

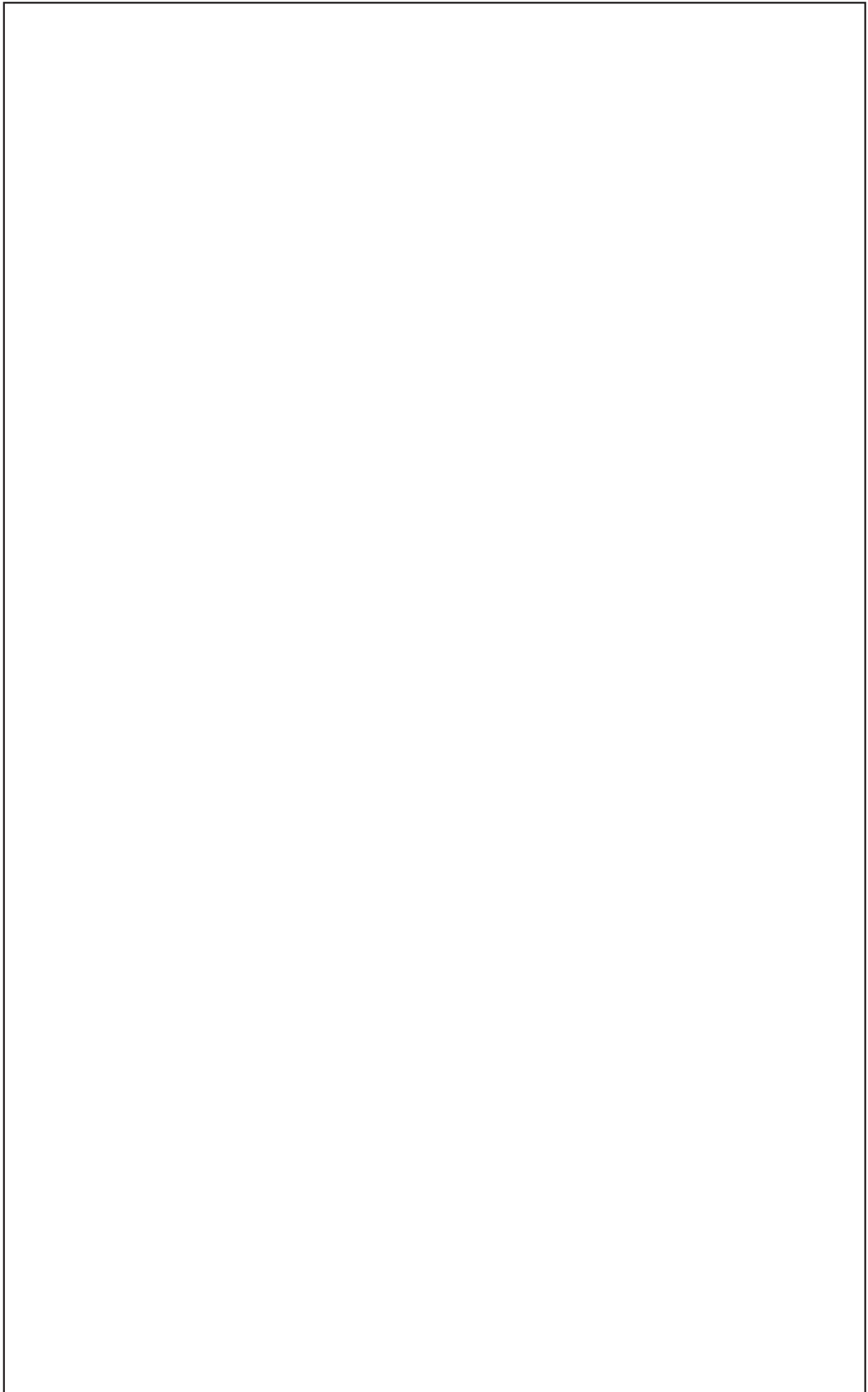
**CONDENSED INTERIM FINANCIAL INFORMATION** (Un-Audited)  
for the nine months ended **March 31, 2016**



