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**Quarterly Report
September 30, 2017**



Environment Friendly Operations
Meeting World Bank Standards for Environment



A Group Company of



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Corporate Information

Board of Directors

Nasim Beg	Director & Chairman
Muhammad Kashif Habib	Director & CEO
Samad A. Habib	Director
Muhammad Ejaz	Director
Muhammad Yousuf Adil	Director
Syed Salman Rashid	Director
Muhammad Yahya Khan	Director

Audit Committee

Muhammad Yousuf Adil	Chairman
Nasim Beg	Member
Syed Salman Rashid	Member

HR & Remuneration Committee

Muhammad Ejaz	Chairman
Muhammad Kashif Habib	Member
Samad A. Habib	Member
Syed Salman Rashid	Member

Chief Financial Officer & Company Secretary

Tahir Iqbal

External Auditors

KPMG Taseer Hadi & Co.
Chartered Accountants

Legal Advisor

Usmani & Iqbal, Advocate & Solicitors
Haider Mota BNR

Share Registrar

Technology Trade (Private) Limited
241-C, Dagja House, Block-2, P.E.C.H.S,
off Shahrah-e-Quaideen, Karachi.

Principal Bankers

Allied Bank Limited
Al Baraka Bank Pakistan Limited
Bank Alfalah Limited
Bank Islami Pakistan Limited
Habib Bank Limited
Habib Metropolitan Bank Limited
National Bank of Pakistan
Standard Chartered Bank (Pakistan) Limited
Summit Bank Limited
United Bank Limited

Registered Office

Arif Habib Centre, 23 M.T Khan Road, Karachi

Website

www.powercement.com.pk

Contact Number

021-32468231-32
021-32468350-51

Fax Number:

021-32463209

Factory

Nooriabad Industrial Area, Deh Kalo Kohar
District, Jamshoro, Sindh.

Directors' Review

The Directors of your Company present herewith their review and the un-audited condensed interim quarterly financial information for the first quarter ended September 30, 2017.

INDUSTRY OVERVIEW

The domestic demand in South Zone, where your Company is situated, stood at 1.5 Million Tons, a growth of 18% over the prior period. Concurrently, export demand reduced to 0.34 Million Tons against 0.52 Million Tons in the prior period, a decline of 35%. As a result, the South Zone closed at a total dispatch of 1.8 Million Tons. The North Zone's domestic demand in the current year is flourishing. Local dispatches grew by 23% and export demand for the same period declined by 7%. As a result, the net growth of North Zone was recorded at 18%. On a consolidated basis, the country's overall Cement Industry grew by 15%.

BUSINESS PERFORMANCE

Production & sales volume performance

The production and sales volume statistics (in tons) for the quarter of your Company together with the comparative figures are as under:

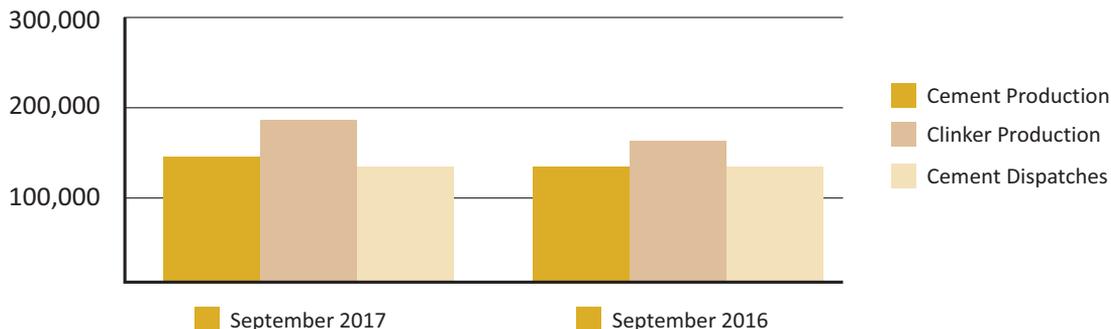
Particulars	Quarter Ended		Variance %
	30 September 2017	30 September 2016	
	In Tons		
Cement production	138,631	133,075	4%
Clinker production	185,303	150,765	23%

The capacity utilization increased to 82 % as compared to 67 % over the corresponding period.

Particulars	Quarter Ended		Variance %
	30 September 2017	30 September 2016	
	In Tons		
Cement dispatches (Local)	137,619	133,310	3%
Cement dispatches (Export)	2,026	4,367	(54)%
Total Dispatches	139,645	137,677	

In order to keep pace with the growing domestic demand, the Company has carried out an overhauling of its cement packers. While dispatches remain restricted during the period due to this overhauling exercise, the Company has soared its inventory levels which, given the present strength in the domestic market, shall translate into higher sales volumes in the ensuing periods. A graphical analysis of sales and production is given hereunder:

Production and dispatch (Tons)



FINANCIAL PERFORMANCE

An analysis of the key financial results of your Company for the first quarter ended September 30, 2017 is as under:

Particulars	Quarter Ended	
	30 September 2017	30 September 2016
	Rs. '000	
Sales revenue	924,421	930,187
Gross profit	199,151	216,015
Profit before tax	123,989	131,151
Net profit after tax	85,002	110,462
Earnings per share (Rupees)	0.09	0.27

The Company invested heavily in its plant in the last financial year - this coupled with strenuous efforts of the management has lead the Company to achieve better efficiency levels. These improved efficiencies have in turned allowed the Company to absorb the swelled coal prices.

