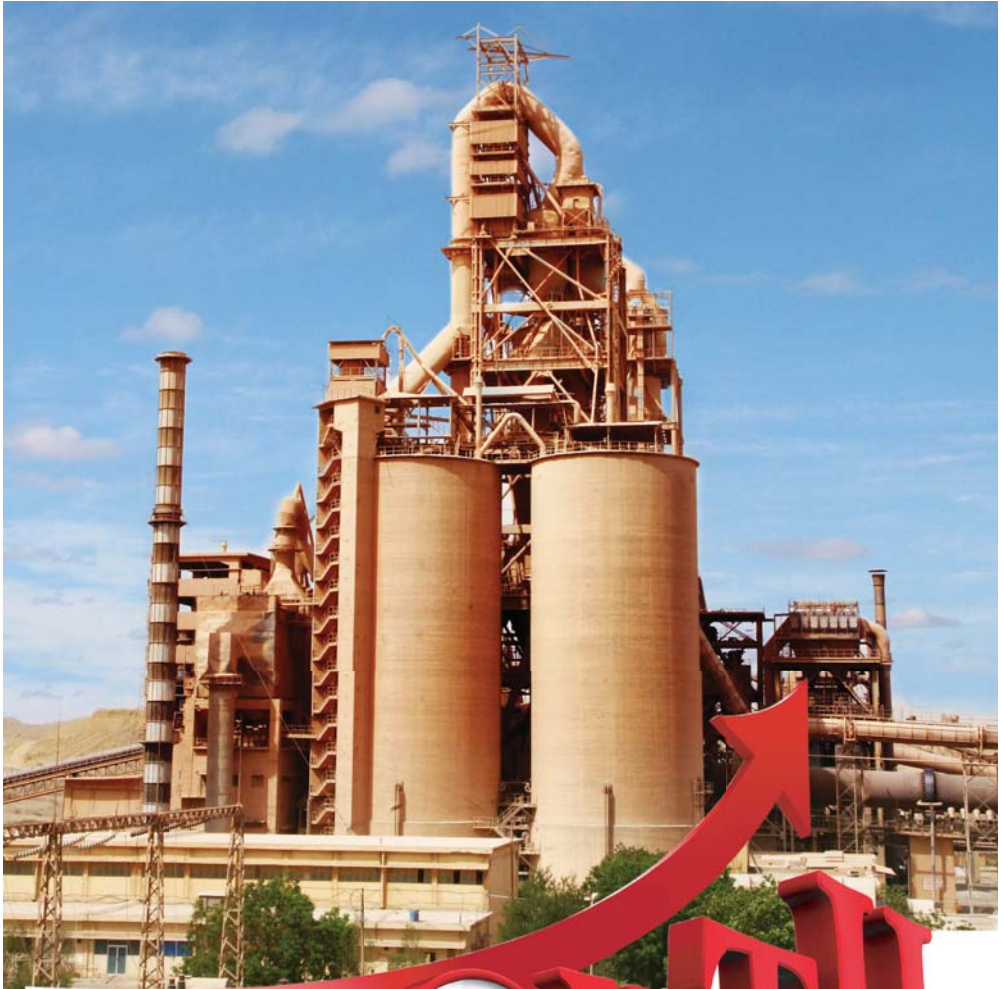


Half Yearly Report December 31, 2016



GROWTH


W I T H P R O G R E S S





Contents

Company Information	02
Directors' Review	06
Auditors' Report to the Members on Review of Interim Financial Information	09
Condensed Interim Balance Sheet	12
Condensed Interim Profit and Loss Account	13
Condensed Interim Statement of Cash Flows	14
Condensed Interim Statement of Changes in Equity	15
Selected Notes to the Condensed Interim Financial Information	16
Directors' Review (الرد)	24





Company Information

Board of Directors

Laith G. Pharaon - Chairman
Wael G. Pharaon
Shuaib A. Malik
Sajid Nawaz
Abdus Sattar
Agha Sher Shah
Babar Bashir Nawaz

Chief Executive

Babar Bashir Nawaz

Audit Committee of the Board

Abdus Sattar	Chairman
Shuaib A. Malik	Member
Agha Sher Shah	Member

HR & Remuneration Committee

Shuaib A. Malik	Chairman
Abdus Sattar	Member
Babar Bashir Nawaz	Member

Company Secretary

Irfan Amanullah

Bankers

The Bank of Punjab Limited
Allied Bank Limited
MCB Bank Limited
Askari Bank Limited
United Bank Limited
NIB Bank Limited
Bank Al-Habib Limited
Meezan Bank Limited
National Bank of Pakistan Limited
Habib Bank Limited
Samba Bank Limited
Dubai Islamic Bank limited
Faysal Bank Limited

**Auditors**

A.F. Ferguson & Co.
Chartered Accountants

Cost Auditors

Naveed Zafar Ashfaq Jaffery & Co.
Chartered Accountants

Registered Office

D - 70, Block-4, Kehkashan-5
Clifton, Karachi-75600
Tel: (92-21) 35309773-4
UAN: (92-21) 111 17 17 17
Fax: (92-21) 35309775
Email: acpl@attockcement.com
Website: www.attockcement.com

Plant

Hub Chowki, Lasbella
Baluchistan

Legal Advisor

Sattar & Sattar
Attorneys at Law

Share Registrar

Technology Trade (Pvt) Limited
Dagia House, 241 - C, Block - 2, PECHS
Off: Shahrah-e-Quaideen, Karachi.
Tel: (92-21) 34391316 - 17
Fax: (92-21) 34391318

DIRECTORS' REVIEW



Directors' Review

The Directors are pleased to announce the results of the Company for the half year ended December 31, 2016.

