

آزادی قیمتی ہے



www.fccl.com.pk

- 2 Company Information
- 3 Directors' Review
- 5 Auditor's Report to the Members
- Review of Interim Financial Information
- 6 Condensed Interim Balance Sheet
- 8 Condensed Interim Profit and Loss Account (Un-Audited)
- 9 Condensed Interim Statement of Comprehensive Income (Un-Audited)
- 10 Condensed Interim Cash Flow Statement (Un-Audited)
- 11 Condensed Interim Statement of Changes in Equity (Un-Audited)
- 12 Notes to the Condensed Interim Financial Information (Un-Audited)

- ▶ **Board of Directors**
 - Lt Gen Khalid Nawaz Khan, HI (M) Sitara-e-Esar (Retd), (Chairman)
 - Lt Gen Sardar Mahmood Ali Khan, HI (M) (Retd), (CE/MD)
 - Mr. Qaiser Javed
 - Dr. Nadeem Inayat
 - Maj Gen Syed Jamal Shahid, HI(M) (Retd)
 - Maj Gen Muhammad Farooq Iqbal, HI(M) (Retd)
 - Brig Dr. Gulfam Alam, SI (M) (Retd)
 - Brig Asmat Ullah Khan Niazi, SI(M) (Retd)
 - Mr. Pervez Inam
 - Mr. Jawaid Iqbal

- ▶ **Company Secretary**
 - Brig Ch. Zafar Iqbal (Retd)
 - Fauji Towers, Block III
 - 68 Tipu Road, Chaklala, Rawalpindi
 - Tel: (051) 9280075
 - Fax: (051) 9280416
 - E-mail: secretary@fccl.com.pk

- ▶ **Chief Financial Officer**
 - Mr. Omer Ashraf
 - Tel: (051) 5500157
 - omer@fccl.com.pk

- ▶ **Auditors**
 - M/s KPMG Taseer Hadi & Co,
 - Chartered Accountants
 - Fax No: (051) 2822671

- ▶ **Legal Advisors**
 - M/s ORR Dignam & Co, Advocates
 - Fax No: (051) 2260653

- ▶ **Registered Office**
 - Fauji Towers, Block -III, 68 Tipu Road Chaklala
 - Rawalpindi
 - Tel: (051) 9280075
 - Exch: 051-9280081-83, 5763321-24
 - Fax: (051) -9280416

- ▶ **Factory**
 - Near Village Jhang Bahtar, Tehsil Fateh Jang
 - District: Attock
 - Tel: 057-2538047-48, 2538138, 2538148-49
 - Fax: 057-2538025

- ▶ **Company Website**
 - <http://www.fccl.com.pk>

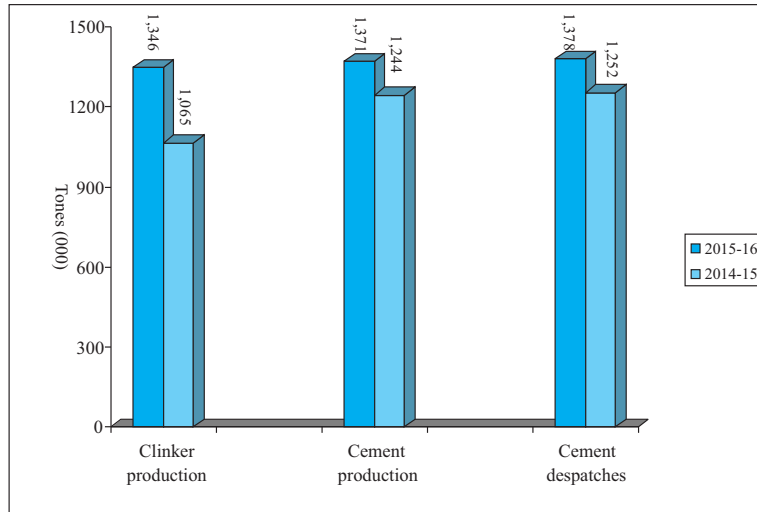
- Board of Directors is pleased to present its review report along with condensed interim financial information of the Company for the half year ended on 31st December 2015.
- Industry Overview.** The cement industry achieved a growth of 6% during six months of current financial year with volumetric sales of 18.22 million tons as compared to 17.12 million tons during the same period last year. Local sales volume of the industry during six months of current financial year registered a growth of 16% with volumetric sales of 15.20 million tons as compared to 13.06 million tons in same period last year. Whereas export sales registered a decline of 26% with volumetric sales of 3.02 million tons as compared to 4.06 million tons in same period of last year.
- Company Overview.** Overall sales volume of company increased by 10% during six months of current financial year with volumetric sales of 1.38 million tons as compared to 1.25 million tons during the same period last year. Capacity utilization achieved by company is 80% as compared to 73% in same period last year. Local sales volume of FCCL during six months of this financial year registered a growth of 17% with volumetric sales of 1.20 million tons as compared to 1.02 million tons in same period last year. Export sales registered a decline of 21% with volumetric sales of 0.18 million tons as compared to 0.23 million tons in same period of last year.
- Comparison of Key Financial Results.** Key Financial Results for the period ended 31st December 2015 with same period of last year are tabulated below:-

