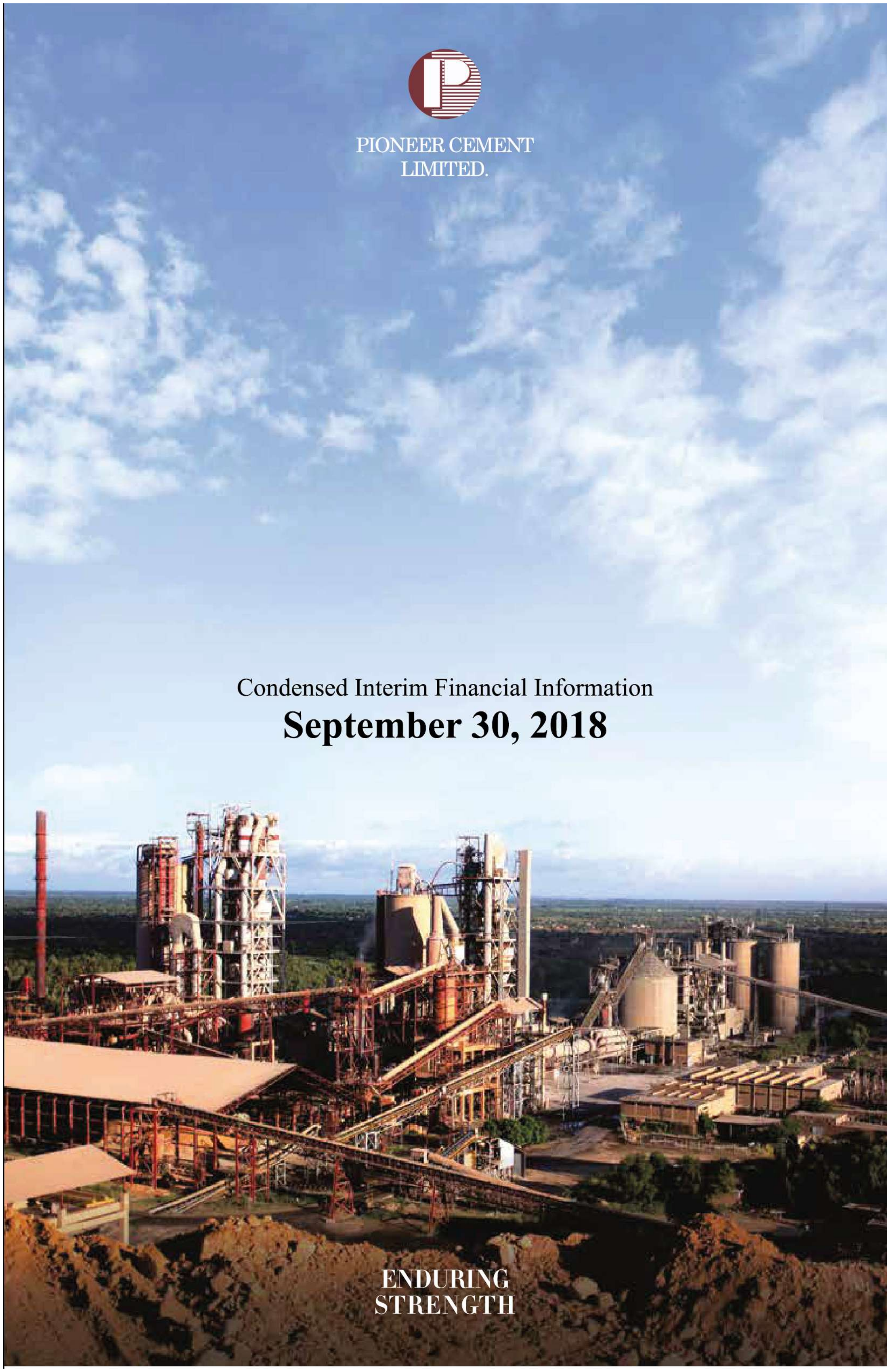


PIONEER CEMENT LIMITED.