Operational & Financial Review

Production and sales figures for the half year ended December 31, 2016 are as follows:

	July-Dec. 2016	July-Dec. 2015
	----- Tons -----	
Clinker Production	936,716	924,052
Cement Production	1,038,727	904,972
Cement Dispatch - Local	734,400	623,631
- Export	293,443	283,984
	1,027,843	907,615
Clinker- Exports	-	5,964
Total Dispatches	1,027,843	913,579
Clinker Capacity Utilization	108%	106%

During the half year under review the Company achieved 108% of its clinker production capacity as both the lines continued to operate at their original rated capacity.

Industry Review

During the first half of fiscal year 2016-2017, the local market witnessed a very healthy double digit growth of 11% owing to lower interest rates & inflation, improved law and order situation, positive economic indicators and commencement of work on mega projects across the country. Since the industry has been heavily shifted to meet the local demand, exports are declined by 4% as compared to corresponding period. Further the stiff competition amongst the regional players, availability of excess capacities and trade and non trade barriers imposed in few of the regional countries also affected the export sales. The net overall increase in dispatches has been recorded at 9% in the first half of 2016-17.

Sales Review

During the period under review, the overall cement dispatches of the company increased by 120,228 M Tons (13%) as compared to same period last year mainly due to increase in local sales. Local sales increased by 18% whereas export sales increased by 3%. The dispatch performance is well above the overall industry benchmark.

Financial Review

The net sales revenue for the first six months of the current year improved by Rs. 832 million (13%) due to higher dispatches made during the period. Production cost per ton of cement sold decreased by Rs. 313 (7%) due to lower input costs and higher efficiencies achieved because of sustained plant operations. However, since August 2016, the coal prices in the international market have shown a sharp increase and FOB prices have jumped up from US\$ 63 to US\$ 83 per ton. Since then management as a prudent practice is continuously maintaining coal inventory equivalent of at least two months' consumption therefore the current margins, if compared with same period do not truly reflect this significant increase in cost equation. However, on quarter to quarter basis the margins are showing weaknesses. Higher sales, improved efficiencies and prudent management of coal inventory has contributed positively towards margins and overall gross and operating margins increased from 35% and 25% respectively to 39% and 29%. As a result the company recorded a net profit after tax of Rs. 1,378 million higher by 20% as compared to same period last year.

Board of Directors

During the period under review no casual vacancy occurred. However, subsequent to the period a casual vacancy occurred due to sad demise of the honorable Chairman / Director Dr. Ghaith R. Pharaon on January 6, 2017.

Progress on Projects

Installation of New Production Line

As earlier informed to the share holders, the company is installing a new production line of 1.2 million tons capacity at its existing site. Majority of plant and machinery has arrived at site and work on civil, mechanical and electrical infrastructure / installation is now at its full swing.

Cement Grinding Unit in Basra, Iraq

As apprised earlier, a limited liability company by the name of "Saqr Al Keetan For Cement Production Company Limited" has been formed under Iraqi Laws, which is a subsidiary of the company.

The work on the project has been commenced and it is expected that the letter of credit will be established shortly.

Future Outlook

It is anticipated that current demand pattern will remain in short to medium term due to initiation of CPEC related projects and other infrastructure related jobs currently being carried out across the country by both the Federal and Provincial Governments. As anticipated, the announcement of new capacities is surfacing and by 2020 the total cement capacity of the country may reach to around 70 million tons as against current capacity of 46 million tons. If the demand pattern continues at its current levels, the new capacities will be absorbed as and when arrival basis otherwise the market may face excess supply situation in the future.

The more than expected surge in coal prices in international markets is affecting the margins. Your company is trying to minimize this affect of increase to a certain extent through efficient buying of coal & carry prudent inventory, making positive changes in sales mix and by improving plant operations.