**GHARIBWAL CEMENT LIMITED**

## CONTENTS

COMPANY PROFILE -----	3
DIRECTORS' REPORT TO THE MEMBERS -----	4
CONDENSED INTERIM BALANCE SHEET -----	5
CONDENSED INTERIM PROFIT AND LOSS ACCOUNT -----	6
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME -----	7
CONDENSED INTERIM CASH FLOW STATEMENT -----	8
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY -----	9
NOTES TO THE CONDENSED FINANCIAL INFORMATION -----	10 - 11



## COMPANY PROFILE

### Board of Directors

---

Mr. Muhammad Tousif Peracha  
Chief Executive Officer - Executive Director

Mr. Abdur Rafique Khan  
Chairman - Executive Director

Mrs. Tabassum Tousif Peracha  
Non-Executive Director

Mr. Ali Rashid Khan  
Non-Executive Director

Mr. Daniyal Jawaid Paracha  
Independent Director

Ms. Amna Khan  
Non-Executive Director

Mr. Muhammad Niaz Paracha  
Non-Executive Director

Mian Nazir Ahmed Peracha  
Independent Director

Mr. Khalid Siddiq Tirmizey  
Nominated Director

### Audit Committee

---

Mian Nazir Ahmed Peracha  
Chairman

Mr. Daniyal Jawaid Paracha  
Member

Mr. Muhammad Niaz Piracha  
Member

### HRR Committee

---

Mr. Daniyal Jawaid Paracha  
Chairman

Mr. Muhammad Tousif Peracha  
Member

Mr. Ali Rashid Khan  
Member

### CFO & Company Secretary

---

Mr. Muhammad Shamail Javed ACA

### Chief Accountant

---

Mr. Farukh Naveed

### Auditors and Legal Advisors

---

Kreston Hyder Bhimji & Co  
Chartered Accountants  
Statutory Auditors

Raja Muhammad Akram  
Legal Advisors

### Bankers

---

The Bank of Punjab  
National Bank of Pakistan  
NIB Bank Limited  
Bank Islami Pakistan Limited  
Saudi Pak Industrial & Agricultural Investment Company  
The Bank of Khyber  
Faisal Bank Limited  
Silk Bank Limited  
First Credit and Investment Bank

Askari Bank Limited  
Summit Bank Limited  
Meezan Bank Limited  
Allied Bank Limited  
Habib Bank Limited  
MCB Bank Limited  
United Bank Limited  
Bank Alhabib Limited  
Standard Chartered Bank Limited

### Addresses

---

**Head Office**  
28-B/III, Gulberg-III, Lahore, Pakistan  
UAN (0092 42) 111 210 310  
Fax (0092 42) 35871039, 35871059  
Email: info@gharibwalcement.com  
Website: www.gharibwalcement.com

**Factory**  
Ismailwal, Tehsil Pind Dadan Khan,  
District Chakwal, Pakistan

## DIRECTORS' REPORT TO THE MEMBERS

The directors of your Company are pleased to present the un-audited condensed interim financial information for the nine months ended March 31, 2016.

Your Company's sales volume increased by 7% YoY for the period under review, which resulted in an increase in net sales value by 7%. Cost of sales also reduced due to decrease in fuel prices together with cost reduction measures taken by the management. As a result, your Company posted a growth of 44% in its gross profit compared with the corresponding period.

Summary of the financial results is given below:

		Nine months ended March			
		2016	2015	Increase	% Increase
Despatch	Ton	<b>1,083,184</b>	1,016,954	66,230	7%
Net sales	Million Rupees	<b>7,460</b>	6,942	519	7%
Gross profit	Million Rupees	<b>2,747</b>	1,911	836	44%
Profit before taxation	Million Rupees	<b>2,210</b>	1,260	949	75%
Profit after taxation	Million Rupees	<b>1,584</b>	833	750	90%
Earnings per share	Rupees	<b>3.96</b>	2.08	1.87	90%

The Company earned profit before tax of Rs. 2,210 million (2015: Rs. 1,260 million) and profit after tax of Rs. 1,584 million (2015: Rs. 833 million) showing increase of 90% YoY. Company's earnings per share stood at Rs. 3.96 for the period.

Two main BMR projects of the Company i.e. Waste Heat Recovery and Down Hill Conveyor Belt are also in progress and expected to complete as per schedule. We feel that government spending on mega projects including CPEC will further boost local dispatches in coming years which will help the company to maintain its growth in future.

