.

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

2.2.4 This condensed unconsolidated interim financial information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Number of shares		Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
290,359,856	(30 June 2016: 290,359,856) ordinary shares of Rs. 10 each fully paid in cash	2,903,599	2,903,599
35,834,100	(30 June 2016: 35,834,100) ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash	358,341	358,341
46,069,400	(30 June 2016: 46,069,400) ordinary shares of Rs. 10 each issued as fully paid bonus shares	460,694	460,694
153,846,153	(30 June 2016: 153,846,153) ordinary shares of Rs. 10 each issued as fully paid right shares at discount 4.1	1,538,462	1,538,462
1,624,417	(30 June 2016: 1,624,417) ordinary shares of Rs. 10 each issued as conversion of preference shares into ordinary shares 4.2	16,244	16,244
<u>527,733,926</u>		<u>5,277,340</u>	<u>5,277,340</u>

- 4.1 During the financial year ended 30 June 2011, Company issued 153,846,153 shares at Rs. 6.50 per share at a discount of Rs. 3.50 per share otherwise than right against Rs. 1,000 million to the Holding Company, after complying with all procedural requirements in this respect.
- 4.2 During the financial year ended 30 June 2011 and 30 June 2012, 1,321,095 preference shares were converted into 1,624,417 ordinary shares at a conversion rate of 1.2296.
- 4.3 The Holding Company holds 291,410,425 ordinary shares, which represents 55.22% (30 June 2016: 55.22%) of total ordinary issued, subscribed and paid-up capital of the Company.
- 4.4 Zimpex (Private) Limited, an associated undertaking, holds 1,706 (30 June 2016: 1,706) ordinary shares of the Company.

		Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX			
Gross Surplus			
Balance at beginning of the period / year		5,984,429	6,345,722
Less:			
Effect of disposal of fixed assets		-	(13,005)
Transferred to accumulated profit in respect of incremental depreciation charged during the period / year		(86,812)	(348,288)
As at end of the period / year		5,897,617	5,984,429
Deferred tax liability on revaluation surplus			
As at beginning of the period / year		1,397,174	1,594,640
Less: Transferred to accumulated profit			
Effect of disposal of fixed assets		-	(3,238)
Incremental depreciation charged on related assets		(21,615)	(86,724)
Effect of change in tax rate		-	(107,504)
As at end of the period / year		1,375,559	1,397,174
		<u>4,522,058</u>	<u>4,587,255</u>

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
6. LONG TERM LOANS FROM BANKING COMPANY - SECURED			
Askari Bank Limited - Term Finance		500,000	500,000
The Bank of Punjab - Demand Finance	6.1	233,419	183,140
MCB Bank Limited - Demand Finance	6.2	176,545	122,079
National Bank of Pakistan - Demand Finance	6.3	176,545	122,079
At end of the period / year		1,086,509	927,298
6.1 During the current period additional loan of Rs. 50.28 million is draw down from The Bank of Punjab - Demand Finance.			
6.2 During the current period additional loan of Rs. 54.47 million is draw down from MCB Bank Limited - Demand Finance.			
6.3 During the current period additional loan of Rs. 54.47 million is draw down from National Bank of Pakistan - Demand Finance.			
7. CONTINGENCIES AND COMMITMENTS			
7.1 Contingencies			
There has been no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2016.			
7.2 Guarantees given by banks on behalf of the Company are of Rs. 458.46 million (30 June 2016: Rs. 463.32 million) in favor of Sui Northern Gas Pipeline Limited and Government Institutions.			
7.3 Commitments			
7.3.1 In respect of:			
- capital expenditure		66,361	94,606
- irrevocable letters of credit for spare parts		913,181	1,204,256
		979,542	1,298,862
8. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	22,108,653	22,399,800
Capital work in progress - at cost	8.2	537,645	422,694
		22,646,298	22,822,494