Acknowledgement

The Board, on behalf of all the directors, shareholders and employees of the Company, would like to keep on record its sincere gratitude to respected Chairman Attock Oil Group of Companies, Dr. Ghaith R. Pharaon who breathed his last on January 06, 2017. It was his vision, guidance, trust and confidence which enabled a moderate business set up to become one of the leading business groups of the country and thereby contributing significantly towards economic development of the country. May Allah rest him in eternal peace and give fortitude and courage to his family to bear this loss. Aameen

On behalf of the Board



BABAR BASHIR NAWAZ
Director & Chief Executive

January 27, 2017
Rawalpindi, Pakistan

AUDITORS' REPORT TO THE MEMBERS
on Review of Interim Financial Information



Auditors' Report to the Members on Review of Interim Financial Information

Introduction

We have reviewed the accompanying condensed interim balance sheet of Attock Cement Pakistan Limited as at December 31, 2016 and the related condensed interim profit and loss account, condensed interim cash flow statement and condensed interim statement of changes in equity together with the notes forming part thereof for the half year then ended (here-in-after referred to 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. The figures of the condensed interim profit and loss account for the quarters ended December 31, 2016 and 2015 have not been reviewed, as we are required to review only the cumulative figures for the half year ended December 31, 2016.

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 as of and for the half year ended December 31, 2016 is not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.



Chartered Accountants

Karachi

Date: February 23, 2017

Name of Engagement Partner: Farrukh Rehman



CONDENSED INTERIM FINANCIAL INFORMATION
Half Yearly Report December 31, 2016



Condensed Interim Balance Sheet

as at December 31, 2016

	Note	(Unaudited) December 31, 2016	(Audited) June 30, 2016
-----Rupees '000-----			
ASSETS			
Non-current assets			
Fixed assets - property, plant and equipment	5	12,764,009	7,140,508
Long-term investment		4,500	4,500
Long-term loans and advances - considered good	6	40,123	41,538
Long-term deposits	7	42,980	42,980
		<u>12,851,612</u>	<u>7,229,526</u>
Current assets			
Stores, spares and loose tools	8	1,219,295	1,317,012
Stock-in-trade		444,877	599,753
Trade debts - considered good		247,094	211,112
Loans and advances - considered good		69,261	81,935
Short-term deposits and prepayments	9	52,351	17,518
Investments - at fair value through profit or loss		-	4,273,362
Other receivables	10	94,971	114,864
Taxation - payments less provision		14,625	-
Refunds due from government - Sales tax		311,814	-
Cash and bank balances	11	325,674	581,318
		<u>2,779,962</u>	<u>7,196,874</u>
Total assets		<u>15,631,574</u>	<u>14,426,400</u>
EQUITY AND LIABILITIES			
Share capital and reserves			
Share capital		1,145,225	1,145,225
Unappropriated profit		9,248,116	9,301,618
		<u>10,393,341</u>	<u>10,446,843</u>
LIABILITIES			
Non-current liabilities			
Liability against assets subject to finance lease		2,065	4,029
Deferred taxation		799,816	809,516
Retirement benefits - obligations		402,223	425,333
		<u>1,204,104</u>	<u>1,238,878</u>
Current liabilities			
Trade and other payables		3,322,038	2,680,056
Current maturity of liability against assets subject to finance lease		3,927	3,927
Taxation - provision less payments		-	56,696
Short term borrowings - from banks	12	708,164	-
		<u>4,034,129</u>	<u>2,740,679</u>
Total liabilities		<u>5,238,233</u>	<u>3,979,557</u>
Contingency and commitments	13		
Total equity and liabilities		<u>15,631,574</u>	<u>14,426,400</u>

The annexed notes 1 to 23 form an integral part of these financial statements.



Babar Bashir Nawaz
Chief Executive




Abdus Sattar
Director


Condensed Interim Profit and Loss Account

For the half year ended December 31, 2016 - Unaudited

	Note	Quarter ended		Half year ended	
		December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015
-----Rupees '000-----					
Net sales	14	3,869,737	3,530,971	7,228,732	6,396,595
Cost of sales		(2,420,165)	(2,282,096)	(4,384,082)	(4,154,797)
Gross Profit		1,449,572	1,248,875	2,844,650	2,241,798
Distribution costs	15	(252,376)	(300,580)	(526,112)	(490,185)
Administrative expenses		(104,911)	(94,708)	(209,799)	(191,840)
Other expenses	16	(77,904)	(61,267)	(151,904)	(117,267)
Other income	17	42,752	61,895	103,936	149,727
Profit from operations		1,057,133	854,215	2,060,771	1,592,233
Finance cost		(6,653)	(5,096)	(16,442)	(11,727)
Profit before taxation		1,050,480	849,119	2,044,329	1,580,506
Taxation	18	(363,300)	(177,685)	(666,300)	(427,685)
Profit after taxation		687,180	671,434	1,378,029	1,152,821
Other comprehensive income		-	-	-	-
Total comprehensive income		687,180	671,434	1,378,029	1,152,821
Earnings per share (Rupees)		6.00	5.86	12.03	10.07

The annexed notes 1 to 23 form an integral part of these financial statements.