Condensed Interim Financial Information

September 30, 2018

ENDURING STRENGTH

Contents

Corporate Information

Board of Directors

Mr. Aly Khan (Chairman)
Mr. Arif Hamid Dar (CEO)
Ms. Aleeya Khan
Mr. Shafiuddin Ghani Khan
Mr. Mohammad Aftab Alam
Mr. Jamal Nasim
Mirza Ali Hassan Askari
Mr. Rafique Dawood

Audit Committee

Mr. Jamal Nasim (Chairman)
Mr. Aly Khan
Ms. Aleeya Khan
Mr. Shafiuddin Ghani Khan
Mr. Mohammad Aftab Alam

HR & Remuneration Committee

Mr. Shafiuddin Ghani Khan (Chairman)
Mr. Aly Khan
Ms. Aleeya Khan
Mr. Mohammad Aftab Alam
Mr. Arif Hamid Dar (CEO)

Chief Financial Officer

Mr. Waqar Naeem

Chief Internal Auditor

Mr. Jamal-ud-Din

Company Secretary

Mr. Abdul Wahab

Bankers

Allied Bank Limited
Askari Bank Limited
Bank Al Habib Limited
Bank of Khyber
Dubai Islamic Bank
Habib Bank Limited
JS Bank Limited
MCB Bank Limited
Meezan Bank Limited
National Bank of Pakistan
The Bank of Punjab
United Bank Limited

Statutory Auditors

EY Ford Rhodes
Chartered Accountants

Legal Advisor

Hassan & Hassan

Registered Office

135-Ferozepur Road, Lahore
Tel: +92 (42) 37503570-72
Fax: +92 (42) 37503573-4
Email: pioneer@pioneercement.com

Factory

Chenki, District Khushab
Telephone: +92 (454) 898101-3
Fax: +92 (454) 898104
Email: factory@pioneercement.com

Regional Offices

Karachi Office
4th Floor, KDLB Building West Wharf, Karachi
Tel: +92 (21) 32201232-3
Fax: +92 (21) 32201234
Email: pclkhi@pioneercement.com

Multan Office
Hous No. 218, Naqshband Colony,
Khanewal Road, Multan
Tel: +92 (61) 6510404
Fax: +92 (61) 6510405

Faisalabad Office
Office No. 3, 2nd Floor, Sitara Tower,
Bilal Chowk, New Civil Lines, Faisalabad,
Tel: +92 (41) 2630030, 2640406-7
Fax: +92 (41) 2630923

Sargodha Office
Office No. 6, 2nd Floor,
Rehman Trade Centre,
University Road, Sargodha
Telephone: +92 (483) 725050
Fax: +92 (483) 722331

Share Registrar

Corplink (Pvt) Limited
Wings Arcade, 1-K Commercial,
Model Town, Lahore
Telephone: +92 (42) 35839182, 35916714
Fax: +92 (42) 35869037
Email: corplink786@yahoo.com,
shares@pioneercement.com

Directors' Report
To the Shareholders

On behalf of the Board, I present the directors' report for the quarter ended September 30, 2018.

The Cement Sector

The industry has dispatched 10.8 million tons (September 2017: 10.3 million tons) cement during the first quarter of financial year 2018-19, growth of 4.5% over the corresponding period. This comprised of 9.0 million tons of domestic consumption (September 2017: 9.1 million tons) and 1.8 million tons exports (September 2017: 1.3 million tons).

Business Performance

Your Company has produced 297,016 tons of clinker against 382,963 tons produced same period last year (SPLY). During the same period, 332,855 tons cement was produced (September 2017: 337,918 tons), drop of 5,063 tons. Following table exhibits the quantitative data of production and sale for the period under review:

(Tons)

Particulars	First Quarter FY 2019	First Quarter FY 2018	Variance	%
Production				
Clinker	297,016	382,963	(85,947)	(22.4)
Cement	332,855	337,918	(5,063)	(1.5)
Sales				
Cement				
Local	311,538	324,116	(12,578)	(3.9)
Export	15,750	12,740	3,010	23.6
	327,288	336,856	(9,568)	(0.03)
Clinker	-	48,614	(48,614)	(100)
Total	327,288	385,470	(58,182)	(15.1)

Total cement dispatches for the first quarter of current year reduced to 327,288 tons, a drop of 0.03% over SPLY. However, no clinker sale was made during the current period (September 2017: 48,614 tons).

Financial Performance

The summarized financial results are given below:

(Rs. in million)

Particulars	First Quarter FY 2019	First Quarter FY 2018	Variance	%
Net sales	2,231.5	2,421.1	(189.6)	(7.8)
Cost of sales	1,707.2	1,604.0	103.2	6.4
Gross profit	524.3	817.1	(292.8)	(35.8)
Operating profit	416.3	615.8	(199.5)	(32.4)
Profit after tax	258.0	417.2	(159.2)	(38.2)

Net sales for the current quarter amounted to Rs. 2,231.5 million (September 2017: Rs. 2,421.1 million), reduction was mainly due to drop in clinker sale.