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
8.1 Operating fixed assets			
Balance at beginning of the period / year		22,399,800	23,604,525
Add: Additions during the period / year	8.1.1	196,133	799,324
		22,595,933	24,403,849
Less: Book value of operating assets disposed-off during the period / year		26,102	186,391
Depreciation charge during the period / year		461,178	1,817,658
		22,108,653	22,399,800
8.1.1 Additions during the period / year:			
- buildings on freehold land		-	217,969
- plant & machinery		161,510	467,222
- furniture, fixtures and equipment		12,724	64,800
- roads, bridges and railway sidings		-	1,344
- vehicles		21,899	47,989
		196,133	799,324
8.2 Capital work-in-progress - at cost			
Civil Works		291,700	320,396
Plant and machinery		40,424	5,171
Advance to supplier against:			
- civil works		179,470	77,702
- furniture and fixtures		11,318	11,043
- plant and machinery		5,303	794
- vehicles		6,430	1,891
- others		3,000	5,697
		537,645	422,694
9. LONG TERM INVESTMENT			
Investment in Maple Leaf Power Limited - Unquoted			
Balance at beginning of the period / year		660,000	660,000
Addition during the period / year	9.1	500,000	-
Balance at end of the period / year		1,160,000	660,000
9.1 During the current period the Company has made further investments of Rs. 500 million (30 June 2016: 660 million) in its wholly owned subsidiary company "Maple Leaf Power Limited". The Company holds 100% (30 June 2016: 100%) shares in the Maple Leaf Power Limited.			

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
10. TRADE DEBTS			
Considered good			
Export - secured	10.1	44,173	46,947
Local - unsecured		1,371,559	529,914
		<u>1,415,732</u>	<u>576,861</u>
10.1 These are secured through bank by letters of credit.			
11. SHORT TERM INVESTMENT			
Investment at fair value through profit or loss - listed securities			
Next Capital Limited: 1,500,000 (30 June 2016: 1,500,000) ordinary shares of Rs. 10 each Market value Rs. 8.99 per share (30 June 2016: Rs. 8.00 per share)			
Cost			
As at beginning and end of the period / year		15,000	15,000
Unrealized fair value loss			
As at beginning of the period / year		3,000	4,470
Fair value gain for the period / year		(1,485)	(1,470)
As at end of the period / year		1,515	3,000
Fair value at end of period / year		<u>13,485</u>	<u>12,000</u>

		Three months ended (Un-audited)	
		September 30, 2016	September 30, 2015
		(Rupees in thousand)	
12. SALES - NET			
Gross local sales		6,406,954	5,306,030
Less:			
Federal Excise Duty		(632,202)	(224,329)
Sales Tax		(1,023,878)	(865,847)
Discount		(57,937)	(27,616)
Commission		(23,106)	(37,215)
		(1,737,123)	(1,155,007)
Net local sales		4,669,831	4,151,023
Export sales		886,234	814,824
		5,556,065	4,965,847
13. COST OF GOODS SOLD			
Raw materials consumed		201,451	187,020
Packing materials consumed		315,446	324,167
Fuel		920,287	947,554
Power and associated costs		748,415	682,852
Stores, spare parts and loose tools consumed		153,474	165,622
Salaries, wages and other benefits		182,391	157,513
Rent, rates and taxes		6,768	5,015
Insurance		14,391	13,375
Repairs and maintenance		65,016	91,556
Depreciation		454,079	446,787
Vehicles running and maintenance		25,307	20,180
Provision for Cement stocks written off		-	3,268
Other expenses		26,975	34,280
		3,114,000	3,079,189
Work in process:			
As at beginning of the period		395,257	697,357
As at end of the period		(472,473)	(623,729)
		(77,216)	73,628
Cost of goods manufactured		3,036,784	3,152,817
Finished goods:			
As at beginning of the period		270,180	328,425
As at end of the period		(131,727)	(340,852)
		138,452	(12,427)
Cost of goods sold		3,175,237	3,140,390

		Three months ended (Un-audited) September 30, 2016 September 30, 2015 (Rupees in thousand)	
14. FINANCE COST			
Profit / interest / mark up on long term loans, finances, redeemable capital and short term finances	30,138	134,995	
Exchange loss - net	3,381	26,353	
Bank and other charges	12,547	24,582	
	<u>46,066</u>	<u>185,930</u>	
		Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2016 (Rupees in thousand)
15. CASH AND CASH EQUIVALENTS			
Short term running finance	(187,948)	(78,744)	
Cash and bank	657,554	406,116	
	<u>469,606</u>	<u>327,372</u>	

16. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of the Holding Company, subsidiary company, associated companies, directors, key management personnel, employee benefits fund and other companies where directors have significant influence.