Babar Bashir Nawaz
 Chief Executive


Abdus Sattar
 Director

Condensed Interim Statement of Cash Flows

For the half year ended December 31, 2016 - Unaudited

	Note	December 31, 2016	December 31, 2015
-----Rupees '000-----			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	19	2,780,110	1,776,874
Finance cost paid		(16,442)	(11,727)
Income tax paid		(747,321)	(521,426)
Increase in long-term loans and advances		1,415	15,908
Retirement benefit obligations paid		(65,995)	(64,665)
Net cash from operating activities		1,951,767	1,194,964
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure incurred		(5,840,943)	(147,992)
Proceeds from disposal of operating assets		2,178	3,272
Purchase of open ended mutual fund units		(2,498,310)	(3,829,731)
Proceeds from sale of open ended mutual fund units		6,844,342	3,622,377
Dividend received from open ended mutual funds units		-	2,367
Interest received		8,564	11,815
Net cash used in investing activities		(1,484,169)	(337,892)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividend paid		(1,429,442)	(1,200,884)
Lease rental paid		(1,964)	(1,963)
Net cash used in financing activities		(1,431,406)	(1,202,847)
Net decrease in cash and cash equivalents		(963,808)	(345,775)
Cash and cash equivalents at beginning of the period		581,318	858,698
Cash and cash equivalents at end of the period	20	(382,490)	512,923

The annexed notes 1 to 23 form an integral part of these financial statements.



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

Condensed Interim Statement of Changes in Equity

For the half year ended December 31, 2016 - Unaudited

	Share capital	Unappropriated profit	Total
	-----Rupees '000-----		
Balance as at July 1, 2016	1,145,225	9,301,618	10,446,843
Final dividend for the year ended June 30, 2016 @ Rs. 12.50 per share	-	(1,431,531)	(1,431,531)
Total comprehensive income for the half year ended December 31, 2016	-	1,378,029	1,378,029
Balance as at December 31, 2016	1,145,225	9,248,116	10,393,341
Balance as at July 1, 2015	1,145,225	7,789,909	8,935,134
Final dividend for the year ended June 30, 2015 @ Rs. 10.50 per share	-	(1,202,486)	(1,202,486)
Total comprehensive income for the half year ended December 31, 2015	-	1,152,821	1,152,821
Balance as at December 31, 2015	1,145,225	7,740,244	8,885,469

The annexed notes 1 to 23 form an integral part of these financial statements.



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

1. THE COMPANY AND ITS OPERATIONS

- 1.1 The Company was incorporated in Pakistan on October 14, 1981 as a public limited company and is listed on Pakistan Stock Exchange. Its main business activity is manufacturing and sale of cement. The registered office of the Company is at D-70, Block-4, Kehkashan-5, Clifton, Karachi. The Company's cement manufacturing plant is located in Tehsil Hub, District Lasbella, Balochistan. The Company also has a representative / liaison office in Dubai, UAE, to explore business opportunities in the growing markets of Middle East and Africa.

The Company is a subsidiary of Pharaon Investment Group Limited Holding S.A.L., Lebanon.

- 1.2 The Company had entered into a Joint Venture agreement with Al Geetan Commercial Agencies, Iraq, to form a limited liability company in Iraq. The principal activity of the company will be to build and operate a cement grinding plant having production capacity of approximately 900,000 metric tons per annum. The new limited liability company has been established and registered under the Iraqi law on November 3, 2014 by the name Saqr Al-Keetan for Cement Production Company Limited having share capital of 30,000,000 Iraqi Dinar. Attock Cement Pakistan Limited will hold 60% share in the company. The expected investment of the Company in foreign subsidiary would be USD 24 million. The Company has obtained approval from State Bank of Pakistan for capital remittance however, no capital has yet been remitted.

As required under section 208 of the Companies Ordinance 1984, equity investment in Saqr Al-Keetan for Cement Production Company Limited, Basra, Iraq has been approved by the members in its Extra Ordinary General Meeting held on May 12, 2015.

- 1.3 The Company has entered into an agreement with Hefei Cement Research and Design Institute (HCRDI) for installation of new production line of 4,000 tons per day at its existing plant site. The total project cost would be approximately US\$ 130 million. The project will be financed partially through syndicate loan. The work on the project is in progress and is expected to complete by January, 2018.

2. BASIS OF PREPARATION

This condensed interim financial information of the Company for the half year ended December 31, 2016 has been prepared in accordance with the requirements of the International Accounting Standard (IAS) 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. This condensed interim financial information is being submitted to the shareholders as required by section 245 of the Companies Ordinance, 1984 and the Listing Regulations of the Pakistan Stock Exchange.

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

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

2.1 Changes in accounting standards, interpretations and pronouncements

a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant

IAS 1, 'Presentation of financial statements' aims to improve presentation and disclosure in financial reports by emphasising the importance of understandability, comparability and clarity in presentation.

The amendments provides clarification on number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals – line items specified in IAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes – confirmation that the notes do not need to be presented in a particular order.
- Other Comprehensive Income (OCI) - arising from investments accounted for under the equity method - the share of the OCI arising from equity - accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of comprehensive income.

b) Standards, interpretations and amendments to published approved accounting standards that are effective but not relevant

The new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2016 are considered not to be relevant for Company's financial statements and hence have not been detailed here.

c) Standards, interpretations and amendments to published approved accounting standards that are not yet effective but relevant

Amendments to IAS 7 - Disclosure initiative

IAS 7, 'Statement of cash flows' amendments introduce an additional disclosure that will enable users of financial statements to evaluate changes in liabilities arising from financing activities. The amendment is part of the IASB's Disclosure Initiative.