The cost of sales per ton has increased to Rs. 5,216 from Rs. 4,161 of SPLY. The increase in coal prices in international market, devaluation of Pak rupee and reduction of Fuel Price Adjustment have pushed the fuel & power cost to Rs. 3,495 per ton of sale (September 2017: Rs. 2,975 per ton). Packing material cost has also increased to Rs. 498 per ton of sale (September 2017: Rs. 376 per ton) caused by the increase in paper prices in international market and Pak rupee depreciation.

The Company thus earned gross profit (GP) to Rs. 524.3 million (September 2017: Rs. 817.1 million). GP margin also dropped to 23.5% against 33.7% achieved during the corresponding period. The profit after tax amounted to Rs. 258 million as compared to Rs. 417.2 million earned SPLY.

Acknowledgement:

The Board places on record its gratitude for the dedication of employees of the Company. The Board acknowledges the assistance and cooperation of all stakeholders including financial institutions, customers, creditors, government departments and all others who strengthened the Company.

For and on behalf of the board.

Arif Hamid Dar
Chief Executive Officer

October 25, 2018
Lahore

3,495 روپے فی ٹن ہوگئی جبکہ گزشتہ سال یہ 2,975 روپے فی ٹن تھی۔ پیکنگ میٹریل کی لاگت گزشتہ سال اسی عرصہ کے 376 روپے فی ٹن کے مقابلے میں 498 روپے فی ٹن ہوگئی کیونکہ بین الاقوامی منڈی میں کاغذ کی قیمت میں اضافہ اور روپے کی قدر میں کمی ہوئی۔

اوپر بیان کردہ عوامل کی وجہ سے مجموعی منافع گزشتہ سال کے اسی عرصہ 817.1 ملین روپے سے کم ہو کر 524.3 ملین روپے تک محدود رہا اور مجموعی منافع کی شرح 23.5% رہی جبکہ گزشتہ سال اسی عرصہ میں 33.7% تھی۔ بعداز ٹیکس منافع پچھلے سال کی پہلی سہ ماہی کے 417.22 ملین روپے کے مقابلے میں 258 ملین روپے رہا۔

اعتراف

بورڈ ملازمین کی محنت اور تمام متعلقین بشمول مالیاتی ادارے، خریدکنندگان، حکومتی اداروں اور تمام دیگر کے تہہ دل سے مشکور ہیں جن کے تعاون اور کوششوں کی بنا پر کمپنی مضبوط ہو رہی ہے۔

عارف حمید ڈار
چیف ایگزیکٹو آفیسر
اکتوبر 25, 2018

ڈائریکٹران کی رپورٹ برائے حصص داران

بورڈ آف ڈائریکٹرز کی جانب سے میں ستمبر 30، 2018 کو ختم ہونے والی پہلی سہ ماہی کے حسابات کا جائزہ پیش کرتا ہوں۔

سیمنٹ کی صنعت

مالی سال 2018-19 کی پہلی سہ ماہی کے دوران سیمنٹ کی صنعت نے 4.5% کی شرح نمو سے 10.8 ملین ٹن سیمنٹ کی ترسیل کی جو کہ پچھلے سال کے اسی عرصہ کے دوران 10.3 ملین ٹن تھی۔ یہ ترسیلات 9.0 ملین ٹن اندرون ملک اور 1.8 ملین ٹن برآمدات پر مشتمل ہیں۔ جبکہ پچھلے سال یہ ترسیلات 9.1 ملین ٹن اندرون ملک اور 1.3 ملین ٹن برآمدات پر مشتمل تھیں۔