Details of transactions with related parties are as follows:

		Three months ended (Un-audited) September 30, 2016 September 30, 2015 (Rupees in thousand)	
Holding company (Kohinoor Textile Mills Limited)			
Sale of goods and services	6,865	5,078	
Wholly owned subsidiary company (Maple Leaf Power Limited)			
Sale of goods and services	39,191	-	
Key management personnel			
Remuneration and other benefits	85,662	53,072	

Three months ended (Un-audited)
September 30, 2016 September 30, 2015
(Rupees in thousand)

Post employment benefit plans

Contributions to Provident Fund Trust	(23,271)	(18,360)
Payments to MLCF Employees Gratuity Fund Trust	(2,540)	(2,321)

Transactions in relation to sales, purchases and technical services with related parties are made at arm's length prices determined in accordance with the comparable uncontrolled price method except for allocation of expenses such as electricity, gas, water, repairs and maintenance relating to the head office, shared with the Holding Company / Associates, which are on the actual basis.

17. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, there were no material re-arrangements.

18. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 25 October 2016 by the Board of Directors of the Company.

19. GENERAL

Figures in the financial statements have been rounded-off to the nearest thousand Rupees except stated otherwise.



Chief Executive Officer



Director



Consolidated Financial Statements

For The First Quarter Ended September 30, 2016

DIRECTORS' REVIEW

The Directors are pleased to present the un-audited condensed consolidated interim financial statements of Maple Leaf Cement Factory Limited (the Holding Company) and its wholly owned subsidiary company Maple Leaf Power Limited (collectively referred to as group) for the quarter ended 30 September 2016.

GROUP RESULTS

The Group has earned gross profit of Rupees 2,351 million during the period under review. The Group made after tax profit of Rupees 1,185 million. The comparative period results depict the results of only Holding Company as subsidiary was incorporated on 15 October 2015.

The overall group financial results are as follows:

	September 30, 2016 (Rupees in million)	September 30, 2015
Sales	5,527	4,966
Gross profit	2,351	1,825
Profit from operations	1,709	1,338
Financial charges	53	186
Net profit after tax	1,185	847
	(-----Rupees-----)	
Earnings per share – basic and diluted	2.25	1.60

SUBSIDIARY COMPANY

MAPLE LEAF POWER LIMITED (MLPL)

Maple Leaf Cement Factory Limited has formed a subsidiary company namely "Maple Leaf Power Limited (MLPL)." MLPL ("the Subsidiary") was incorporated in Pakistan on 15 October 2015 under the Companies Ordinance, 1984 as public limited company. The principal objective of MLPL is to develop, design, operate and maintain electric power generation plant in connection therewith to engage in the business of generation, sale and supply of electricity to the Holding Company.

ACKNOWLEDGEMENT

The Directors are grateful to the group's members, financial institutions, customers and employees for their cooperation and support. They also appreciate the hard work and dedication of the employees working in different roles.

For and on behalf of the Board



(Sayeed Tariq Saigol)
Chief Executive

Lahore: October 25, 2016

CONDENSED CONSOLIDATED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2016

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital		7,000,000	7,000,000
Issued, subscribed and paid-up share capital	4	5,277,340	5,277,340
Capital reserves		2,058,137	2,058,137
Accumulated profits		10,623,002	9,372,617
		17,958,479	16,708,094
SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX	5	4,522,058	4,587,255
NON - CURRENT LIABILITIES			
Long term loans from banking companies - secured	6	1,086,509	927,298
Liabilities against assets subject to finance lease - secured		427,096	479,243
Long term deposits		6,499	6,499
Deferred taxation		4,071,069	4,124,673
Retirement benefits		119,256	119,783
		5,710,429	5,657,496
CURRENT LIABILITIES			
Current portion of :			
- Long term loans from banking companies - secured		-	-
- Liabilities against assets subject to finance lease - secured		178,075	167,519
Trade and other payables		2,959,196	3,218,749
Accrued profit / interest / mark-up		27,344	36,807
Provision for taxation - net		518,609	203,316
Short term borrowings		1,943,005	1,424,911
		5,626,229	5,051,302
CONTINGENCIES AND COMMITMENTS	7		
		33,817,195	32,004,147

The annexed notes from 1 to 18 form an integral part of this condensed consolidated interim financial information.