EXPANSION OF PLANT CAPACITY

The Company has embarked upon a brown field expansion of the production capacity at the Company's existing site by adding a new line of 7,700 tons per day (2.5 million tons per annum) taking the total capacity to around 3.4 million tons per annum. The expansion project is further environmentally friendly and will meet IFC and World Bank standards. The project is planned to be commissioned by last quarter of financial year 2019. Letters of Credit ("LCs") for supply of engineering and equipment of complete cement plant from FLSmidth A/S (Danish global engineering company) have been established.

The contract for the civil construction and mechanical erection work has been awarded to a well-known Chinese contractor CECC Tianjin (Pakistan) Electric Power Construction (Pvt) Limited. The contractor is fully mobilized at the plant site and initial civil works at the site have started.

FUTURE OUTLOOK

The construction and infrastructure sectors remain buoyant. A number of factors are positively impacting the market, including macro-economic growth and continuing urbanization. Domestic sales are expected to remain strong on the back of private and public sector construction projects as well as mega infrastructure development projects under the China-Pakistan Economic Corridor (CPEC) initiative. Giving due consideration to the existing performance, the future outlook, as well as expectations of conducive Government policies, the board and management is confident of benefiting from the expansion project it has embarked upon.

ACKNOWLEDGEMENT

The Directors are grateful to the Company's stakeholders for their continuing confidence and patronage. We wish to place on record our appreciation and thanks for the faith and trust reposed by our Business Partners, Bankers and Financial Institutions. We thank the Ministry of Finance, Ministry of Industries & Production, the Securities & Exchange Commission of Pakistan, the State Bank of Pakistan, the Competition Commission of Pakistan, Central Depository Company of Pakistan and the Management of Pakistan Stock Exchange for their continued support and guidance which has gone a long way in giving present shape to the Company.

The results of an organization are greatly reflective of the efforts put in by the people who work for and with the Company. The Directors fully recognize the collective contribution made by the employees of the Company and look forward to successful completion of expansion project in the stipulated period. We also appreciate the valuable contribution and active role of the members of the audit and other committees in supporting and guiding the management on matters of great importance.

For and on behalf of the Board



Muhammad Kashif Habib
Chief Executive Officer

Karachi: 30th October 2017

Condensed Interim Balance Sheet

As at 30th September 2017

	(Un-audited) 30 Sep 2017	(Audited) 30 June 2017
Note	----- (Rupees in '000) -----	
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	6 7,381,075	5,248,476
Intangible assets	7 7,116	8,977
Investments	13,439	13,220
Long term deposits	19,635	19,635
	7,421,265	5,290,308
CURRENT ASSETS		
Stores, spares and loose tools	8 862,154	999,837
Stock-in-trade	437,704	224,731
Trade debts	367,534	331,301
Advances and other receivables	463,884	364,524
Trade deposits and prepayments	20,018	7,824
Tax refunds due from government	359,770	359,770
Cash and bank balances	3,037,662	3,808,819
	5,548,726	6,096,806
TOTAL ASSETS	<u>12,969,991</u>	<u>11,387,114</u>
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized share capital 1,200,000,000 (30 Jun 2017: 1,200,000,000) Ordinary shares of Rs. 10/- each	12,000,000	12,000,000
Issued, subscribed and paid-up capital 958,755,764 (30 Jun 2017: 365,689,968) Ordinary shares of Rs. 10/- each	9 9,587,557	3,656,900
Premium / Discount on issuance of right shares	9.4 507,103	(914,225)
Advance against rights issue	-	6,049,057
Accumulated loss	(312,489)	(397,491)
	9,782,171	8,394,241
LIABILITIES		
NON-CURRENT LIABILITIES		
Long-term financing	10.1 110,000	110,000
Deferred taxation	483,248	444,261
Deferred liabilities	61,496	57,389
	654,744	611,650
CURRENT LIABILITIES		
Loan from previous sponsors	735	735
Trade and other payables	11 717,347	784,482
Mark-up accrued	12,950	11,214
Short-term borrowings	1,304,564	1,107,669
Current portion of long term financing	10.1 250,000	250,000
Current portion of deferred accrued markup	10.2 247,480	227,123
	2,533,076	2,381,223
CONTINGENCIES AND COMMITMENTS		
	12	
TOTAL EQUITY AND LIABILITIES	<u>12,969,991</u>	<u>11,387,114</u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



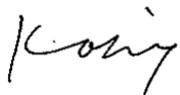
DIRECTOR

Condensed Interim Profit and Loss Account (Un-audited)