3. SIGNIFICANT ACCOUNTING POLICIES

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

4. ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANGEMENT

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affects the application of accounting policies and the reported amounts. Actual results may differ from these judgements, estimates and assumptions.

However, management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in this condensed interim financial information.

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

Judgements and estimates made by the management in the preparation of this condensed interim financial information are the same as those that were applied to financial statements as at and for the year ended June 30, 2016.

The Company's financial risk management objectives and policies are consistent with those disclosed in the financial statements as at and for the year ended June 30, 2016.

December 31, 2016	(Audited) June 30, 2016
-----Rupees '000-----	

5. FIXED ASSETS - Property, Plant and Equipment

Operating assets - note 5.1	5,244,600	5,343,479
Capital work-in-progress - note 5.2	7,013,062	1,353,300
Stores held for capital expenditures	506,347	443,729
	<u>12,764,009</u>	<u>7,140,508</u>

5.1 Additions to operating assets during the period were as follows:

	December 31, 2016	December 31, 2015
-----Rupees '000-----		
Buildings and roads on freehold land	4,704	9,108
Plant and machinery	132,772	134,029
Vehicles	17,625	8,513
Others	3,467	5,672
	<u>158,568</u>	<u>157,322</u>
Disposals during the period - Net book value	<u>1,820</u>	<u>2,158</u>
Transfer to stores during the period - Net book value	<u>39,944</u>	<u>17,584</u>

5.2 Capital work-in-progress

	December 31, 2016			June 30, 2016		
	Project - Line 3 (note 1.3)	Others	Total	Project - Line 3	Others	Total
-----Rupees '000-----						
Civil works	1,374,143	47,289	1,421,432	68,915	90,918	159,833
Plant & machinery	5,090,394	169,519	5,259,913	-	113,946	113,946
Advances to suppliers - note 5.2.1	299,483	-	299,483	1,054,414	-	1,054,414
Others	31,175	1,059	32,234	24,067	1,040	25,107
	<u>6,795,195</u>	<u>217,867</u>	<u>7,013,062</u>	<u>1,147,396</u>	<u>205,904</u>	<u>1,353,300</u>

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

5.2.1 The advances to suppliers does not carry any interest or markup arrangement.

6. LONG-TERM LOANS AND ADVANCES

These loans and advances do not carry any mark up arrangement.

7. LONG-TERM DEPOSITS

These are security deposits held with K-Electric Limited and do not carry any mark up arrangement.

8. STORES, SPARES AND LOOSE TOOLS

Stores, spares and loose tools include Rs. 515.76 million (June 30, 2016: Rs. 606.44 million) in respect of coal stock.

9. SHORT-TERM DEPOSITS AND PREPAYMENTS

These deposits and prepayments do not carry any mark up arrangement.

10. OTHER RECEIVABLES

Other receivables include Rs. 66.33 million (June 30, 2016: Rs. 63.04 million) receivable from Saqr Al - Keetan for Cement Production Company Limited. This amount represents various expenses incurred by the Company for its Iraq project.

11. CASH AND BANK BALANCES

This include current account having balance of Rs. 0.21 million (June 30, 2016: Rs. 0.45 million) maintained with Islamic Bank.

12. SHORT TERM BORROWINGS

During the period, the Company utilised short term running finance facilities available from certain conventional commercial banks. The rate of markup on such facilities is 1 month KIBOR minus 0.5% and 3 months KIBOR plus 0.25% respectively and is secured. It is payable within 180 business days of notice of demand, duly served by the lender.

13. CONTINGENCY AND COMMITMENTS

13.1 There has been no change in the status of contingency as reported in annual financial statements for the year ended June 30, 2016.

13.2 Commitments for capital expenditure outstanding as at December 31, 2016 amounted to Rs. 3,566.58 million (June 30, 2016: Rs. 6,352.25 million).

14. NET SALES

	December 31, 2016	December 31, 2015
	-----Rupees '000-----	
Gross local sales	7,602,612	6,169,207
Sales tax	(1,215,366)	(993,325)
Federal excise duty	(731,708)	(293,175)
	(1,947,074)	(1,286,500)
Commission	(168,839)	(140,725)
Net local sales	5,486,699	4,741,982
Export sales	1,742,033	1,654,613
	<u>7,228,732</u>	<u>6,396,595</u>

15. DISTRIBUTION COSTS

This includes Rs. 443.43 million (2015: Rs. 354.83 million) incurred in respect of export sales.