Chief Executive Officer




Director

		Un-audited Note September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
ASSETS			
NON - CURRENT ASSETS			
Property, plant and equipment	8	24,024,866	23,618,926
Long term loans to employees - secured		5,397	5,628
Long term deposits		55,819	55,867
		<u>24,086,082</u>	<u>23,680,421</u>
CURRENT ASSETS			
Stores, spare parts and loose tools		5,251,473	5,383,750
Stock-in-trade		942,982	872,820
Trade debts	9	1,401,174	564,866
Loans and advances		1,113,087	805,167
Short term investment	10	13,485	12,000
Short term deposits and prepayments		146,008	71,594
Accrued profit		811	1,857
Refunds due from Government		16,797	16,797
Other receivables		122,869	153,147
Cash and bank balances		722,427	441,728
		<u>9,731,113</u>	<u>8,323,726</u>
		<u><u>33,817,195</u></u>	<u><u>32,004,147</u></u>



Chief Executive Officer



Director

CONDENSED CONSOLIDATED INTERIM PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2015
Sales - net	11	5,526,506	4,965,847
Cost of goods sold	12	(3,175,237)	(3,140,390)
Gross profit		2,351,269	1,825,457
Distribution cost		(373,481)	(303,031)
Administrative expenses		(124,409)	(112,513)
Other charges		(149,266)	(76,586)
		(647,156)	(492,130)
Other income		5,021	5,045
Profit from operations		1,709,134	1,338,372
Finance cost	13	(52,669)	(185,930)
Profit before taxation		1,656,465	1,152,442
Taxation		(471,277)	(305,713)
Profit after taxation		1,185,188	846,729
		(----- Rupees -----)	
Earnings per share - basic and diluted		2.25	1.60

The annexed notes from 1 to 18 form an integral part of this condensed consolidated interim financial information.



Chief Executive Officer



Director

CONDENSED CONSOLIDATED INTERIM STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED SEPTEMBER 30, 2016

	Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2015
Profit after taxation	1,185,188	846,729
Other comprehensive income	-	-
Total comprehensive income for the period	<u>1,185,188</u>	<u>846,729</u>

The annexed notes from 1 to 18 form an integral part of this condensed consolidated interim financial information.



Chief Executive Officer



Director

CONDENSED CONSOLIDATED INTERIM CASH FLOW STATEMENT

FOR THE PERIOD ENDED SEPTEMBER 30, 2016

Note	Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2015
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,656,465	1,152,442
Adjustments for:		
Depreciation	461,426	453,985
Provision for doubtful debts	-	10,877
Provision for Workers' Profit Participation Fund	89,907	-
Provision for Workers' Welfare Fund	42,554	-
Provision for stock-in-trade write off	-	3,268
Loss on disposal of property, plant and equipment	15,739	12,182
Gain on re-measurement of short term investment at fair value	(1,485)	(1,815)
Retirement benefits	3,962	3,425
Finance cost	52,669	185,930
Profit on bank deposits	(2,779)	(2,763)
Cash generated from operations before working capital changes	2,318,458	1,817,530
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	132,277	(201,124)
Stock-in-trade	(70,162)	101,827
Trade debts	(838,871)	(356,740)
Loans and advances	(307,920)	(45,652)
Short term deposits and prepayments	(74,414)	(46,605)
Other receivables	(145,345)	(59,988)
	(1,304,435)	(608,282)
Decrease in current liabilities		
Trade and other payables	(213,359)	(144,136)
	(1,517,794)	(752,418)
Net cash generated from operations	800,664	1,065,112
Decrease / (increase) in long term loans to employees - secured	231	(1,416)
Retirements benefits paid	(4,488)	(3,855)
Taxes paid	(209,591)	(89,971)
Net cash generated from operating activities	586,816	969,870
CASH FLOWS FROM INVESTING ACTIVITIES		
Capital expenditure	(899,968)	(148,322)
Proceeds from disposal of fixed assets	10,363	27,870
Decrease / (increase) in long term deposits and prepayments	48	(120)
Profit on bank deposits received	3,827	3,217
Net cash used in investing activities	(885,732)	(117,355)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown / (repayment) of long term loans from banking companies - secured	159,211	(27,520)
Redemption of redeemable capital - secured	-	(375,011)
Repayment of syndicated term finances- secured	-	(70,000)
Payment of liabilities against assets subject to finance lease - net	(41,920)	-
Acquisition / (repayment) of short term borrowings	330,146	(109,455)
Finance cost paid	(55,303)	(187,137)
Dividend paid	(469)	(420)
Net cash generated / (used) in financing activities	391,665	(769,543)
Net increase in cash and cash equivalents	92,751	82,972
Cash and cash equivalents at the beginning of the period	441,728	244,400
Cash and cash equivalents at the end of the period	534,479	327,372

The annexed notes from 1 to 18 form an integral part of this condensed consolidated interim financial information.