For the first quarter ended 30 September 2017

	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
Note	----- (Rupees in '000) -----	
Sales - net	13 924,421	930,187
Cost of sales	14 (725,270)	(714,172)
Gross profit	199,151	216,015
Distribution cost	(34,881)	(27,579)
Administrative expenses	(27,159)	(20,070)
Other income	415	23,889
Other operating expenses	(10,260)	(8,485)
	(71,886)	(32,245)
Operating profit	127,266	183,770
Finance income	32,824	-
Finance cost	(36,101)	(52,619)
Finance cost	(3,277)	(52,619)
Profit before taxation	123,989	131,151
Taxation	(38,987)	(20,689)
Profit after taxation	85,002	110,462
	(Rupees)	
Earnings per share - Basic and diluted	15 0.09	<i>Restated</i> 0.27

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Cash Flow Statement (Un-audited)

For the first quarter ended 30 September 2017

	<i>Quarter Ended</i>		
	30 Sep	30 Sep	
	2017	2016	
Note	-----Rupees in '000-----		
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	16	(75,082)	(6,507)
Gratuity paid		-	(4,551)
Income tax paid		(11,050)	(32,584)
Financial charges paid		(14,009)	(8,078)
		(25,059)	(45,213)
Cash used in operating activities		(100,141)	(51,720)
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditure		(2,170,622)	(93,990)
Investments made during the period		(218)	-
Net cash used in investing activities		(2,170,840)	(93,990)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from rights issue		1,330,545	-
Expenses incurred on issuance of right shares		(27,616)	-
Net cash generated from financing activities		1,302,929	-
Net decrease in cash and cash equivalents		(968,052)	(145,710)
Cash and cash equivalents at beginning of the period		2,701,150	(701,267)
Cash and cash equivalents at end of the period	17	1,733,098	(846,977)

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Statement of Comprehensive Income (Un-audited)

For the first quarter ended 30 September 2017

	<i>Quarter Ended</i>	
	<u>30 Sep 2017</u>	<u>30 Sep 2016</u>
	----- (Rupees in '000) -----	
Profit for the period	85,002	110,462
Other comprehensive income	-	-
Total comprehensive income for the period	<u>85,002</u>	<u>110,462</u>

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR

Condensed Interim Statement of Changes in Equity (Un-audited)

For the first quarter ended 30 September 2017

	Capital reserve		Revenue Reserve		Total
	Share Capital	Premium/ (Discount) on issuance of right shares	Advance against right issue	Accumulated Profit/ (Loss)	
(Rupees in '000)					
Balance as at 1st July 2016	3,656,900	(914,225)	-	(394,565)	2,348,110
<i>Transaction with owners recorded directly in equity</i>	-	-	-	110,462	110,462
Balance as at 30th Sep 2016	3,656,900	(914,225)	-	(284,103)	2,458,572
Balance as at 1st Jul 2017	3,656,900	(914,225)	6,049,057	(397,491)	8,394,241
<i>Transaction with owners recorded directly in equity</i>					
Receipt against right shares	-	-	1,330,545	-	1,330,545
Issuance costs	-	-	(27,616)	-	(27,616)
Issuance costs charged against share premium	-	(61,336)	61,336	-	-
Issuance of right shares	5,930,658	1,482,664	(7,413,322)	-	-
	5,930,658	1,421,328	(6,049,057)	-	1,302,929
Total comprehensive income for the year					
Profit after taxation	-	-	-	85,002	85,002
Balance as at 30th Sep 2017	9,587,557	507,103	-	(312,489)	9,782,171

The annexed notes from 1 to 20 form an integral part of this condensed interim financial information.



CHIEF EXECUTIVE



DIRECTOR

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

1. STATUS AND NATURE OF BUSINESS

Power Cement Limited (the Company) was established as a private limited company on 1 December 1981 and was converted into a Public Limited Company on 9 July 1987. The Company is listed on Pakistan Stock Exchange. The Company's principal activity is manufacturing, selling and marketing of cement. The registered office of the Company is situated at Arif Habib Centre, 23 M.T. Khan Road, Karachi and its undertaking is situated at Deh Kalo Kohar, Nooriabad Industrial Estate, District Jamshoro (Sindh).

2. BASIS OF PREPARATION

2.1 Statement of compliance

This condensed interim financial information of the Company for the quarter ended 30th September 2017 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) - 34 "Interim Financial Reporting" and the provisions of and directives issued under Companies Ordinance, 1984. In case where requirements differ, the provisions and directives issued under the Companies Ordinance, 1984 have been followed.

This condensed interim financial information is unaudited and is being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the listing regulation of Pakistan Stock Exchange.

This Condensed interim financial information does not include all the information required for full annual financial statements and should be read in conjunction with the annual audited financial statements of the company as at and for the year ended June 30, 2017.