کاروباری کارکردگی

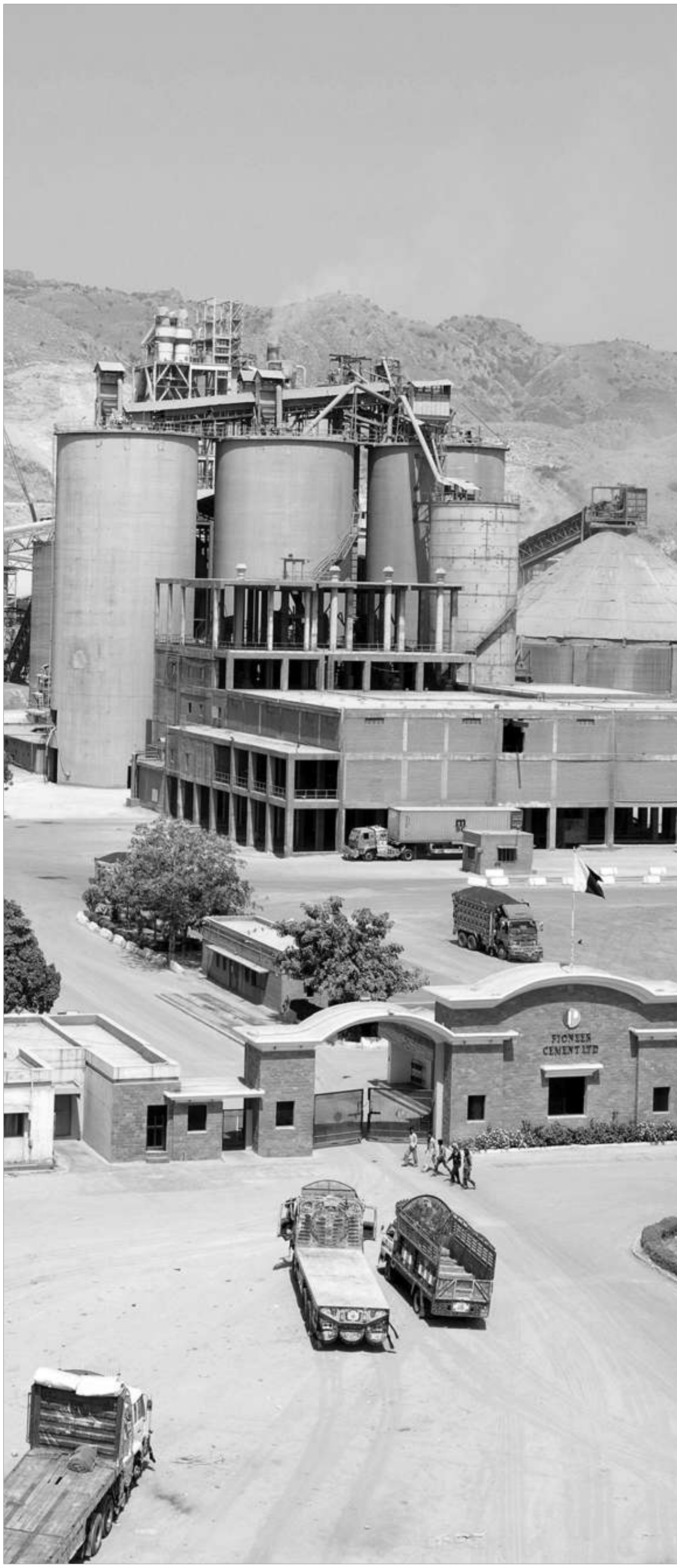
آپ کی کمپنی نے 297,016 ٹن کلنکر پیدا کیا جبکہ پچھلے سال کے اسی عرصہ کی پیداوار 382,963 ٹن تھی جبکہ سیمنٹ کی پیداوار 332,855 ٹن رہی جو کہ پچھلے سال کے اسی عرصہ کی پیداوار 337,918 ٹن کے مقابلے میں 5,063 ٹن کم ہے۔

موجودہ سال کی پہلی سہ ماہی کے دوران سیمنٹ کی ترسیلات 0.03% کی کمی کے ساتھ 327,288 ٹن رہیں تاہم زیرغور عرصہ کے دوران کلنکر کی کوئی ترسیل نہیں ہوئی (ستمبر 30، 2017: 48,614 ٹن)۔

مالیاتی کارکردگی

موجودہ سہ ماہی میں خالص آمدنی 2,231.5 ملین روپے رہی جبکہ گزشتہ سال اسی عرصہ میں 2,421.1 ملین روپے تھی۔ اس کمی کی بڑی وجہ کلنکر کی فروخت میں کمی ہے۔

فروخت کی فی ٹن لاگت گزشتہ سال اسی عرصہ کے 4,161 روپے کے مقابلے میں 5,216 روپے فی ٹن تک بڑھ گئی کیونکہ بین الاقوامی منڈی میں کوئلہ کی قیمت میں اضافہ، روپے کی قدر میں کمی اور بجلی کی قیمت میں اضافہ سے فی ٹن فروخت کی قیمت