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

	December 31, 2016	December 31, 2015
	-----Rupees '000-----	
16. OTHER EXPENSES		
Workers' Profits Participation Fund	110,158	85,002
Workers' Welfare Fund	41,746	32,265
	<u>151,904</u>	<u>117,267</u>
17. OTHER INCOME		
Gain on sale of open ended mutual fund units (Note - 17.2)	72,670	20,187
Gain on re-measurement of fair value of open ended mutual fund units	-	93,608
Dividend from open ended mutual fund	-	2,367
Interest income on PLS savings accounts (Note - 17.1)	8,564	11,815
Exchange gain	-	6,776
Scrap sales	12,794	4,791
Others	9,908	10,183
	<u>103,936</u>	<u>149,727</u>

17.1 This profit is earned from bank accounts under mark up arrangements maintained with conventional commercial bank branches.

17.2 These amounts represent gain from mutual funds that as per their offering documents are not specifically categorised as Islamic mutual funds except Rs. Nil (2015: Rs. 0.41 million) earned on Islamic Funds.

	December 31, 2016	December 31, 2015
	-----Rupees '000-----	
18. TAXATION		
Current	676,000	460,844
Deferred	(9,700)	(33,159)
	<u>666,300</u>	<u>427,685</u>
19. CASH GENERATED FROM OPERATIONS		
Profit before taxation	2,044,329	1,580,506
Adjustments for non-cash charges and other items:		
Depreciation	215,622	212,819
Gain on disposal of fixed assets	(358)	(1,114)
Gain on sale of open ended mutual fund units	(72,670)	(20,187)
Gain on re-measurement of fair value of open ended mutual fund units	-	(93,608)
Dividend from open ended mutual fund	-	(2,367)
Interest income	(8,564)	(11,815)
Finance cost	16,442	11,727
Retirement benefit obligations	42,885	29,106
Property, plant and equipment written-off	-	68
	<u>193,357</u>	<u>124,629</u>
Profit before working capital changes	2,237,686	1,705,135

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

	December 31, 2016	December 31, 2015
	-----Rupees '000-----	
Effect on cash flow due to working capital changes		
(Increase) / decrease in current assets:		
Stores, spares and loose tools	97,717	(104,794)
Stock-in-trade	154,876	(79,446)
Trade debts	(35,982)	(90,010)
Loans and advances	12,674	2,850
Short-term deposits and prepayments	(34,833)	(31,620)
Refunds due from government - Sales tax	(311,814)	147,585
Other receivables	19,893	(35,237)
	<u>(97,469)</u>	<u>(190,672)</u>
Increase in current liabilities:		
Trade and other payables	639,893	262,411
	<u>542,424</u>	<u>71,739</u>
Cash generated from operations	<u>2,780,110</u>	<u>1,776,874</u>

20. CASH AND CASH EQUIVALENTS

In hand	259	1,143
With banks on:		
- current accounts	256,416	302,687
- savings accounts	68,999	184,093
- deposit accounts	-	25,000
	<u>325,415</u>	<u>511,780</u>
Short term borrowings	(708,164)	-
	<u>(382,490)</u>	<u>512,923</u>

Selected Notes to the Condensed Interim Financial Information

For the half year ended December 31, 2016 - Unaudited

	December 31, 2016	December 31, 2015
	-----Rupees '000-----	
21. TRANSACTIONS WITH RELATED PARTIES		
Holding Company		
Dividend paid	1,203,400	1,010,856
Recovery of expenses	500	1,000
Associated companies		
Purchase of goods	104,320	98,606
Reimbursement of expenses	1,696	2,510
Recovery of expenses	6,713	1,877
Other related parties		
Payments made to retirement benefit funds	65,994	86,265
Key management compensation		
Salaries and other short-term employee benefits	59,440	54,386
Post-employment benefits	3,087	5,428
	62,527	59,814

22. INTERIM DIVIDEND

The Board of Directors in its meeting held on January 27, 2017 declared an interim cash dividend of Rs. Nil per share (2015: Rs Nil per share) amounting to Rs. Nil (2015: Rs Nil).

23. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was approved and authorised for issue by the Board of Directors of Company on January 27, 2017.



Babar Bashir Nawaz
Chief Executive



Abdus Sattar
Director

بورڈ آف ڈائریکٹرز

زیر جائزہ مدت کے دوران عام طور پر تو کوئی جگہ خالی نہیں ہوئی ہے۔ بہر حال، بعد ازاں مورخہ 6 جنوری 2017 کو ہمارے قابل احترام چیئرمین جناب ڈاکٹر غیث آفران کو صاحب کے انتقال پر مال کی وجہ سے ایک جگہ خالی ہوئی ہے۔ مذکورہ خالی جگہ وقت کے ساتھ ہی پُر کر لی جائے گی۔

پراجیکٹ میں پیشرفت

نئی پیداواری لائن کی تنصیب

جنسٹریٹ کے حصص داران کو پہلے مطلع کیا گیا تھا کہ کمپنی 1.2 ملین پیداواری صلاحیت کی حامل نئی پیداواری لائن کی تنصیب موجودہ جگہ پر کر رہی ہے۔ اکثر پلانٹ اور مشینری سائٹ پر آچکے ہیں اور تعمیراتی کام، مینینٹینس اور الیکٹریکل کے بنیادی ڈھانچے اور انکی تنصیب کا کام زور و شور سے شروع ہے۔