The comparative balance sheet presented in this condensed interim financial information as at 30th September 2017 has been extracted from the audited financial statements of the Company for the year ended 30th June 2017, whereas the comparative profit and loss account, statement of comprehensive income, statement of changes in equity and the cash flow statement are extracted from the unaudited condensed interim financial information for the first quarter ended 30th September 2017.

The Companies Ordinance, 1984 has been repealed after the enactment of the Companies Act, 2017. However, as allowed by the SECP Circular no. 23, these financial statements have been prepared in accordance with the provisions of the repealed Companies Ordinance, 1984.

2.2 Functional and presentation currency

This condensed interim financial information is presented in Pakistan Rupees which is the Company's functional currency.

3. ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in preparation of the financial statements for the year ended June 30, 2017.

4. ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of this condensed interim financial information in conformity with approved accounting standards as applicable in Pakistan requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumption and judgements are continuously evaluated and are based on historical experiences and other factors including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing this condensed interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that applied to the financial statements as at and for the year ended 30th June 2017.

5. FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual financial statements as at and for the year ended 30 June 2017.

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

		(Un-audited) 30 Sep 2017 ----- (Rupees in '000) -----	(Audited) 30 June 2017
6. PROPERTY, PLANT AND EQUIPMENT			
Operating assets	6.1	4,952,085	4,912,987
Capital work in progress	6.2	2,332,118	235,751
Capitalisable stores and spares	6.3	96,873	99,738
		<u>7,381,075</u>	<u>5,248,476</u>
6.1 Operating assets			
Opening written down value		4,912,987	4,357,092
Additions during the period / year - at cost			
Plant and Machinery		68,286	640,291
Non Factory building on leasehold land		-	3,144
Leasehold Improvement		-	549
Factory and laboratory equipment		1,121	9,523
Computers and peripherals		1,691	9,487
Office equipment		992	4,881
Furniture and fixtures		1,006	2,874
Vehicles		4,025	1,457
		77,121	672,206
Written down value of deletions during the period / year		-	(131)
Depreciation for the period / year		(38,023)	(116,180)
		(38,023)	(116,311)
Closing written down value		<u>4,952,085</u>	<u>4,912,987</u>
6.2 Capital Work in progress			
Opening balance		235,751	13,384
Additions		2,096,367	689,967
Transferred to operating fixed assets		-	(467,600)
Closing balance		<u>2,332,118</u>	<u>235,751</u>
6.3 Capitalisable Stores			
Opening balance		99,738	74,516
Additions during the period / year		29,190	219,113
Transferred to property, plant and equipment and capital work in progress		(32,055)	(193,891)
Closing balance		<u>96,873</u>	<u>99,738</u>
7. Intangible assets			
Opening written down value		8,977	8,982
Additions during the period / year - software at cost		-	5,901
		8,977	14,883
Amortization for the period / year		(1,861)	(5,906)
Closing written down value		<u>7,116</u>	<u>8,977</u>

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

	(Un-audited)	(Audited)
	30 Sep	30 June
Note	2017	2017
	----- (Rupees in '000) -----	

8. STORES, SPARES AND LOOSE TOOLS

Stores	296,844	322,426
Coal	266,621	348,928
Spare parts	305,237	334,978
Loose tools	6,971	7,024
	<u>875,673</u>	<u>1,013,356</u>
Provision for slow moving / obsolete stock	<u>(13,519)</u>	<u>(13,519)</u>
	<u>862,154</u>	<u>999,837</u>

9. ISSUED, SUBSCRIBED AND PAID UP CAPITAL

(Un-audited)	(Audited)		(Un-audited)	(Audited)
30 Sep	30 June		30 Sep	30 June
2017	2017		2017	2017
----- (Number of Shares) -----			----- (Rupees in '000) -----	
		Rs. 10 each issued:		
946,576,176	353,510,380	For cash	9,465,762	3,535,104
840,000	840,000	For consideration other than cash	8,400	8,400
<u>11,339,588</u>	<u>11,339,588</u>	Bonus shares	<u>113,395</u>	<u>113,396</u>
<u>958,755,764</u>	<u>365,689,968</u>		<u>9,587,557</u>	<u>3,656,900</u>

9.1 Shares held by the associated undertakings as at the balance sheet date were 567,068,005 (30 June 2017: 210,855,545).

9.2 The Board of Directors of the Company in their meeting held on 24 April 2017 approved the issue of 162% right shares in terms of ordinary shares at exercise price of Rs. 12.5. These right shares were offered to the Company's existing ordinary shareholders.

9.3 The shareholders of the Company in an Extraordinary General Meeting held on 20 May 2017 have approved an offer and allotment of 104,658,670 ordinary shares having face value of Rs. 10 each at a premium of Rs. 2.5 per share, by way of a further issue of capital otherwise than the right shares. These shares shall not be saleable for 5 years and subsequent to the balance sheet date the SECP has also accorded an approval for the same. The Company is in the process of obtaining approval from Competition Commission of Pakistan.