Particulars	6 Months	
	2015-16	2014-15
Sales Revenue	9,950,378	8,991,413
Gross Profit	4,577,210	3,167,930
Profit Before tax	3,861,270	2,467,570
Net Profit after tax	2,776,711	1,668,159
Earnings per Share(Basic)	2.09	1.25
Earnings per Share(Diluted)	2.01	1.21

*Rs. in thousand except EPS

- Business Performance.** The production statistics of Company for six months ended 31st December 2015 as compared to same period last year are as under:-

Particulars	Six Months 2015-16(tons)	Six Months 2014-15(tons)	Change
Clinker production	1,345,654	1,065,085	26%
Cement production	1,371,106	1,244,317	10%
Cement dispatches	1,377,805	1,252,266	10%



6. **Financial Performance**

- During the period under review, overall sales revenue of the company increased by 10.67% because of higher dispatches in the domestic market.
- Resultantly, company achieved a gross profit rate of 46% for the period under review as compared to 35% achieved during same period last year.
- The company achieved a net profit ratio of 28% during the period under review as compared to 19% in the same period last year.
- The earnings per share were Rs. 2.09 during the period as compared to Rs. 1.25 in the same period last year.

7. **Future outlook.** Cement demand within the country has picked up momentum thus resulting in overall growth of 6.38% in cement dispatches during first half of the current financial year. We are hopeful that this momentum will continue in second half of 2016 as well. However, exports to Afghanistan will continue to decline due to the country's internal political and security situation. The company will try to explore other export markets in order to make up for this short fall.

8. **Acknowledgement.** Directors express their appreciation for the continued support of all stakeholders and financial institutions, as well as to company's workers, staff and executives for their devotion and hard work. With the blessings of Allah Almighty, Board is of the opinion that FCCL will continue its remarkable performance during the remainder half of the current financial year.

Dated 16 February 2016
Rawalpindi

Lt Gen Khalid Nawaz Khan (Retd)
Chairman

Auditor's Report to the Members
Review of Interim Financial Information

FCCL **5**

Half Yearly Report 2015-16

Introduction

We have reviewed the accompanying condensed interim balance sheet of **Fauji Cement Company Limited** ("the Company") as at 31 December 2015, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim cash flow statement, condensed interim statement of changes in equity and notes to the accounts for the six months period then ended (here-in-after referred as the "interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

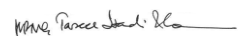
Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

Other matters

The figures of the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarter ended 31 December 2015, have not been reviewed and we do not express a conclusion on them.