سینٹ پیائی کا یونٹ بصرہ، عراق

جیسا کہ پہلے آگاہ کیا گیا تھا کہ محدود ذمہ داری (Limited Liability Company) والی کمپنی بنام سترال کینان فار سینٹ پروڈکشن کمپنی لمیٹڈ عراقی قوانین کے مطابق تشکیل پائی ہے جو کہ ہماری کمپنی کی ذیلی کمپنی ہے۔ اس پراجیکٹ پر کام شروع کر دیا گیا ہے اور یہ اندازہ ہے کہ اعتبار نامے (Letters of Credit) جلد ہی کھل جائیں گے۔

مستقبل کا ادراک

یہ اندازہ ہے کہ CPEC اور دوسرے بنیادی ڈھانچے کے متعلق پراجیکٹ پورے ملک میں وفاقی اور صوبائی سطح پر شروع ہونے سے موجودہ طلب کا خط قلیل تا درمیانی مدت میں اسی طرح برقرار رہے گا۔

جیسا تخمینہ لگایا گیا تھا کہ پیداواری صلاحیتوں میں اضافے سے متعلق جو اعلانات کئے گئے تھے ایسا نظر آ رہا ہے کہ سال 2020 تک ملکی سینٹ کی سالانہ صلاحیت 46 ملین میٹرک ٹن سے بڑھ کر تقریباً 70 ملین میٹرک ٹن تک ہو جائیگی طلب کا منظم اگر موجودہ طریقہ کار سے چلتا رہا تو اضافی پیداوار کھپ جائے گی ورنہ مستقبل میں اضافی پیداواری صلاحیت کا سامنا کرنا پڑ سکتا ہے۔

کونل کی بین الاقوامی مارکیٹ میں اندازے سے زیادہ قیمت میں اضافہ ہمارے مارجن پر اثر ڈال رہا ہے۔ آچکی کمپنی کوئلہ کی موثر خریداری جتنا طویل مدتی کے ذخیرہ، فروخت کے کس میں مثبت تبدیلی اور پلانٹ آپریشن میں بہتری کے ذریعہ قیمت میں اس طرح کے اضافہ کے اثر کو کم کرنے کے لیے کوشش کر رہی ہے۔

اعتراف

بورڈ اپنے ڈائریکٹرز، کمپنی کے حصص داران اور ملازمین کی معرفت چیئرمین انک انٹل گروپ آف کمپنیز محترم جناب ڈاکٹر غیث آفران کے لئے اپنی مخلصانہ شکرگزاری کو رقم کرنا چاہتی ہے۔ جنہوں نے آخری سائس مورخہ 6 جنوری 2017 کو لی۔ یہ انکی بصیرت، رہنمائی، اعتبار اور اعتماد تھا جس نے ایک معتدل کاروباری سیٹ اپ کو ملک کا لیڈنگ برنس گروپ بننے کا موقع فراہم کیا جو کہ ملکی معیشت کی ترقی میں اہم اثر ڈال رہا ہے۔ اللہ کریم انکو ابدی راحت عطا کرے اور انھیں کو صبر اور اس نقصان کو برداشت کرنے کا حوصلہ عطا فرمائے۔ (آئین)۔

بورڈ کی معرفت



بابریشاق

ڈائریکٹر اور چیف ایگزیکٹو

27 جنوری 2017

راولپنڈی

ڈائریکٹرز کا جائزہ

آپ کی کمپنی کے ڈائریکٹرز ممبرز ت کے ساتھ 31 دسمبر 2016 کو ختم ہونے والے ششماہی کے لئے کمپنی کے مالیاتی نتائج پیش کرتے ہیں۔

پیداوار کی اور مالیاتی جائزہ

31 دسمبر 2016 کو ختم ہونے والی ششماہی کے لئے پیداوار اور فروخت کی تفصیلات مندرجہ ذیل ہیں۔

جولائی تا دسمبر 2015	جولائی تا دسمبر 2016	
..... ٹن		
924,052	936,716	کلکٹر کی پیداوار
904,972	1,038,727	سینٹ کی پیداوار
623,631	734,400	سینٹ کی فروخت: مقامی مارکیٹ میں
283,984	293,443	سینٹ کی فروخت: بین الاقوامی مارکیٹ میں
907,615	1,027,843	
5,964	-	کلکٹر کی فروخت: بین الاقوامی مارکیٹ میں
913,579	1,027,843	مجموعی فروخت
106%	108%	کلکٹر کی پیداواری صلاحیت کا استعمال

زیر جائزہ ششماہی میں کمپنی نے اپنی صلاحیت کے مقابلہ میں 108 فی صد کلکٹر کی پیداوار حاصل کی ہے۔ دونوں پیداواری لائنیں اپنی اصل صلاحیت کے مطابق چلی ہیں۔