	(Un-audited)	(Audited)
	30 Sep	30 June
Note	2017	2017
	----- (Rupees in '000) -----	

9.4 PREMIUM / DISCOUNT ON ISSUANCE OF SHARES

Discount on issuance of right shares	(914,225)	(914,225)
Preimum on issuance of right shares	1,421,328	-
	<u>507,103</u>	<u>(914,225)</u>

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

	(Un-audited)	(Audited)
	30 Sep 2017	30 June 2017
10. LONG TERM FINANCING AND DEFERRED ACCRUED MARK-UP	----- (Rupees in '000) -----	
10.1 Long term financing		
Principal amount	360,000	360,000
Less: current maturity shown under current liabilities	(250,000)	(250,000)
	<u>110,000</u>	<u>110,000</u>
10.2 Deferred Accrued Markup		
Gross Amount	261,369	253,577
Less: Winding up of discount as at 30 September / 30 June	(13,889)	(26,454)
Deferred Accrued Markup as at 30 September / 30 June	247,480	227,123
Current maturity shown under current liabilities	(247,480)	(227,123)
Present value of deferred accrued markup	<u>-</u>	<u>-</u>

- 10.3** This represents syndicated term finance facility and deferred mark-up on it, arranged by the Company with a syndicate of local commercial banks (the Syndicate). In 2012, the Company entered into a revised restructuring agreement with the Syndicate dated 23 December 2011. As per the revised restructuring agreement the principal was payable in nine (9) half yearly instalments from 23 December 2011 to 23 December 2015.

The mark up charged during first 3.5 years i.e. from 23 June 2010 to 22 December 2013 is 6 months KIBOR + 0% per annum and after 3.5 years i.e. 23 December 2013 to 23 December 2018, the mark up will be charged at 6 months KIBOR + 1.75% per annum. Mark-up outstanding at the time of restructuring and mark up accrued from restructuring date till the date of final settlement of principal will then be paid in four (4) half yearly instalments commencing from 23 June 2016.

In 2015, the Company again entered into a revised restructuring agreement with the Syndicate dated 26 December 2014. As per the revised restructuring agreement, principal instalments aggregating Rs. 360 million have been deferred as follows:

- Rs. 250 million falling due on 23 December 2014 will be repaid on 23 June 2018.
- Rs. 110 million out of Rs. 360 million falling due on 23 June 2015 will be repaid on 23 December 2018.

As per the restructuring agreement, deferred mark-up outstanding as at 30 September 2017 is payable in one instalment of Rs. 253.58 million in December 2017.

The outstanding principal other than deferred principal will be paid as per the existing repayment terms. The loan is secured by way of mortgage over property and hypothecation over assets aggregating to Rs. 3.33 billion.

- 10.4** The facility contains a covenant that the Company can not pay dividend to its shareholders until it is upto date to its debt obligation including mark-up payments to syndicate.

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

11. TRADE AND OTHER PAYABLES

	(Un-audited) 30 Sep 2017	(Audited) 30 June 2017
----- (Rupees in '000) -----		
Trade creditors	179,888	255,015
Bills payable	286,336	287,105
Accrued liabilities	38,346	43,009
Royalty payable	811	-
Excise duty payable	3,507	2,427
Advances from customers	48,843	47,146
Retention money payable	1,632	1,632
Workers' Welfare Fund	27,352	24,587
Workers' Profit Participation Fund	101,601	94,785
Unclaimed dividends	126	126
Withholding tax payable	8,220	10,704
Leave encashment payable	16,897	16,434
Others	3,788	1,512
	<u>717,347</u>	<u>784,482</u>

12. CONTINGENCIES AND COMMITMENTS

12.1 Contingencies

There is no change in the status of the contingencies as disclosed in note 22.1 to the annual financial statements of the Company for the year ended June 30, 2017.

12.2 Commitments

Commitment against open letter of credit for:

	(Un-audited) 30 Sep 2017	(Audited) 30 June 2017
----- (Rupees in '000) -----		
- Coal	76,998	411,723
- Clinker Plant Project	7,573,942	7,329,621
- Cement Production and Dispatch Project	3,154,516	3,052,757
- Stores and spares	133,470	95,744
	<u>10,938,926</u>	<u>10,889,845</u>
Commitment against letter of guarantees	10,500	10,500
- Commitment against purchase of land	61,370	61,370
- Ijarah rentals	7,219	3,395
- Supervisory Fees	636,862	616,318
	<u>11,654,877</u>	<u>11,581,428</u>

13. SALES - NET

	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
----- (Rupees in '000) -----		
Local	1,299,393	1,228,631
Export	17,445	34,699
	<u>1,316,838</u>	<u>1,263,330</u>
Less :		
Sales tax	(220,393)	(203,962)
Federal excise duty	(172,024)	(129,181)
	<u>(392,417)</u>	<u>(333,143)</u>
	<u>924,421</u>	<u>930,187</u>