Date: 16 February 2016
Islamabad


KPMG Taseer Hadi & Co.
Chartered Accountants
Engagement Partner: Riaz Pesnani

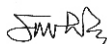
Condensed Interim Balance Sheet as at 31 December 2015 **F C C L** **6**

Half Yearly Report 2015-16

	Note	Un-audited 31 December 2015 Rupees'000	Audited 30 June 2015 Rupees'000
SHARE CAPITAL AND RESERVES			
Share capital	4	13,798,150	13,798,150
Reserves		4,431,442	3,620,834
		<u>18,229,592</u>	<u>17,418,984</u>
NON - CURRENT LIABILITIES			
Long term financing - secured	5	2,799,888	4,000,119
Deferred liabilities		4,371,559	4,378,810
		<u>7,171,447</u>	<u>8,378,929</u>
CURRENT LIABILITIES			
Trade and other payables		2,100,578	2,055,628
Markup accrued		101,983	144,013
Short term borrowings - secured		266,618	5,758
Current portion of long term financing	5	2,498,273	2,524,978
		4,967,452	4,730,377
		<u>30,368,491</u>	<u>30,528,290</u>

CONTINGENCIES AND COMMITMENTS 6

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



Chief Executive

Condensed Interim Balance Sheet as at 31 December 2015 F C C L **7**

Half Yearly Report 2015-16

	Un-audited 31 December 2015	Audited 30 June 2015
Note	Rupees'000	Rupees'000
NON - CURRENT ASSETS		
Property, plant and equipment	7 23,258,228	23,880,553
Long term advance	900	900
Long term deposits and prepayments	194,987	233,241
	23,454,115	24,114,694
CURRENT ASSETS		
Stores, spares and loose tools	1,654,890	1,965,411
Stock in trade	898,238	888,536
Trade debts - considered good	825,411	566,141
Advances	23,340	11,190
Trade deposits, short term prepayments and balance with statutory authority	63,166	375,563
Interest accrued	3,967	3,902
Other receivables	2,556	6,039
Other financial assets	1,512,876	300,211
Cash and bank balances	1,929,932	2,296,603
	6,914,376	6,413,596
	30,368,491	30,528,290



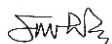
Director

Condensed Interim Profit and Loss Account (Un-Audited)
For the Six Months Period Ended 31 December 2015


F C C L **8**
Half Yearly Report 2015-16

Note	Three Months Ended		Six Months Ended	
	31 December 2015	31 December 2014	31 December 2015	31 December 2014
	Rupees'000	Rupees'000	Rupees'000	Rupees'000
Turnover-net	5,569,281	4,816,687	9,950,378	8,991,413
Cost of sales	(2,870,647)	(2,981,215)	(5,373,168)	(5,823,483)
Gross profit	2,698,634	1,835,472	4,577,210	3,167,930
Distribution cost	(57,753)	(40,687)	(94,453)	(76,060)
Administrative expenses	(80,387)	(62,709)	(150,294)	(130,271)
Other operating expenses	(171,969)	(117,143)	(284,697)	(181,981)
Finance cost	(121,834)	(72,298)	(319,824)	(402,364)
Other income	64,701	44,997	133,328	90,317
Profit before taxation	2,331,392	1,587,632	3,861,270	2,467,571
- Current	(638,027)	(48,091)	(1,104,662)	(89,838)
- Deferred	(19,290)	(473,346)	20,103	(709,573)
Taxation	(657,317)	(521,437)	(1,084,559)	(799,411)
Profit for the period	1,674,075	1,066,195	2,776,711	1,668,160
Earnings per share - Basic (Rupees)	1.26	0.80	2.09	1.25
Earnings per share - Diluted (Rupees)	1.21	0.77	2.01	1.21

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



Chief Executive



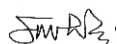
Director

Condensed Interim Statement of Comprehensive Income(Un - Audited) F C C L **9**
 For the Six Months Period Ended 31 December 2015


Half Yearly Report 2015-16

	Three Months Ended		Six Months Ended	
	31 December 2015 Rupees'000	31 December 2014 Rupees'000	31 December 2015 Rupees'000	31 December 2014 Rupees'000
Profit for the period	1,674,075	1,066,195	2,776,711	1,668,160
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	1,674,075	1,066,195	2,776,711	1,668,160

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



Chief Executive



Director

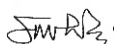
Condensed Interim Cash Flow Statement (Un - Audited)
For the Six Months Period Ended 31 December 2015