CONDENSED INTERIM FINANCIAL INFORMATION

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018

Rupees in thousand	Note	September 30, 2018 Un-audited	June 30, 2018 Audited
Assets			
Non-current assets			
Property, plant and equipment	4	26,384,111	22,920,019
Investment property		78,690	78,690
Intangible assets		1,129	1,690
Long term deposits		52,184	40,086
		26,516,114	23,040,485
Current assets			
Stores, spare parts and loose tools	5	2,042,917	1,697,712
Stock in trade	6	537,583	470,397
Trade debts - unsecured		422,687	433,814
Loans and advances		171,301	127,239
Trade deposits and short term prepayments		9,697	4,188
Advance income tax		1,101,476	1,136,794
Sales tax receivable - net		978,287	700,529
Other receivables		31	45
Advance excise duty on cement		45,554	-
Short term investments	7	937,396	1,006,904
Cash and bank balances	8	464,388	493,261
		6,711,317	6,070,883
Total Assets		33,227,431	29,111,368
Equity and liabilities			
Share capital and reserves			
Authorized share capital		3,500,000	3,500,000
Issued, subscribed and paid-up share capital		2,271,489	2,271,489
Reserves			
Capital			
Share premium		197,517	197,517
Surplus on revaluation of fixed asses - net of tax		3,081,190	3,111,554
Revenue			
Accumulated profits		7,412,236	8,048,399
		10,690,943	11,357,470
		12,962,432	13,628,959
Liabilities			
Non- current liabilities			
Long term financing - secured	9	10,114,246	7,890,631
Long term deposits		4,262	4,262
Deferred liabilities		2,262,366	2,265,998
Retention money		1,204,351	870,890
		13,585,225	11,031,781
Current liabilities			
Trade and other payables	10	1,459,036	1,380,197
Accrued interest / profit on financing		228,352	183,641
Short term borrowings - secured	11	3,620,950	2,439,751
Current portion of long term financing - secured		375,000	375,000
Unpaid dividend		924,496	-
Unclaimed dividend		71,940	72,039
		6,679,774	4,450,628
Total liabilities		20,264,999	15,482,409
Contingencies and commitments	12	-	-
Total equity and liabilities		33,227,431	29,111,368

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

Chief Financial Officer | Chief Executive Officer | Chairman

CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS

FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

Rupees in thousand	Note	September 30, 2018	September 30, 2017
		Un-audited	
Sales-gross			
Cement - local		3,136,923	3 ,085,814
Cement - export		96,977	68,944
Clinker		-	289,526
		3,233,900	3,444,284
Less			
Sales tax		513,084	543,747
Federal excise duty		467,307	465,913
Commission		7,242	5,815
Discount & rebate		14,739	7,715
		1,002,372	1,023,190
Sales-net		2,231,528	2,421,094
Cost of sales	13	1,707,248	1,604,034
Gross profit		524,280	817,060
Distribution cost		41,680	30,003
Administrative expenses		28,309	21,346
Other income		(9,250)	(16,818)
Other operating expenses		47,266	166,738
		108,005	201,269
Operating profit		416,275	615,791
Finance cost		60,966	19,749
Profit before taxation		355,309	596,042
Taxation		97,340	178,819
Profit after taxation		257,969	417,223
Earnings per share - basic and diluted (Rs.)	14	1.14	1.84

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

Chief Financial Officer | Chief Executive Officer | Chairman

CONDENSED INTERIM
STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

Rupees in thousand	September 30, 2018	September 30, 2017
	Un-audited	Un-audited
Profit after taxation	257,969	417,223
Other comprehensive income:		
Items that may be subsequently reclassified to statement of profit or loss	-	-
Items that will not be reclassified to statement of profit or loss subsequently	-	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	257,969	417,223

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

Chief Financial Officer | Chief Executive Officer | Chairman

CONDENSED INTERIM STATEMENT OF CASH FLOWS

FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

Rupees in thousand	Note	September 30, 2018	September 30, 2017
		Un-audited	Un-audited
Cash flows from operating activities			
Cash generated from operations	15	213,967	976,486
Income tax paid		(72,402)	(206,278)
Workers' profit participation fund paid		(10,684)	(18,554)
Gratuity and compensated absences paid		(1,242)	(1,918)
Decrease in long term deposits - net		(12,098)	-
		(96,426)	(226,750)
Net cash from operating activities		117,541	749,736
Cash flows from investing activities			
Capital expenditures incurred		(3,402,678)	(879,094)
Redemption of short term investment		51,684	-
Net cash used in investing activities		(3,350,994)	(879,094)
Cash flows from financing activities			
Long term financing obtained		2,317,367	-
Increase in short term borrowings		1,181,199	154,662
Musharaka finance repaid		(93,750)	-
Finance cost paid		(200,137)	(57,663)
Dividend paid		(99)	(125)
Net cash generated from financing activities		3,204,580	96,874
Net decrease in cash and cash equivalents		(28,873)	(32,484)
Cash and cash equivalents at the beginning of the period		493,261	309,019
Cash and cash equivalents at the end of the period	8	464,388	276,535