We express our gratitude for the continuous support and cooperation of our bankers and financial institutions, our dealers and customers, and other stakeholders having business relations with us. We also appreciate the loyalty, dedication and hard work of all our staff. At the end, we thank our shareholders for their confidence and faith that they have always reposed in us.

For and on behalf of Board of Directors



**MUHAMMAD TOUSIF PERACHA**  
Chief Executive Officer

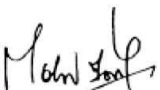
April 18, 2016

# CONDENSED INTERIM BALANCE SHEET

AS AT MARCH 31, 2016

	Note	Un-Audited 31-03-2016 (Rupees in 000s)	Audited 30-06-2015
<b>ASSETS</b>			
<b>NON CURRENT ASSETS</b>			
Property, plant and equipments	5	14,345,117	13,722,670
Intangible assets		3,872	4,834
Long term deposits		85,696	85,696
		<b>14,434,685</b>	13,813,200
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		783,340	812,526
Stock in trade		536,526	624,954
Trade debtors		391,828	240,255
Advances, deposits and prepayments	6	524,367	176,066
Cash and bank balances	7	551,100	178,699
		<b>2,787,161</b>	2,032,500
Non current assets held for sale	5.2	-	37,904
		<b>17,221,846</b>	15,883,604
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Authorized capital 470 million ordinary shares of Rs. 10 each		4,700,000	4,700,000
Issued, subscribed and paid up capital		4,002,740	4,002,739
Retained Earnings		1,158,647	43,127
		<b>5,161,387</b>	4,045,866
Surplus on revaluation of property, plant and equipments		3,642,803	3,435,857
		<b>8,804,190</b>	7,481,723
<b>NON CURRENT LIABILITIES</b>			
Long term borrowings	8	2,146,617	1,486,323
Liability against asset subject to finance lease		2,698	3,297
Deferred taxation		1,337,447	1,409,499
Employees' retirement benefits		95,400	116,772
Deferred markup and profit		1,279,342	1,102,250
		<b>4,861,504</b>	4,118,141
<b>CURRENT LIABILITIES</b>			
Trade and other payable		1,450,017	1,466,913
Unclaimed dividend		318,157	-
Markup and profit payable		205,726	653,721
Short term borrowings	8	-	137,847
Current portion of non current liabilities		325,440	966,189
Taxes and duties payable		1,256,812	1,059,070
		<b>3,556,152</b>	4,283,740
<b>COMMITMENTS AND CONTIGENCIES</b>			
	9		
		<b>17,221,846</b>	15,883,604

The annexed notes form an integral part of this condensed interim financial information.

  
Chief Executive Officer

  
Director

## CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

Note	Nine months ended March		3rd Quarter ended March	
	2016	2015	2016	2015
	(Rupees in 000s)			
Net sales	7,460,127	6,941,527	2,553,875	2,415,072
Cost of sales	(4,712,971)	(5,030,045)	(1,532,456)	(1,928,629)
<b>Gross profit</b>	<b>2,747,156</b>	1,911,482	<b>1,021,419</b>	486,443
Administration and general expenses	(237,803)	(178,440)	(59,937)	(49,428)
Selling and distribution expenses	(14,613)	(16,151)	(6,181)	(6,391)
Other operating expenses	(143,505)	(67,366)	(72,838)	(18,874)
<b>Operating profit</b>	<b>2,351,235</b>	1,649,525	<b>882,463</b>	411,750
Other income	105,283	1,374	7,103	838
Finance cost	(246,942)	(390,789)	(75,660)	(97,028)
<b>Profit before taxation</b>	<b>2,209,576</b>	1,260,110	<b>813,906</b>	315,560
Taxation	(625,853)	(426,698)	(253,994)	(109,949)
<b>Profit after taxation</b>	<b>1,583,723</b>	833,412	<b>559,912</b>	205,611

(Rupees)

<b>Basic / Diluted Earnings per share</b>	<b>3.96</b>	2.08	<b>1.40</b>	0.51
---	-------------	------	-------------	------

The annexed notes form an integral part of this condensed interim financial information.

  
 Chief Executive Officer

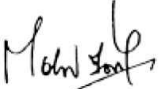
  
 Director

## CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Nine months ended March		3rd Quarter ended March	
	2016	2015	2016	2015
	(Rupees in 000s)			
Profit after taxation	<b>1,583,723</b>	833,412	<b>559,912</b>	205,611
Other Comprehensive Income	-	-	-	-
Total comprehensive income	<b>1,583,723</b>	833,412	<b>559,912</b>	205,611

The annexed notes form an integral part of this condensed interim financial information.