F C C L **10**


Half Yearly Report 2015-16

	31 December 2015 Rupees'000	31 December 2014 Rupees'000
Cash flows from operating activities		
Profit for the period	3,861,270	2,467,571
Adjustments for:		
Depreciation	682,894	643,724
Provision for compensated absences	29,426	13,117
Workers' (Profit) Participation Fund including interest and Workers' Welfare Fund	284,756	182,464
Finance cost (excluding interest on WPPF)	319,582	401,721
Gain on disposal of property, plant and equipment	(1,050)	(650)
Interest income including interest on long term advance	(68,122)	(85,048)
	<u>1,247,486</u>	<u>1,155,328</u>
Decrease/ (increase) in working capital	5,108,756	3,622,899
Stores and spares	310,521	(328,760)
Stock in trade	(9,702)	534,818
Trade debts	(259,270)	121,587
Advances	(12,150)	36,208
Trade deposits, short term prepayments and balance with statutory authority	(14,210)	(12,325)
Other receivables	3,483	(1,436)
Trade and other payables	(62,567)	156,395
	<u>(43,895)</u>	<u>506,487</u>
Cash generated from operations	5,064,861	4,129,386
Compensated absences paid	(1,851)	(2,404)
Payment to Workers' (Profit) Participation Fund including interest	(15,162)	(42,732)
Income tax paid	(778,056)	(543,136)
Net cash generated from operating activities	<u>4,269,792</u>	<u>3,541,114</u>
Cash flows from investing activities		
Additions in property, plant and equipment excluding borrowing cost capitalized	(60,683)	(949,761)
Proceeds from disposal of property, plant and equipment	1,164	703
Other financial assets	(1,212,665)	-
Interest received on bank deposits	68,057	80,608
Net cash used in investing activities	<u>(1,204,127)</u>	<u>(868,450)</u>
Cash flows from financing activities		
Repayment of long term financing	(1,326,343)	(1,302,280)
Dividend paid on preference shares	(240,785)	(227,408)
Dividend paid on ordinary shares	(1,932,689)	(889,590)
Disbursement of long term financing	-	1,050,671
Finance cost paid	(193,379)	(236,970)
Net cash used in financing activities	<u>(3,693,196)</u>	<u>(1,605,577)</u>
(Decrease)/ increase in cash and cash equivalents	<u>(627,531)</u>	<u>1,067,087</u>
Cash and cash equivalents at beginning of the period	<u>2,290,845</u>	<u>800,751</u>
Cash and cash equivalents at end of the period	<u>1,663,314</u>	<u>1,867,838</u>
Cash and cash equivalents comprise of the following:		
Cash and bank balances	1,929,932	1,886,761
Short term borrowings - secured	(266,618)	(18,923)
	<u>1,663,314</u>	<u>1,867,838</u>

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



Chief Executive



Director

Condensed Interim Statement of Change in Equity (Un - Audited)
For the Six Months Period Ended 31 December 2015

FCCL

11

Half Yearly Report 2015-16

	Share capital		Capital reserve		Hedging reserve	Revenue reserve		Total
	Ordinary	Preference	Discount on issue of shares	Un-appropriated profit				
	Rupees'000							
Balance at 30 June 2014	13,311,158	486,992	(1,364,385)	(157,765)	3,512,187			15,788,187
Total comprehensive income for the period	-	-	-	-	1,668,160			1,668,160
Profit for the period	-	-	-	-	-			-
Other comprehensive income	-	-	-	-	1,668,160			1,668,160
Total comprehensive income	-	-	-	-	46,337			46,337
Transfer during the period	-	-	-	-	-			-
Transaction with owners of the Company								
Distribution								
Final dividend 2014: Rs 0.75 per share	-	-	-	-	(998,337)			(998,337)
Balance at 31 December 2014	13,311,158	486,992	(1,364,385)	(111,428)	4,182,010			16,504,347
Balance at 30 June 2015	13,311,158	486,992	(1,364,385)	(72,895)	5,058,114			17,418,984
Total comprehensive income for the period								
Profit for the period	-	-	-	-	2,776,711			2,776,711
Other comprehensive income	-	-	-	-	-			-
Total comprehensive income for the period	-	-	-	-	2,776,711			2,776,711
Transfer during the period	-	-	-	-	30,571			30,571
Transaction with owners of the Company								
Distribution								
Final dividend 2015: Rs 1.5 per share	-	-	-	-	(1,996,674)			(1,996,674)
Balance at 31 December 2015	13,311,158	486,992	(1,364,385)	(42,324)	5,838,151			18,229,592

The annexed notes from 1 to 12 form an integral part of this condensed interim financial information.