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

Chief Financial Officer | Chief Executive Officer | Chairman

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

Rupees in thousand	Issued, subscribed and paid-up capital	Reserves				Total equity
		Capital		Revenue	Sub total	
		Share premium	Surplus on revaluation of property, plant and equipment	Accumulated profits		
Balance as at June 30, 2017 (as reported)	2,271,489	197,517	-	7,050,106	7,247,623	9,519,112
Impact of restatement	-	-	2,728,420	-	2,728,420	2,728,420
Balance as at July 01, 2017 - restated	2,271,489	197,517	2,728,420	7,050,106	9,976,043	12,247,532
Final dividend for the year ended June 30, 2017 @ Rs. 3.75 per share		-	-	(760,948)	(760,948)	(760,948)
Transaction with owners	-	-	-	(760,948)	(760,948)	(760,948)
Profit after taxation for the period	-	-	-	417,223	417,223	417,223
Other comprehensive income for the period	-	-	(28,226)	28,226	-	-
Total comprehensive income for the period	-	-	(28,226)	445,449	417,223	417,223
Balance as at September 30,2017 - unaudited	2,271,489	197,517	2,700,194	6,734,607	9,632,318	11,903,807
Balance as at June 30, 2018 - audited	2,271,489	197,517	3,111,554	8,048,399	11,357,470	13,628,959
Final dividend for the year ended June 30, 2018 @ Rs. 4.07 per share	-	-	-	(924,496)	(924,496)	(924,496)
Transaction with owners	-	-	-	(924,496)	(924,496)	(924,496)
Profit after taxation for the period	-	-	-	257,969	257,969	257,969
Other comprehensive income for the period	-	-	(30,364)	30,364	-	-
Total comprehensive income for the period	-	-	(30,364)	288,333	257,969	257,969
Balance as at September 30,2018 - unaudited	2,271,489	197,517	3,081,190	7,412,236	10,690,943	12,962,432

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

Chief Financial Officer	Chief Executive Officer	Chairman

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2018 (UN-AUDITED)

1 LEGAL STATUS AND NATURE OF BUSINESS

1.1 Pioneer Cement Limited (the Company) was incorporated in Pakistan as a public company limited by shares on February 09, 1986. Its shares are quoted on Pakistan Stock Exchange. The principal activity of the Company is manufacturing and sale of cement. The registered office of the Company is situated at 135 Ferozepur Road, Lahore. The Company's production facility is situated at Chenki, District Khushab in Punjab Province with the land area 2,429 kanals and 9 marlas.

1.2 The Company commenced its operations with an installed clinker production capacity of 2,000 tons per day. During 2005, the capacity was optimized to 2,350 tons clinker per day. In financial year 2006, another production line of 4,300 tons per day capacity was completed which started commercial operations from April 2006.

1.3 The Company is in process of installing a new brown field cement plant having production capacity of approximately 8,000 tons clinker per day supported by a 12 MW Waste Heat Recovery Power Plant. In addition, a 24 MW Coal Fired Power Plant is also being installed at the existing plant site.

1.4 The Company has signed a non-binding Memorandum of Understanding with the sponsors of Galadari Cement (Gulf) Limited (the target company) to acquire the controlling interest of the target company. The plant of the target company is located at Village Bhawani, Tehsil Hub, District Lasbela, Balochistan. Currently, negotiations are underway with the lenders of the target company to complete the acquisition.

2 STATEMENT OF COMPLIANCE

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

- International Accounting Standards IAS-34 for interim financial reporting issued by IASB as notified under the Companies Act, 2017

- Provisions and directives issued under the Companies Act 2017

3 SUMMARY OF ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2018.

Rupees in thousand	Note	September 30, 2018 Un-audited	June 30, 2018 Audited
4 PROPERTY, PLANT AND EQUIPMENT			
Operating property, plant and equipment	4.1	11,253,084	11,350,064
Capital work in progress	4.2	15,131,027	11,569,955
		26,384,111	22,920,019

Rupees in thousand		Note	September 30, 2018 Un-audited	June 30, 2018 Audited
4.1	Operating fixed assets			
	Opening book value		11,350,064	10,411,469
	Additions for the period / year - net	4.1.1	25,485	1,045,291
	Revaluation surplus for the period / year		-	404,534
	Depreciation for the period / year		(122,465)	(511,230)
			11,253,084	11,350,064
4.1.1	Additions for the period/year - net			
	Factory buildings		-	128,160
	Plant and machinery		15,611	889,762
	Furniture and fixtures		427	2,858
	Office and other equipment		1,835	3,694
	Computers and accessories		1,044	1,280
	Vehicles		6,568	19,537
			25,485	1,045,291
4.2	Capital Work in Progress			
	Opening balance		11,569,955	1,825,930
	Additions during the period / year		3,561,072	10,670,213
	Transferred to operating fixed assets during the period / year		-	(926,188)
			15,131,027	11,569,955
	Represented by:			
	Cemen plant, WHR and coal power plant including civil work		14,463,014	11,058,251
	Other plant and machinery items		61,327	9,248
	Factory buildings under construction		31,922	31,890
	Office premises under construction		568,216	465,228
	Other projects		6,548	5,338
			15,131,027	11,569,955
5	STORES, SPARE PARTS AND LOOSE TOOLS			
	Stores		492,770	583,593
	Spare parts		746,491	702,521
	Loose tools		12,803	11,838
			1,252,064	1,297,952
	Spare parts in transit		805,232	298,210
	Imported coal in transit		29,554	145,483
			834,786	443,693
	Provision for slow moving stores and spare parts		(43,933)	(43,933)
			2,042,917	1,697,712
6	STOCK IN TRADE			
	Raw material		34,398	45,909
	Packing material		78,909	55,729
	Work in process		321,309	301,897
	Finished goods		102,967	66,862
			537,583	470,397