صنعتی جائزہ

مالیاتی سال 2016-17 کے پہلے چھ ماہ میں مقامی مارکیٹ شرح سود اور مہنگائی میں کمی، امن و امان کی بہتر صورتحال، مثبت معاشی اشارے اور میگا پروجیکٹ پر کام شروع ہونے کی وجہ سے دو عددی 11 فی صد صحیح مندرجہ کی گواہی دے رہی ہے۔ سینٹ کی صنعت بھر پور طریقے سے مقامی فروخت پر منتقل ہونے کی وجہ سے برآمدات میں گزشتہ سال کی نسبت 4 فی صد کمی ہوئی ہے۔

مزید یہ کہ علاقائی صنعتکاروں کے درمیان سخت مسابقتی مقابلہ، صلاحیتوں کے اضافی فراوانی اور تجارتی اور غیر تجارتی رکاوٹوں نے برآمدات کو متاثر کیا ہے۔ زیر جائزہ مدت کے پہلے ششماہی میں خالص مجموعی فروخت میں 9 فی صد اضافہ ریکارڈ کیا گیا ہے۔

فروخت کا جائزہ

زیر جائزہ مدت میں گزشتہ سال کی اسی مدت کے مقابلے میں خصوصی طور پر مقامی فروخت میں اضافہ کی وجہ سے مجموعی طور پر کمپنی کی سینٹ کی فروخت 120,228 میٹرک ٹن یعنی 13 فی صد بڑھ گئی ہے جسکی اہم وجہ مقامی فروخت میں اضافہ ہے۔ مقامی فروخت میں اضافہ 18 فی صد سے ہوا ہے جبکہ برآمدات میں اضافہ کی شرح 3 فی صد رہی۔ کمپنی کی فروخت کی کارکردگی انڈسٹری کی مجموعی کارکردگی کے بیچ مارک سے بھی بہتر ہے۔

مالیاتی جائزہ

موجودہ سال کے پہلے ششماہی کے دوران خالص فروخت 13 فی صد یعنی 832 ملین روپے سے بہتر ہوئی ہے۔ اندرونی لاگت میں کمی اور سینٹ کی زیادہ مقدار میں فروخت، پلانٹ کے تسلسل سے چلنے اور بہتر صلاحیتی پیداوار کی وجہ سے فی ٹن سینٹ کی پیداواری لاگت میں 7 فی صد یعنی 313 روپے کمی ہوئی ہے۔ بہر حال اگست 2016 سے بین الاقوامی مارکیٹ میں کولڈ کی قیمت میں تیز رفتار اضافہ کیے ہیں آجیے اور کولڈ کی FOB قیمت 63 ڈالر فی ٹن سے 83 ڈالر فی ٹن تک پہنچ گئی ہے۔








لہذا انتظامیہ نے محتاط انداز اختیار کرتے ہوئے دو ماہ کے کولڈ کی کھپت کی مقدار ڈنجرہ کرنے کے عمل کو برقرار رکھا ہوا ہے۔ جسکی وجہ سے موجودہ مارچن گزشتہ سال کے اسی مدت کے مقابلہ میں پیداواری لاگت کی مساوات کی مدت میں ہونے والے اس نمایاں اضافہ کی درست عکاسی نہیں کرتا ہے۔ بہر حال موجودہ سہ ماہی بمقابلہ پچھلے سہ ماہی کی بنیاد پر مارچن کمزوری ظاہر کر رہا ہے۔ اضافی فروخت، بہترین صلاحیت اور کولڈ کے ڈنجرہ کی محتاط انتظام کاری نے مارچن اور مجموعی خام اور پیداواری مارچن میں مثبت اثر ڈالا ہے۔ جسکی وجہ سے مارچن بالترتیب 35 فی صد اور 25 فی صد سے 39 فی صد اور 29 فی صد ہو گئے ہیں نتیجتاً کمپنی نے خالص منافع بعد از ٹیکس 1,378 ملین روپے کمایا ہے جو گزشتہ سال کے اسی مدت کے مقابلہ میں 20 فی صد زیادہ ہے۔



**Be aware, Be alert,
Be safe**

**Learn about investing at
www.jamapunji.pk**

Key features:

-  Licensed Entities Verification
-  Scam meter*
-  Jamapunji games*
-  Tax credit calculator*
-  Company Verification
-  Insurance & Investment Checklist
-  FAQs Answered

-  Stock trading simulator
(based on live feed from KSE)
-  Knowledge center
-  Risk profiler*
-  Financial calculator
-  Subscription to Alerts (event notifications, corporate and regulatory actions)
-  Jamapunji application for mobile device
-  Online Quizzes



Jama Punji is an Investor Education Initiative of Securities and Exchange Commission of Pakistan

 jamapunji.pk

 [@jamapunji_pk](https://twitter.com/jamapunji_pk)

*Mobile apps are also available for download for android and ios devices



Attock Cement Pakistan Limited

D-70, Block-4, Kehkashan-5 Clifton, Karachi-75600

Tel: (92-21) 35309773-4

UAN: (92-21) 111 17 17 17

Fax: (92-21) 35309775

www.attockcement.com

Email: acpl@attockcement.com