Chief Executive



Director

1. STATUS AND NATURE OF BUSINESS

Fauji Cement Company Limited ("the Company") is a public limited company incorporated in Pakistan on 23 November 1992 under the Companies Ordinance, 1984 and commenced its business with effect from 22 May 1993. The shares of the Company are quoted on Karachi, Islamabad and Lahore stock exchanges in Pakistan. The principal activity of the Company is manufacturing and sale of ordinary portland cement. The Company's registered office is situated at Fauji Towers, Block-III, 68-Tipu Road, Rawalpindi.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

This condensed interim financial information of the Company for the six months period ended 31 December 2015 has been prepared in accordance with the requirements of 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 have been followed. The disclosures in the condensed interim financial information do not include the information reported for full audited annual financial statements and should therefore be read in conjunction with the audited annual financial statements for the year ended 30 June 2015. Comparative balance sheet is extracted from audited annual financial statements as of 30 June 2015 whereas comparative profit and loss account, statement of comprehensive income, cash flow statement and statement of changes in equity are stated from un-audited condensed interim financial information for the six months period ended 31 December 2014.

This condensed interim financial information is un-audited and is being submitted to the members as required under Section 245 of the Companies Ordinance, 1984 and the listing regulations of the Islamabad, Lahore and Karachi Stock Exchanges.

3. SIGNIFICANT ACCOUNTING POLICIES AND ESTIMATES

The accounting policies, significant judgments made in the application of accounting policies, key sources of estimations, the methods of computation adopted in preparation of this condensed interim financial information and financial risk management policy are the same as those applied in preparation of audited annual financial statements for the year ended 30 June 2015 except that IFRS 13 'Fair Value Measurement' became effective for financial periods beginning on or after 1 January 2015. The effect of IFRS 13 'Fair Value Measurement' are disclosed in notes 3.1 and 10 to this condensed interim financial information. The following standards, amendments and interpretations of approved accounting standards will be effective for accounting periods beginning on or after 01 July 2016 and are not expected to have any significant effect on condensed interim financial information of the Company:

- Amendments to IAS 38 'Intangible Assets' (effective 01 January 2016)
 - Amendments to IAS 16 'Property, Plant and Equipment' (effective 01 January 2016)
 - Amendments to IFRS 10 – Consolidated Financial Statements (effective 01 January 2016)
 - Amendments to IAS 28 – Investments in Associates and Joint Ventures (effective 01 January 2016)
 - Amendments to IFRS 11 'Joint Arrangements' (effective 01 January 2016)
 - Amendment to IAS 27 'Separate Financial Statement' (effective 01 January 2016)
 - Amendment to IAS 41 'Agriculture' (effective 01 January 2016)
- Amendments to following standards as annual improvements cycle of 2012-2014. Most amendments will apply prospectively for annual period beginning on or after 01 July 2016:
- IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations'

- IFRS 7 'Financial Instruments- Disclosures'
- IAS 19 'Employee Benefits'
- IAS 34 'Interim Financial Reporting'

The above amendments are not likely to have an impact on the Company's financial statements.

3.1. IFRS 13 Fair Value Measurement, consolidates the guidance on how to measure fair value, which was spread across various IFRS, into one comprehensive standard. It introduces the use of an exit price, as well as extensive disclosure requirements, particularly the inclusion of non-financial instruments into the fair value hierarchy. The application of IFRS 13 does not have an impact on the financial statements of the Company, except certain additional disclosures.

4. SHARE CAPITAL

There is no change in authorised and issued, subscribed and paid up share capital of the Company from 30 June 2015.