Rupees in thousand	September 30, 2018 Un-audited	June 30, 2018 Audited
7 SHORT TERM INVESTMENTS		
Held for trading		
- Investments with Shariah compliant funds		
Meezan Islamic Fund - Units 3,830,338 (June 30, 2018: 3,830,338)	235,626	242,594
NAFA Islamic Stock Fund Units 22,977,008 (June 30, 2018: 22,977,008)	258,742	261,876
KSE Meezan Index Fund Units 913,849, (June 30, 2018: 913,849)	62,648	64,558
Meezan Balance Fund - Units 10,873,817 (June 30, 2018: 10,873,817)	165,070	167,852
Meezan Assets Allocation Fund Units 3,427,064 (June 30, 2018: 3,427,064)	148,231	152,615
Meezan Islamic Income fund Units 10,100 (June 30, 2018: 10,100)	525	541
	870,842	890,036
- Investments with conventional funds		
ABL Government Securities Fund - Units 6,552,456 (June 30, 2018: 11,102,494)	66,542	116,856
NAFA Government Securities Liquid Fund Units 1,196 (June 30, 2018: 1,144)	12	12
	66,554	116,868
	937,396	1,006,904

8 CASH AND BANK BALANCES

8.1 This includes sales collection in process amounting to Rs.144.829 million (June 30, 2018: Rs.180.801 million).

8.1.1 This includes Rs.253 million (June 30, 2018: Rs.253 million) in an escrow account in respect of Company's proposed acquisition of Galadari Cement (Gulf) Ltd.

Rupees in thousand	Note	September 30, 2018 Un-audited	June 30, 2018 Audited
9 LONG TERM FINANCING - secured			
Meezan Bank Limited		731,250	787,500
Meezan Bank Limited		562,500	600,000
Meezan Bank Limited - syndicate	9.1	780,814	-
		2,074,564	1,387,500
Current portion		(375,000)	(375,000)
		1,699,564	1,012,500
National Bank of Pakistan - syndicate			
Conventional component		7,292,724	5,961,047
Islamic component		1,121,958	917,084
	9.2	8,414,682	6,878,131
		10,114,246	7,890,631

9.1 During the period, the Company obtained syndicated Musharka facility of Rs. 2.6 billion lead by Meezan Bank Limited to finance procurement and construction of 24 MW Coal Power Plant. The facility carries profit at the rate of KIBOR+1.1% per annum payable quarterly whereas the principal is repayable in seven years including a grace period of two years. This facility is secured by way of exclusive charge over all present and future plant, machinery and equipment of the project and pari passu charge over all present and future immovable fixed assets (land & building) of the Company with 25% margin.

9.2 There is no change in the terms of the facility disclosed in financial statements for the year ended June 30, 2018.

Rupees in thousand	Note	September 30, 2018 Un-audited	June 30, 2018 Audited
10 TRADE AND OTHER PAYABLES			
Creditors		948,612	867,562
Accrued expenses		269,445	265,975
Advances from customers		78,279	75,118
Deposits		14,789	14,780
Excise duty on cement		-	16,328
Royalty and excise duty		7,151	10,898
Withholding tax payable		13,244	23,593
Employees' compensated absences		40,997	37,597
Workers' profit participation fund		19,082	10,684
Workers' welfare fund		63,535	56,283
Others		3,902	1,379
		1,459,036	1,380,197
11 SHORT TERM BORROWINGS - secured			
Islamic Bank			
Meezan Bank Limited			
- Running Musharaka	11.1	740,495	662,521
Conventional Banks			
Allied Bank Limited - Cash finance	11.1	63,214	111,013
Allied Bank Limited - Running finance	11.1	571,898	593,306
National Bank of Pakistan	11.1	498,586	576,396
MCB Bank Limited	11.1	495,171	496,515
United Bank Limited	11.1	296,679	-
Habib Bank Limited	11.2	699,212	-
Bank Al-Habib Limited	11.3	255,695	-
		2,880,455	1,777,230
		3,620,950	2,439,751