Chief Executive Officer



Director

CONDENSED CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED SEPTEMBER 30, 2016

Share Capital	Capital Reserves			Revenue Reserves	Total Equity
	Share premium	Capital redemption reserve	Sub- Total	Accumulated profits	

..... Rupees in thousand

Balance as at 30 June 2015 - audited 5,277,340 1,529,874 528,263 2,058,137 5,576,181 12,911,658

Total comprehensive Income

Profit for the period ended 30 September 2015
Other comprehensive Income for the period
ended 30 September 2015

-	-	-	-	846,729	846,729
-	-	-	-	-	-

Transfer of incremental depreciation from surplus
on revaluation of fixed assets - net of tax

-	-	-	-	846,729	846,729
-	-	-	-	62,100	62,100

Reversal of revaluation surplus on
disposal of fixed assets

-	-	-	-	11,465	11,465
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Balance as at 30 September 2015 - un-audited

5,277,340	1,529,874	528,263	2,058,137	6,496,475	13,831,952
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Balance as at 30 June 2016 - audited

5,277,340	1,529,874	528,263	2,058,137	9,372,617	16,708,094
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Total comprehensive Income

Profit for the period ended 30 September 2016
Other comprehensive Income for the period
ended 30 September 2016

-	-	-	-	1,185,188	1,185,188
-	-	-	-	-	-

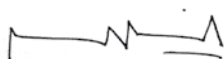
Transfer of incremental depreciation from surplus
on revaluation of fixed assets - net of tax

-	-	-	-	1,185,188	1,185,188
-	-	-	-	65,197	65,197

Balance as at 30 September 2016 - un-audited

5,277,340	1,529,874	528,263	2,058,137	10,623,002	17,958,479
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The annexed notes from 1 to 18 form an integral part of this condensed consolidated interim financial information.



Chief Executive Officer



Director

SELECTED EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL INFORMATION FOR THE PERIOD ENDED SEPTEMBER 30, 2016

1. REPORTING ENTITY

Maple Leaf Cement Factory Limited ("the Holding 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 listed on Pakistan Stock Exchange. The registered office of the Holding 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 Holding Company is production and sale of cement. The Company is a subsidiary of Kohinoor Textile Mills Limited ("the Ultimate Holding Company").

2. BASIS OF PREPARATION

21 Basis of accounting

2.1.1 This condensed consolidated interim financial information comprises the condensed consolidated interim balance sheet of the Company, as at 30 September 2016 and the related condensed consolidated interim profit and loss account, condensed consolidated interim statement of comprehensive income, condensed consolidated interim cash flow statement and condensed consolidated interim statement of changes in equity together with the notes forming part thereof.

2.1.2 This condensed consolidated interim financial information of the Company for the three months period ended 30 September 2016 has been prepared in accordance with the requirement of the International Accounting Standard 34 - Interim Financial Reporting and provisions of and directives issued under the Companies Ordinance, 1984. In case where requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 has been followed.

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

2.1.4 This condensed consolidated interim financial information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL

Number of shares		Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
290,359,856	(30 June 2016: 290,359,856) ordinary shares of Rs. 10 each fully paid in cash	2,903,599	2,903,599
35,834,100	(30 June 2016: 35,834,100) ordinary shares of Rs. 10 each issued as fully paid for consideration other than cash	358,341	358,341
46,069,400	(30 June 2016: 46,069,400) ordinary shares of Rs. 10 each issued as fully paid bonus shares	460,694	460,694
153,846,153	(30 June 2016: 153,846,153) ordinary shares of Rs. 10 each issued as fully paid right shares at discount 4.1	1,538,462	1,538,462
1,624,417	(30 June 2016: 1,624,417) ordinary shares of Rs. 10 each issued as conversion of preference shares into ordinary shares 4.2	16,244	16,244
<u>527,733,926</u>		<u>5,277,340</u>	<u>5,277,340</u>

- 4.1 During the financial year ended 30 June 2011, Company issued 153,846,153 shares at Rs. 6.50 per share at a discount of Rs. 3.50 per share otherwise than right against Rs. 1,000 million to the Holding Company, after complying with all procedural requirements in this respect.
- 4.2 During the financial year ended 30 June 2011 and 30 June 2012, 1,321,095 preference shares were converted into 1,624,417 ordinary shares at a conversion rate of 1.2296.
- 4.3 The Holding Company holds 291,410,425 ordinary shares, which represents 55.22% (30 June 2016: 55.22%) of total ordinary issued, subscribed and paid-up capital of the Company.
- 4.4 Zimpex (Private) Limited, an associated undertaking, holds 1,706 (30 June 2016: 1,706) ordinary shares of the Company.