	Un-audited Note 31 December 2015 Rupees'000	Audited 30 June 2015 Rupees'000
5. LONG TERM FINANCING - secured		
- From banking companies		
Term finance facilities including syndicated term finance facilities - secured	5.1 5,298,161	6,525,097
Less: Current portion shown under current liabilities	<u>(2,498,273)</u>	<u>(2,524,978)</u>
	<u>2,799,888</u>	<u>4,000,119</u>
5.1 Movement in this account during the period/year is as follows:		
Opening balance	6,525,097	7,914,167
Disbursement of long term financing	-	1,059,453
Repayments during the period / year	(1,326,343)	(2,600,172)
Exchange loss on revaluation and transaction cost adjustment	99,407	151,649
Closing balance	5.1.1 <u>5,298,161</u>	<u>6,525,097</u>

5.1.1 The markup rates, facility limits, securities offered for the term finance facilities are the same as disclosed in the annual audited financial statements of the Company for the year ended 30 June 2015 except that mark-up spread over 6 month's KIBOR of syndicated term finance facility has been reduced from 0.75% to 0.4%. Further, outstanding portion of Bank of Khyber amounting to Rs 16.3 million and Soneri Bank Limited amounting to Rs 13.6 million has been taken over by Bank Al Habib Limited.

6. CONTINGENCIES AND COMMITMENTS

6.1 Contingencies

There is no change in the contingent liabilities as reported in the financial statements for the year ended 30 June 2015.

6.2 Commitments

The Company has opened letters of credit for the import of spare parts and coal valuing Rs. 187 million (30 June 2015: Rs. 82 million).

	Un-audited	Audited
	31 December	30 June
	2015	2015
	Rupees'000	Rupees'000
7. PROPERTY, PLANT AND EQUIPMENT		
Opening book value	23,880,553	23,881,426
Additions during the period / year	60,683	1,290,308
Written down value of disposals	(114)	(127)
Depreciation for the period / year	(682,894)	(1,291,054)
Closing book value	23,258,228	23,880,553

	Three Months Ended		Six Months Ended	
	31 December	31 December	31 December	31 December
	2015	2014	2015	2014
	Rupees'000	Rupees'000	Rupees'000	Rupees'000
8 COST OF SALES				
Raw material consumed	255,283	226,929	481,649	378,570
Packing material consumed	258,990	248,108	475,130	457,157
Stores and spares consumed	8,701	5,312	17,375	14,185
Salaries, wages and benefits	277,658	198,899	522,777	380,892
Rent, rates and taxes	5,929	5,282	10,781	9,805
Insurance	25,082	26,344	50,212	53,359
Fuel consumed	1,054,353	1,155,500	1,939,066	1,885,595
Power consumed	429,162	775,612	950,294	1,366,157
Depreciation	337,389	318,664	674,511	636,709
Repairs and maintenance	131,449	40,239	233,299	163,584
Technical assistance	10,239	1,021	10,319	1,353
Printing and stationery	625	1,024	1,074	1,377
Traveling and conveyance	3,464	3,033	7,662	6,868
Vehicle running and maintenance expenses	6,288	6,964	12,260	14,075
Other directly attributable expenses	7,628	3,513	12,148	6,707
	2,812,240	3,016,444	5,398,557	5,376,393
Add: Opening work-in-process	645,003	537,882	607,869	976,816
Less: Closing work-in-process	(675,189)	(530,077)	(675,189)	530,077)
Cost of goods manufactured	2,782,054	3,024,249	5,331,237	5,823,132
Add: Opening finished goods	182,182	171,279	135,520	216,301
Less: Closing finished goods	(93,589)	(212,926)	(93,589)	(212,926)
Less: Own consumption capitalized	-	(1,387)	-	(3,024)
	2,870,647	2,981,215	5,373,168	5,823,483

9. RELATED PARTY TRANSACTIONS

There is no change in relationship with related parties during the period. Significant transactions with related parties are as follows:

	Six Months Ended	
	31 December 2015	31 December 2014
	Rupees'000	Rupees'000
Transactions with associated undertakings/companies due to common directorship		
- Sale of cement	2,679	3,919
- Preference dividend paid	240,785	227,408
- Payment for use of medical facilities	102	213
- Payment on account of clearance of shipments	100	81
- Payment of rent and utilities	5,532	10,814
- Dividend paid on ordinary shares	939,302	469,650
Employees funds		
- Payments made into Employees' Provident Fund	19,492	14,760
- Payments made to Workers' (Profit) Participation Fund	14,920	42,089
Others		
- Director's fee	1,050	1,090
- Remuneration including benefits and perquisites to Chief Executive	9,444	8,970
- Remuneration including benefits and perquisites to key management personnel	45,548	32,820