11.1 There is no change in the terms of the facility disclosed in financial statements for the year ended June 30, 2018.

11.2 During the period, the Company has obtained LC sight/FATR/RF facility of Rs. 700 million. RF/FATR facility carries markup at the rate of KIBOR+0.1% per annum. The facility is secured against ranking charge over current assets of the Company which shall be subsequently upgraded to first pari passu charge with 25% margin. LC facility is secured against lien over import documents. This extendible facility expires on February 28, 2019.

11.3 During the period, the Company has obtained LC sight/FATR facility of Rs. 500 million with a sublimit of RF amounting to Rs. 250 million. RF/FATR facility carries markup at the rate of KIBOR+0.25% per annum. The facility is secured against ranking charge over current assets of the Company which shall be subsequently upgraded to first pari passu charge with 25% margin. LC facility is secured against lien over import documents.

12 CONTINGENCIES AND COMMITMENTS

12.1 There has been no significant change in the contingencies as disclosed in the financial statements for the year ended June 30, 2018.

12.2 Commitments in respect of outstanding letters of credit amount to Rs 4,521.303 million (June 30,2018 Rs.6,255.167 million). It includes letter of credit facilities for the procurement of new cement production plant,WHR and Coal Power Plant aggregating to USD 32.28 million (June 30, 2018: USD 48.25 million).

12.3 Contracts for capital expenditure amounts to RS.6,589.340 million (June 30, 2018: Rs. 6,849.082 million).

Rupees in thousand	September 30, 2018 Un-audited	September 30, 2017 Un-audited
13 COST OF SALES		
Raw material consumed	131,265	141,321
Packing material consumed	163,079	126,555
Fuel and power	1,143,847	1,146,677
Stores and spare parts consumed	49,557	72,817
Salaries, wages and benefits	133,689	106,398
Insurance	2,165	2,171
Repairs and maintenance	21,175	13,603
Depreciation	100,204	101,217
Other manufacturing expenses	17,784	8,909
Total manufacturing cost	1,762,765	1,719,668
Work in process		
Opening balance	301,897	109,176
Closing balance	(321,309)	(212,857)
	(19,412)	(103,680)
Cost of goods manufactured	1,743,353	1,615,988
Finished goods		
Opening balance	66,862	61,723
Closing balance	(102,967)	(73,677)
	(36,105)	(11,954)
	1,707,248	1,604,034
14 EARNINGS PER SHARE - basic and diluted		
Profit after taxation (Rupees in '000)	257,969	417,223
Weighted average number of ordinary shares in issue ('000')	227,149	227,149
Earnings per share -basic and diluted - (Rs)	1.14	1.84

Rupees in thousand	September 30, 2018	2017
	Un-audited	

15 CASH GENERATED FROM OPERATIONS

	2018	2017
Profit before taxation	355,309	596,042
Adjustment for non cash and other items:		
Depreciation	122,465	121,930
Amortization of intangibles	562	830
Provision for gratuity and compensated absences	11,392	7,198
Finance cost	60,965	30,699
Workers' profit participation fund	19,082	32,011
Workers' welfare fund	7,251	12,164
Gain on redemption on short term investment	(3,110)	-
Unrealized loss on investments	20,933	109,393
	239,540	314,225
Cash flows before working capital changes	594,849	910,267
Movement in working capital:		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(345,205)	(140,196)
Stock in trade	(67,186)	(115,422)
Trade debts	11,127	(114,359)
Loans and advances	(89,616)	(33,644)
Trade deposits and short term prepayments	(5,509)	(2,509)
Sales tax receivable	(277,758)	(30,963)
Other receivables	14	(3,432)
	(774,133)	(440,525)
Increase in current liabilities		
Trade and other payables	59,790	506,744
Retention money	333,461	-
Cash generated from operations	213,967	976,486

16 TRANSACTIONS WITH RELATED PARTIES

	2018	2017
Payments to WPPF	10,684	18,554
Staff retirement contribution plan	3,997	2,688
Balances:		
WPPF payable	19,082	10,684

17 DATE OF AUTHORIZATION FOR ISSUE

This interim financial information was authorized for issue on October 25, 2018 by the Board of Directors of the Company.

18 GENERAL

- The figures of the corresponding period / year have been rearranged wherever necessary. However, there were no material classifications to report.

- Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

Chief Financial Officer Chief Executive Officer Chairman

Notes

Notes

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