	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
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5. SURPLUS ON REVALUATION OF FIXED ASSETS - NET OF TAX

Gross Surplus

Balance at beginning of the period / year	5,984,429	6,345,722
Less:		
Effect of disposal of fixed assets	-	(13,005)
Transferred to accumulated profit in respect of incremental depreciation charged during the period / year	(86,812)	(348,288)
As at end of the period / year	5,897,617	5,984,429

Deferred tax liability on revaluation surplus

As at beginning of the period / year	1,397,174	1,594,640
Less: Transferred to accumulated profit		
Effect of disposal of fixed assets	-	(3,238)
Incremental depreciation charged on related assets	(21,615)	(86,724)
Effect of change in tax rate	-	(107,504)
As at end of the period / year	1,375,558	1,397,174
	<u>4,522,058</u>	<u>4,587,255</u>

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
6. LONG TERM LOANS FROM BANKING COMPANY - SECURED			
Askari Bank Limited - Term Finance		500,000	500,000
The Bank of Punjab - Demand Finance	6.1	233,419	183,140
MCB Bank Limited - Demand Finance	6.2	176,545	122,079
National Bank of Pakistan - Demand Finance	6.3	176,545	122,079
At end of the period / year		1,086,509	927,298
6.1 During the current period additional loan of Rs. 50.28 million is draw down from The Bank of Punjab - Demand Finance			
6.2 During the current period additional loan of Rs. 54.47 million is draw down from MCB Bank Limited - Demand Finance			
6.3 During the current period additional loan of Rs. 54.47 million is draw down from National Bank of Pakistan - Demand Finance			
7. CONTINGENCIES AND COMMITMENTS			
7.1 Contingencies			
There has been no significant change in the status of contingencies as reported in the preceding published annual financial statements of the Company for the year ended 30 June 2016.			
7.2 Guarantees given by banks on behalf of the Company are of Rs. 458.46 million (30 June 2016: Rs. 463.32 million) in favor of Sui Northern Gas Pipeline Limited and Government Institutions.			
7.3 Commitments			
7.3.1 In respect of:			
- capital expenditure		3,062,318	3,561,571
- irrevocable letters of credit for spare parts		913,181	1,204,256
		3,975,499	4,765,827
8. PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	8.1	22,118,278	22,409,641
Capital work in progress - at cost	8.2	1,842,447	1,201,848
Stores held for capitalization		64,141	7,437
		24,024,866	23,618,926

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
8.1 Operating fixed assets			
Balance at beginning of the period / year		22,409,641	23,604,525
Add: Additions during the period / year	8.1.1	196,164	809,310
		22,605,805	24,413,835
Less: Book value of operating assets disposed-off during the period / year		26,101	186,391
Depreciation charge during the period / year		461,426	1,817,803
		22,118,278	22,409,641
8.1.1 Additions during the period / year:			
- buildings on freehold land		-	217,969
- plant & machinery		161,541	471,254
- furniture, fixtures and equipment		12,724	70,754
- roads, bridges and railway sidings		-	1,344
- vehicles		21,899	47,989
		196,164	809,310
8.2 Capital work-in-progress - at cost			
Civil Works		749,864	509,042
Plant and machinery		40,424	5,171
Mechanical works		30,609	6,453
Electrical works		7,456	4,284
Other directly attributable costs:			
- security charges		2,173	613
- salaries and wages		30,757	19,123
- consultancy		11,249	11,249
- depreciation		393	145
- others		26,047	4,272
Advance to supplier against:			
- civil works		226,191	144,544
- furniture and fixtures		11,318	11,043
- electrical items		12,445	33,929
- plant and machinery		649,148	441,832
- vehicles		6,430	1,891
- others		37,943	8,257
		1,842,447	1,201,848