10. FAIR VALUE OF FINANCIAL INSTRUMENTS

Fair value is the amount for which an asset could be exchanged, or liability settled, between knowledgeable willing parties in an arm's length transaction. Consequently, differences can arise between carrying values and fair value estimates. Underlying the definition of fair value is the presumption that the Company is a going concern without any intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

The fair value of financial assets and liabilities traded in active markets i.e. listed equity shares are based on the quoted market prices at the close of trading on the period end date. The quoted market prices used for financial assets held by the Company is current bid price. A financial instrument is regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.

IFRS 13, 'Fair Value Measurements' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

-Quoted prices (unadjusted) in active markets for identical assets or Liabilities (level 1).

-Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (level 2).

-Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (level 3).

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

On-balance sheet financial instruments	Note	Carrying amount			Fair value		
		Fair value through profit and loss	Loans and receivables	Other financial liabilities	Total	Level 1	Total
31 December 2015							
Financial assets measured at fair value							
Other financial assets		1,512,876	-	-	1,512,876	1,512,876	1,512,876
Financial assets not measured at fair value							
Cash and bank balances	10.1	-	1,929,932	-	1,929,932	-	-
Other receivables		-	2,556	-	2,556	-	-
Interest accrued		-	3,967	-	3,967	-	-
Trade deposits		-	7,255	-	7,255	-	-
Trade debts - considered good		-	825,411	-	825,411	-	-
Long term deposits		-	86,601	-	86,601	-	-
Long term advance		-	1,800	-	1,800	-	-
		-	2,857,522	-	2,857,522	-	-
Financial liabilities not measured at fair value							
Long term financing - secured	10.1	-	2,799,888	-	2,799,888	-	-
Trade and other payables	10.2	-	1,296,540	-	1,296,540	-	-
Markup accrued		-	101,983	-	101,983	-	-
Short term borrowings - secured		-	266,618	-	266,618	-	-
Current portion of long term financing		-	2,498,273	-	2,498,273	-	-
		-	6,963,302	-	6,963,302	-	-
On-balance sheet financial instruments							
30 June 2015							
Financial assets measured at fair value							
Other financial assets		300,211	-	-	300,211	300,211	300,211
		300,211	-	-	300,211	300,211	300,211
Financial assets not measured at fair value							
Cash and bank balances	10.1	-	2,296,603	-	2,296,603	-	-
Other receivables		-	6,039	-	6,039	-	-
Interest accrued		-	3,902	-	3,902	-	-
Trade deposits		-	7,005	-	7,005	-	-
Trade debts - considered good		-	566,141	-	566,141	-	-
Long term deposits		-	86,601	-	86,601	-	-
Long term advance		-	1,800	-	1,800	-	-
		-	2,968,091	-	2,968,091	-	-
Financial liabilities not measured at fair value							
Long term financing - secured	10.1	-	4,000,119	-	4,000,119	-	-
Trade and other payables	10.2	-	1,370,202	-	1,370,202	-	-
Markup accrued		-	144,013	-	144,013	-	-
Short term borrowings - secured		-	5,758	-	5,758	-	-
Current portion of long term financing		-	2,524,978	-	2,524,978	-	-
		-	8,045,070	-	8,045,070	-	-

10.1 The Company has not disclosed the fair values for these financial assets and financial liabilities, as these are either short term in nature or repriced periodically. Therefore, their carrying amounts are reasonable approximation of fair value.

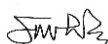
10.2 It excludes advances from customers, provision for workers profit participation fund, provision for workers' welfare fund, federal excise duty, sales tax payable (net) and dividend payable on preference shares.

11. DATE OF AUTHORIZATION FOR ISSUE

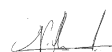
This condensed interim financial information was authorized for issue by the Board of Directors of the Company in their meeting held on 16 February 2016.

12. GENERAL

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



Chief Executive



Director