  
Chief Executive Officer

  
Director



## CONDENSED INTERIM CASH FLOW STATEMENT (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

Nine months ended March  
2016                      2015  
(Rupees in 000s)

### CASH FLOW FROM OPERATING ACTIVITIES

Profit before taxation	2,209,576	1,260,110
Depreciation and amortization	495,328	504,946
Finance cost	246,942	390,789
Other income	(105,283)	(1,374)
Provision for impairment of store items	30,000	-
Provision for employees' retirement benefits	5,106	16,155
Profit on disposal of fixed assets	(60)	-
	<b>672,033</b>	<b>910,516</b>
Operating profit before working capital changes	<b>2,881,609</b>	<b>2,170,626</b>
Net change in working capital		
Stores, spares and loose tools	(814)	(360,360)
Stock in trade	88,428	575,479
Trade debtors	(151,573)	59,469
Advances, deposits and prepayments	(107,782)	(208,696)
Trade and other payable	(51,666)	(645,898)
Taxes and duties	(119,687)	(268,230)
Long term deposits	-	(278)
	<b>(343,095)</b>	<b>(848,514)</b>
Cash inflow from operation	<b>2,538,514</b>	<b>1,322,112</b>
Income tax paid	(75,980)	(81,056)
Employees retirement benefits	(26,478)	(7,052)
Finance cost paid	(343,262)	(264,765)
<b>Net cash inflow from operating activities</b>	<b>2,092,794</b>	<b>969,239</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditures	(1,081,302)	(312,291)
Short term advance to an associated company	(236,510)	-
Proceeds on disposal of fixed asset	2,453	-
<b>Net cash outflow in investing activities</b>	<b>(1,315,358)</b>	<b>(312,291)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Redemption of redeemable capital	(27,434)	(195,340)
Repayment of long term borrowings	(470,668)	(188,234)
Proceeds from long term borrowings	438,747	-
Repayment of directors' loan	(62,997)	(250,000)
Repayment of Finance leases	(428)	4,675
Net change in Short term borrowings	-	(12)
Dividend paid	(282,254)	-
Cash outflow in financing activities	<b>(405,035)</b>	<b>(628,911)</b>
<b>Net decrease in cash and cash equivalent</b>	<b>372,401</b>	<b>28,037</b>
<b>Cash and cash equivalent</b>		
at the beginning of the period	<b>178,699</b>	<b>32,964</b>
at the close of the period	<b>551,100</b>	<b>61,001</b>

The annexed notes form an integral part of this condensed interim financial information.



Chief Executive Officer



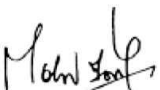
Director

## CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

	Share Capital	General Reserves	Retained Earnings	Total
	(Rupees in 000s)			
Balance as at June 30, 2014	4,002,739	332,000	(1,752,184)	2,582,555
Total comprehensive income for 9 months ended March 31, 2015	-	-	834,566	834,566
Incremental depreciation on surplus on property, plant and equipment (net of deferred tax)	-	-	135,651	135,651
Balance as at March 31, 2015	4,002,739	332,000	(781,967)	3,552,772
Total comprehensive income for 3 months ended June 30, 2015	-	-	447,878	447,878
General reserves transferred to retained earnings	-	(332,000)	332,000	-
Incremental depreciation on surplus on property, plant and equipment (net of deferred tax)	-	-	45,216	45,216
Balance as at June 30, 2015	4,002,739	-	43,127	4,045,866
Total comprehensive income for 9 months ended March 31, 2016	-	-	1,583,723	1,583,723
Interim cash dividend for the year ending June 30, 2016	-	-	(600,411)	(600,411)
Incremental depreciation on surplus on property, plant and equipment (net of deferred tax)	-	-	132,208	132,208
<b>Balance as at March 31, 2016</b>	<b>4,002,739</b>	<b>-</b>	<b>1,158,647</b>	<b>5,161,386</b>

The annexed notes form an integral part of this condensed interim financial information.