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
	----- (Rupees in '000) -----	
14. COST OF SALES		
Salaries, wages and other benefits including retirement benefits	79,128	66,546
Raw materials consumed	57,118	68,902
Packing material consumed	53,009	51,440
Stores, spares and loose tools	59,751	43,116
Fuel and power	613,384	532,943
Insurance	3,043	2,185
Repairs and maintenance	27,262	10,184
Depreciation	33,091	25,542
Other production overheads	8,325	8,789
	<u>934,111</u>	<u>809,647</u>
Work in process		
Opening	73,846	31,973
Closing	(287,465)	(134,302)
	<u>(213,619)</u>	<u>(102,329)</u>
Cost of goods manufactured	<u>720,492</u>	<u>707,318</u>
Finished goods		
Opening	101,721	47,241
Closing	(96,943)	(40,387)
	4,778	6,854
	<u>725,270</u>	<u>714,172</u>
	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
	----- (Rupees in '000) -----	
15. EARNINGS / (LOSS) PER SHARE - BASIC AND DILUTED		
Profit after taxation	85,002	110,462
Weighted average number of ordinary shares	958,755,764	399,278,654
Earnings per share in rupee - basic and diluted	0.09	0.27
16. CASH GENERATED FROM OPERATIONS		
Profit before taxation	123,989	131,151
Adjustment for:		
Depreciation and amortization	39,884	28,020
Finance cost on short term borrowings	15,745	16,290
Finance cost on unwinding of discount on related parties	-	9,507
Finance cost on unwinding of discount on deferred accrued markup	20,356	26,822
Exchange loss on bills payable	824	269
Provision for gratuity	3,630	3,753
	<u>80,439</u>	<u>84,661</u>
Operating profit before working capital changes	<u>204,428</u>	<u>215,812</u>

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
	-----Rupees in'000-----	
(Increase) / decrease in current assets		
Stores, spares and loose tools	137,683	(19,977)
Stock-in-trade	(212,973)	(85,213)
Trade debts	(36,233)	(27,612)
Advances and other receivables	(88,311)	(69,126)
Trade deposits	(12,194)	(9,987)
	(212,028)	(211,915)
 (Decrease) in trade and other payables	 (67,482)	 (10,404)
Net cash (used in) operations	(75,082)	(6,507)
 17. CASH AND CASH EQUIVALENTS		
Cash and bank balances	3,037,662	10,500
Short term borrowings	(1,304,564)	(857,477)
	1,733,098	(846,977)

18. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of major shareholders, associated undertakings, other related group companies and persons, directors of the Company, staff retirement benefit fund and key management personnel. The Company carries out transactions with various related parties in the normal course of business and the transactions with related parties have been carried out on agreed terms. Amounts due to related parties are shown under respective note to the financial statement. Details of transactions / balances with related parties other than those disclosed elsewhere in the financial statements are as follows:

	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
	----- (Rupees in '000) -----	
Transactions with related parties		
Aisha Steel Mills Limited		
- Sale of goods	451	-
- Payment received	469	128
Safe Mix Concrete Products Limited		
- Sale of goods	54,888	54,233
- Payment received	23,799	38,943
Javedan Corporation Limited		
- Sale of goods	16,483	18,606
- Payment received	16,505	22,902
Rotocast Engineering Company (Private) Limited		
- Services received	1,286	1,357
- Payments made	845	1,400
Arif Habib Corporation Limited		
- Guarantee commission accrued during the period	67	67
- Guarantee commission paid	67	67

Notes to the Condensed Interim Financial Information (Un-audited)

For the first quarter ended 30 September 2017

	<i>Quarter Ended</i>	
	30 Sep 2017	30 Sep 2016
	----- (Rupees in '000) -----	
EFU Life Assurance Limited		
- Services received	9,101	11,761
- Payments made	9,266	7,407
Key management personnel		
- Remuneration and other benefits	25,771	13,777
- Advances disbursed to employees	13,507	985
- Advances repaid by employees	910	985
Staff retirement benefit fund		
- Charge during the period	4,107	3,753
- Contribution during the period	-	4,550
	(Un-audited)	(Audited)
	30 Sep	30 June
	2017	2017
	----- (Rupees in '000) -----	
Balances with related parties		
Aisha Steel Mills Limited		
- Trade receivable	282	300
Safe Mix Concrete Products Limited		
- Trade receivable	62,337	31,250
Javedan Corporation Limited		
- Trade receivable	9,190	9,213
- Other receivable	39	39
Rotocast Engineering Company (Private) Limited		
- Amount payable against services received	886	446
Arif Habib Corporation Limited		
- Guarantee commission payable	67	67
- Advance against right issue	-	688,939
EFU Life Assurance Limited		
- Insurance payable	167	332
Sponsors / Directors		
- Advance against right issue	-	393,356
Key management personnel		
- Advances to employees	21,784	10,075
Staff retirement benefit fund		
- Payable to gratuity fund	61,496	57,389
International Complex Project Limited		
- Advance against right issue	-	1,606,588

Notes to the Condensed Interim Financial Information (Un-audited)

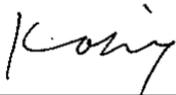
For the first quarter ended 30 September 2017

19. DATE OF AUTHORIZATION FOR ISSUE

These financial information has been authorized for issue on **30th October, 2017** by the Board of Directors.