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
9. TRADE DEBTS			
Considered good			
Export - secured	9.1	44,173	46,947
Local - unsecured		1,357,001	517,919
		<u>1,401,174</u>	<u>564,866</u>
9.1 These are secured through bank by letters of credit.			
10. SHORT TERM INVESTMENT			
Investment at fair value through profit or loss - listed securities			
Next Capital Limited: 1,500,000 (30 June 2016: 1,500,000) ordinary shares of Rs. 10 each Market value Rs. 8.99 per share (30 June 2016: Rs. 8.00 per share)			
Cost			
As at beginning and end of the period / year		15,000	15,000
Unrealized fair value loss			
As at beginning of the period / year		3,000	4,470
Fair value gain for the period / year		(1,485)	(1,470)
As at end of the period / year		1,515	3,000
Fair value at end of period / year		<u>13,485</u>	<u>12,000</u>

	Three months ended (Un-audited) September 30, 2016 September 30, 2015 (Rupees in thousand)	
11. SALES - NET		
Gross local sales	6,377,395	5,306,030
Less:		
Federal Excise Duty	(632,202)	(224,329)
Sales Tax	(1,023,878)	(865,847)
Discount	(57,937)	(27,616)
Commission	(23,106)	(37,215)
	(1,737,123)	(1,155,007)
Net local sales	4,640,272	4,151,023
Export sales	886,234	814,824
	5,526,506	4,965,847
12. COST OF GOODS SOLD		
Raw materials consumed	201,451	187,020
Packing materials consumed	315,446	324,167
Fuel	920,287	947,554
Power and associated costs	748,415	682,852
Stores, spare parts and loose tools consumed	153,474	165,622
Salaries, wages and other benefits	182,391	157,513
Rent, rates and taxes	6,768	5,015
Insurance	14,391	13,375
Repairs and maintenance	65,016	91,556
Depreciation	454,079	446,787
Vehicles running and maintenance	25,307	20,180
Provision for Cement stocks written off	-	3,268
Other expenses	26,975	34,280
	3,114,000	3,079,189
Work in process:		
As at beginning of the period	395,257	697,357
As at end of the period	(472,473)	(623,729)
	(77,216)	73,628
Cost of goods manufactured	3,036,784	3,152,817
Finished goods:		
As at beginning of the period	270,180	328,425
As at end of the period	(131,727)	(340,852)
	138,452	(12,427)
Cost of goods sold	3,175,237	3,140,390

		Three months ended (Un-audited) September 30, 2016 September 30, 2015 (Rupees in thousand)	
13. FINANCE COST			
Profit / interest / mark up on long term loans, finances, redeemable capital and short term finances	30,138	134,995	
Exchange loss - net	3,381	26,353	
Bank and other charges	19,150	24,583	
	<u>52,669</u>	<u>185,930</u>	
		Un-audited September 30, 2016 (Rupees in thousand)	Un-audited September 30, 2016 (Rupees in thousand)
14. CASH AND CASH EQUIVALENTS			
Short term running finance	(187,948)	(78,744)	
Cash and bank	722,427	406,116	
	<u>534,479</u>	<u>327,372</u>	

15. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Related parties comprise of the Holding Company, subsidiary company, associated companies, directors, key management personnel, employee benefits fund and other companies where directors have significant influence.

Details of transactions with related parties are as follows:

		Three months ended (Un-audited) September 30, 2016 September 30, 2015 (Rupees in thousand)	
Holding company (Kohinoor Textile Mills Limited)			
Sale of goods and services	6,865	5,078	
Wholly owned subsidiary company (Maple Leaf Power Limited)			
Sale of goods and services	39,191	-	
Key management personnel			
Remuneration and other benefits	85,662	53,072	

Three months ended (Un-audited)
September 30, 2016 September 30, 2015
(Rupees in thousand)

Post employment benefit plans

Contributions to Provident Fund Trust	(23,271)	(18,360)
Payments to MLCF Employees Gratuity Fund Trust	(2,540)	(2,321)

Transactions in relation to sales, purchases and technical services with related parties are made at arm's length prices determined in accordance with the comparable uncontrolled price method except for allocation of expenses such as electricity, gas, water, repairs and maintenance relating to the head office, shared with the Holding Company / Associates, which are on the actual basis.

16. CORRESPONDING FIGURES

Corresponding figures have been re-arranged, wherever necessary, for the purpose of comparison. However, there were no material re-arrangements.

17. DATE OF AUTHORIZATION FOR ISSUE

These financial statements were authorized for issue on 25 October 2016 by the Board of Directors of the Company.

18. GENERAL

Figures in the financial statements have been rounded-off to the nearest thousand Rupees except stated otherwise.



Chief Executive Officer



Director

NOTE