  
 Chief Executive Officer

  
 Director

# NOTES TO THE CONDENSED FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

## 1 LEGAL STATUS AND OPERATIONS

The Company was incorporated in Pakistan on December 29, 1960 as a Public Limited Company; its shares are quoted on Karachi and Lahore Stock Exchanges. It is principally engaged in production and sale of cement. The registered office of the Company is situated at 28-B/3, Gulberg III, Lahore.

## 2 STATEMENT OF COMPLAINE

This condensed interim financial information is un-audited and has been prepared in accordance with International Financial Reporting standard 'IAS-34 - Interim Financial Reporting' and should be read in conjunction with the Annual Financial Report for the year ended June 30, 2015. This information is being submitted to the shareholders as required by Section 245 of the Companies Ordinance, 1984.

## 3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in preparation of financial statements of the company for the year ended June 30, 2015.

## 4 SIGNIFICANT ESTIMATES

The preparation of this condensed interim financial information requires management to make judgements, estimates and assumptions that effected the application of accounting policies and the reported amounts of assets, liabilities, income and expenses and related disclosures at the date of the financial information. Actual results may differ from those estimates. In preparing the condensed interim financial information, the significant judgements made by management in applying accounting policies, key estimates and uncertainty includes:

- depreciation method, residual values and useful life of depreciable assets;
- taxation;
- staff retirement benefits;


	Note	Un-Audited 31-03-2016 (Rupees in 000s)	Audited 30-06-2015
<b>5. PROPERTY, PLANT AND EQUIPMENT</b>			
Operating fixed assets	5.1	<b>12,156,497</b>	12,558,974
Capital work in progress		<b>2,188,621</b>	1,163,696
		<b>14,345,117</b>	13,722,670
<b>5.1 OPERATING FIXED ASSETS</b>			
Book value - opening balance		<b>12,558,974</b>	13,007,938
Additions during the period/year	5.2	<b>94,281</b>	194,952
Disposals during the period/year		<b>(2,392)</b>	-
Transferred from capital work in progress		-	35,423
		<b>12,650,863</b>	13,238,313
Depreciation for the period/year		<b>(494,366)</b>	(679,339)
Book value - closing balance		<b>12,156,497</b>	12,558,974

- 5.2** This includes a piece of land situated in Lahore which was previously classified as non current assets held for sales. Now the management of the Company has decided to use this piece of land for the Company's business purpose. Accordingly this piece of land was transferred to operating fixed assets during the current period.

## NOTES TO THE CONDENSED FINANCIAL INFORMATION (UN-AUDITED)

FOR THE NINE MONTHS ENDED MARCH 31, 2016

6. This includes an unsecured advance including accrued markup thereupon amounting to Rs. 240.519 million (2015: Nil) given to Balochistan Glass Limited (an associated company) under the authority of special resolution passed by the members of the Company as required by section 208 of the Companies Ordinance, 1984. This advance carries markup at average borrowing cost of the Company plus 1% p.a.
7. This includes TDR of Rs. 200 million with a commercial bank carrying markup @ 6.1 p.a.
8. National Bank of Pakistan has restructured its debts w.e.f. 01-10-2015. Principal is to be repaid in 40 unequal quarterly installments from 31-10-2015 to 31-03-2025. Markup accrued till 30-09-2015 is to be paid in 40 unequal quarterly installment from 31-10-2015 to 31-03-2025. Markup rate has also been revised from 3 months KIBOR + 0% p.a. to 3 months KIBOR + 1% p.a. w.e.f. 01-10-2015. Provision for accrued markup amounting to Rs. 72 million has been reversed as a result of this restructuring; and this has been included in other income.
9. There is no significant change in the status of contingencies and commitments as reported in the annual financial statements of the company for the year ended June 30, 2015.
10. There are no significant transactions, other than those disclosed in this interim financial information, with related parties during the period under review.
11. The condensed interim financial information has been approved by the Board of Directors for issue on April 18, 2016.
12. Corresponding figures have been regrouped wherever required; however no material regrouping has been made. Figures in this information are rounded off to nearest thousand rupees.

  
Chief Executive Officer

  
Director



[www.gharibwalcement.com](http://www.gharibwalcement.com)

28-B/III, Gulberg III, P.O. Box: 1285, Lahore.  
UAN: 042-111-210-310 Fax: 042-35871039 & 59  
E-mail: [info@gharibwalcement.com](mailto:info@gharibwalcement.com)