20. GENERAL

Figures have been rounded off to the nearest of thousand rupees.



CHIEF EXECUTIVE



DIRECTOR

مستقبل کا جائزہ:

تعمیرات اور انفراسٹرکچر کے شعبہ جات کا فی متحرک رہے۔ کئی عوامل مارکیٹ میں مثبت اثرات مرتب کر رہے ہیں جس میں اقتصادی کی نمو اور شہر سازی بھی ہیں۔ نجی اور سرکاری شعبوں میں تعمیراتی منصوبوں کی وجہ سے سینٹ کی فروخت مستحکم رہنے کی توقع ہے اور اس کے ساتھ ساتھ سی بیک کے منصوبہ جات سے بھی مثبت اثرات کی توقع ہے۔ امید ہے کہ حکومتی پالیسی میں استحکام رہے گا لہذا بورڈ اور مینجمنٹ یقین رکھتے ہیں کہ مندرجہ بالا پلانٹ کی توسیع سے قومی فوائد حاصل ہوں گے۔

عتراف:

ڈائریکٹرز آپ کی کمپنی کے شیئر ہولڈرز، مالیاتی ادارے، سپلائرز اور صارفین کے مسلسل تعاون اور سرپرستی کا اعتراف کرنا چاہتے ہیں۔ ہم سیکورٹیز اینڈ ایکسچینج کمیشن آف پاکستان، اسٹیٹ بینک آف پاکستان، گورنمنٹ کمیشن آف پاکستان، ہسٹری آف فائیننس، ہسٹری آف انڈسٹریز اینڈ پروڈکشن، ہینٹنل ڈپازٹری کمپنی اور پاکستان اسٹاک ایکسچینج کی انتظامیہ کی رہنمائی اور حمایت کے شکرگزار ہیں۔

ڈائریکٹرز آپ کی کمپنی کے تمام ملازمین کی انتھک محنت، پر خلوص خدمات، ٹیم ورک اور اخلاص کے تہہ دل سے معترف ہیں اور سراہتے ہیں اور یقین رکھتے ہیں انکی مستقبل کی کوششوں کے ذریعے آپ کی کمپنی کی اصل طاقت کو آشکار کرنے میں مسلسل جاری رہیں گے۔

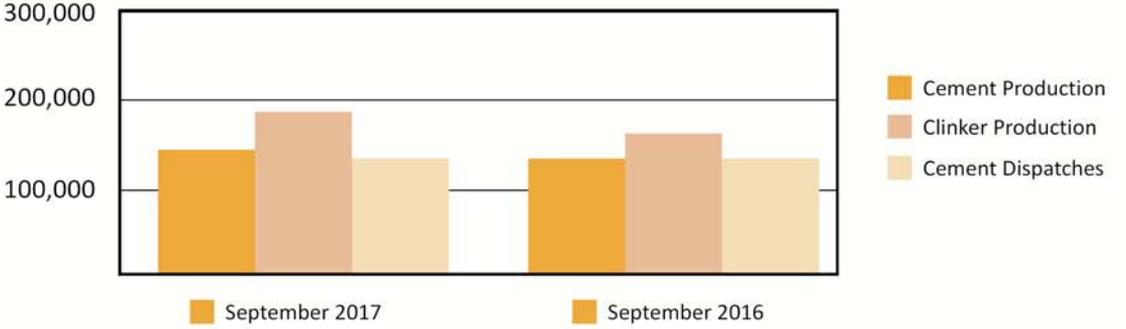
ہم بورڈ آڈٹ کمیٹی اور بورڈ کی دیگر کمیٹیوں کا بھی شکریہ ادا کرتے ہیں کہ انہوں نے انتہائی اہم معاملات میں رہنمائی فراہم کی۔

بورڈ کیلئے اور کی طرف سے

Kosiy
محمد کاشف حبیب
چیف ایگزیکٹو آفیسر

کراچی 30 اکتوبر 2017ء

پیداوار اور ترسیل (ٹن):



مالیاتی کارکردگی:

آپ کی کمپنی کے کلیدی مالیاتی نتائج برائے 30 ستمبر 2017 کو ختم شدہ پہلی سہ ماہی کا تجزیہ درج ذیل ہے۔

Quarter Ended		کوائف
30 ستمبر 2016	30 ستمبر 2017	
000/- روپے میں		
930,187	924,421	محصولات فروخت
216,015	199,151	مجموعی منافع
131,151	123,989	منافع قبل از ٹیکس
110,462	85,002	خالص منافع از ٹیکس
0.27	0.09	آمدن فی حصص (روپے)

گزشتہ مالی سال میں کمپنی نے اپنے پلانٹ میں زبردست سرمایہ کاری کی اور ساتھ ہی انتظامیہ کی انتظامیہ سے کمپنی نے استعداد کار کی بہتر سطح کو حاصل کرنے کی طرف راہ ہموار ہوئی ان بہتر استعداد ہائے کار نے کمپنی کو اس قابل کیا کہ وہ کوشش کی زیادہ قیمتوں کو جذب کر سکے۔

پلانٹ کی صلاحیت کی توسیع:

کمپنی نے اپنے موجودہ مقام پر ہی پیداواری صلاحیت کے ایک براؤن فیلڈ توسیع منصوبے کا آغاز 7,700 ٹنزیومی کی ایک نئی لائن کے اضافے سے کر دیا ہے (2.5 ملین ٹن سالانہ) جس سے کل صلاحیت تقریباً 3.4 ملین ٹن سالانہ ہو جائے گی۔ یہ توسیع منصوبہ مزید ماحول دوست ہے اور یہ آئی ایف سی اور عالمی بینک کے معیارات کی تکمیل کرے گا۔ اس منصوبے کا آغاز 2019ء کی مالی سال کی آخری سہ ماہی میں کر دیا جائے گا۔

ایف ایل سید تھو (ڈینٹس گلوبل انجینئرنگ کمپنی) سے سینٹ کے مکمل پلانٹ کے انجینئرنگ اور سائز دسماں کیلئے LCC کھولی جا چکی ہیں۔

سول تعمیر اور میکانیکی تنصیب کے کام کیلئے ٹھیکہ (معاہدہ) ایک معروف چینی ٹھیکیدار ادارے سی ای سی ای سی تی ایچ (پاکستان) انٹرنیشنل پاور کنسٹرکشن (پرائیویٹ) لمیٹڈ کو دیا گیا ہے۔ ٹھیکیدار پلانٹ کی جگہ پر پوری طرح متحرک ہے اور ابتدائی سول کام شروع ہو چکا ہے۔

ڈائریکٹرز کا جائزہ:

30 ستمبر 2017 کو ختم ہونے والے مالی سال کی پہلی سہ ماہی کیلئے آپ کی کمپنی کے ڈائریکٹرز ان کے تہرے وجائزے کے ساتھ غیر آڈٹ شدہ مختصر عبوری سہ ماہی معلومات پیش کر رہے ہیں۔

صنعت کا جائزہ:

ساؤتھ زون یعنی جنوبی خطے میں مقامی طلب جہاں کمپنی واقع ہے، 1.5 ملین ٹن پر رہی جو پچھلے عرصے سے 18% کے اضافے کو ظاہر کرتی ہے۔ اس کے ساتھ ہی برآمدی طلب پچھلے عرصے میں 0.52 ملین ٹن کے مقابلے میں 0.34 ملین ٹن کی کمی سے 35% کی کمی کو ظاہر کرتی ہے۔ نتیجتاً جنوبی خطے میں کل ترسیل (ڈسٹریبیوٹ) 1.8 ملین ٹن پر بند ہوئی۔ سال رواں میں شمالی خطے میں مقامی طلب میں اضافہ ہوا۔ مقامی ترسیل 23% کی شرح سے بڑھ گئی اور برآمدی طلب اسی عرصے کیلئے 7% سے گر گئی۔ جس کے نتیجے میں شمالی خطے کی خالص نمو 18% رہی۔ مجموعی طور پر ملک کی تمام تر سیمنٹ انڈسٹری 15% کی شرح سے نمو پذیر ہے۔

کاروباری کارکردگی:

پیداواری اور فروخت کارکردگی بلحاظ حجم:

آپ کی کمپنی کے تقابلی اعداد و شمار سہ ماہی کے لئے پیداوار اور حجم و فروخت کے شماریات (غز میں) درج ذیل ہیں۔

تغیر %	ختم شدہ سامانی		کوائف
	30 ستمبر 2016	30 ستمبر 2017	
	ٹن		
4%	133,075	138,631	سیمنٹ کی پیداوار
23%	150,765	185,303	کلنکر کی پیداوار

استعمال کی صلاحیت مطابقتی عرصے پر 67% کے مقابلے میں 82% بڑھ گئی۔

تغیر %	ختم شدہ سامانی		کوائف
	30 ستمبر 2016	30 ستمبر 2017	
	ٹن		
3%	133,310	137,619	سیمنٹ کی ترسیل (مقامی)
(54)%	4,367	2,026	سیمنٹ کی ترسیل (برآمدی)
	137,677	139,645	کل ترسیل

بڑھتی ہوئی مقامی طلب کے ساتھ ساتھ چلنے کی غرض سے کمپنی نے اس کے سیمنٹ پیکرز کی اوور ہولنگ کی، لہذا اس عرصے کے دوران ترسیل محدود رہی اور کمپنی نے اسکی فہرست اموال میں اضافہ کیا جو کہ مقامی مارکیٹ میں موجود استحکام کے ہوتے ہوئے آنے والے وقتوں میں بلند تر حجم ہائے فروخت کی ترجمانی کرے گا۔ فروخت اور پیداوار کا تصویبی تجزیہ ذیل میں دیا جا رہا ہے۔



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