

Interim Financial Information  
September 30, 2016



PIONEER CEMENT  
LIMITED.

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## CORPORATE INFORMATION

### Board of Directors

Mr. Shafiuddin Ghani Khan (Chairman)  
 Syed Mazher Iqbal (CEO / MD)  
 Mr. Aly Khan  
 Mr. Jamal Nasim  
 Mr. Mohammad Aftab Alam  
 Mr. Rafique Dawood  
 Mirza Ali Hassan Askari  
 Shaikh Javed Elahi

### Audit Committee

Mr. Rafique Dawood (Chairman)  
 Mr. Shafiuddin Ghani Khan  
 Mr. Aly Khan  
 Mr. Jamal Nasim  
 Mr. Mohammad Aftab Alam

### HR & Remuneration Committee

Mr. Shafiuddin Ghani Khan (Chairman)  
 Syed Mazher Iqbal (CEO / MD)  
 Mr. Aly Khan  
 Mr. Mohammad Aftab Alam

### Company Secretary

Mr. Waqar Naeem

### Bankers

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

### Statutory Auditors

Grant Thornton Anjum Rahman  
 Chartered Accountants

### Cost Auditors

Ale Imran & Co  
 Chartered Accountants

### Legal Advisor

Hassan & Hassan

### Registered Office

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

### Factory

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

### Regional Offices

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

**Multan Office**  
 10-Officers Colony, Bosan Road,  
 Opp. Jinnah High School, Multan  
 Tel: +92 (61) 6510404  
 Fax: +92 (61) 6510405

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

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

### Share Registrar

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

## DIRECTORS' REPORT

The Board of Directors of your Company has the pleasure in presenting the financial results along with directors' report for the first quarter ended September 30, 2016 of the financial year ending June 2017.

### The Cement Sector

Upshots of the first quarter foretell yet another year of growth for Pakistan cement industry. During the period under review, cement sector made total dispatches of 8.98 million tons an 8.33% increase over same period last year (SPLY). This comprises 7.43 million tons of local dispatches and 1.55 million tons of exports. The sector witnessed slight increase in exports of approximate 3.03% over the corresponding period.

### Business Performance

During the first quarter under review, your Company achieved 81.90% capacity utilization and produced 408,473 tons clinker which is 109,883 tons increase over SPLY. The following table exhibits the quantitative data of production and sale for the period under review.

Particulars	First Quarter		Variance	
	2017	2016		
	----- Tons -----		%	
Production				
Clinker	408,473	298,590	109,883	36.80
Cement	301,880	289,820	12,060	4.16
Sales				
Domestic				
Cement	295,810	273,567	22,243	8.13
Clinker	101,348	-	101,348	-
Exports- Cement	1,674	14,488	(12,814)	(88.45)
Total	398,832	288,055	110,777	38.46

Total quantitative sales of cement and clinker during the period under review increased by 38.46% over 288,055 tons of cement sold in the corresponding period last year.

The domestic cement dispatch volume increased to 295,810 tons an 8.13% growth over the corresponding period. Additionally 101,348 tons of clinker was dispatched during the period under review. However, the export volumes dropped to 1,674 tons only.

### Financial Performance

The summarized financial results are given below:

Particulars	Quarter 1		Variance	
	2017	2016		
	Rs. in million			%
Net sales	2,504.15	2,002.79	501.36	25.03
Cost of sales	1,430.94	1,278.06	152.88	11.96
Gross profit	1,073.21	724.73	348.48	48.08
Operating profit	997.21	710.25	286.96	40.40
Profit after tax	702.28	431.92	270.36	62.59

Net revenue of Rs. 2,504.15 million earned during the period under review is 25.03% increase over Rs. 2,002.79 million earned in the corresponding period. This growth is mainly attributable to increase in cement dispatch by 8.13% and 101,348 tons local dispatches of clinker.

The net cost of sales per ton decreased from Rs. 4,437 to Rs. 3,588. This reduction was achieved due to declining power prices, efficient fuel consumption and economies of scale including sale of clinker.

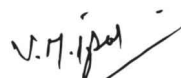
The gross profit amounting Rs. 1,073.21 million is an increase of 48.08% over same period last year. Similarly the operating profit marked a growth of Rs. 286.96 million (40.40%) over Rs. 710.25 million in SPLY. Profit after tax increased to Rs. 702.28 million vs. Rs. 431.92 million in SPLY, realizing earnings per share (EPS) of Rs. 3.09 (September 2015: Rs. 1.90).

Management expects current pace of performance to continue throughout the current financial year, particularly with the completion of waste heat recovery power plant and optimization of grinding capacity.

### Acknowledgement

The Directors' place on record their gratitude for the support received from shareholders, employees, customers, creditors, financial institutions and government authorities towards the successful operations of your Company.

On behalf of the Board



Syed Mazher Iqbal  
Chief Executive Officer

October 26, 2016  
Lahore

فروخت کی فی ٹن کل لاگت 4,437 روپے سے کم ہو کر 3,588 روپے فی ٹن تک رہی۔ یہ بہتری تیل اور بجلی کی قیمتوں میں کمی، کفایت پیمانہ اور کلنکر کی اضافی فروخت کے باعث ممکن ہوئی۔

مجموعی منافع 48.08 فی صد اضافہ کے ساتھ 1,073.21 ملین روپے رہا۔ اس کے ساتھ ساتھ پیداواری منافع میں بھی 286.96 ملین روپے کا اضافہ ہوا۔ بعد از ٹیکس منافع پچھلے سال کی پہلی سہ ماہی کے 431.92 ملین روپے کے مقابلے میں 702.28 ملین روپے رہا۔ کمپنی کی فی حصص آمدن 3.09 روپے رہی (جو کہ پچھلے سال کی پہلی سہ ماہی میں 1.90 روپے تھی)۔

کمپنی انتظامیہ پر اُمید ہے کہ ویسٹ ہیٹ ریکوری پاور پلانٹ کی تکمیل اور گرائنڈنگ کی استطاعت کے بڑھنے سے ترقی کی یہ رفتار برقرار رہے گی۔

### اعتراف

تمام ڈائریکٹرز، حصص داران، ملازمین، خرید کنندگان، مالیاتی اور حکومتی اداروں کے تہہ دل سے مشکور ہیں جن کے تعاون اور کوششوں کی بنا پر کمپنی ترقی کی راہ پر گامزن ہے۔

منجانب بورڈ

سید مظہر اقبال

ایم ڈی اور سی ای او

26 اکتوبر 2016

لاہور

## ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹران 30 ستمبر 2016 کو ختم ہونے والی مالی سال 2016-17 کی پہلی سہ ماہی کے حسابات کا جائزہ پیش کرنے پر مسرت محسوس کرتے ہیں۔

### سیمنٹ کی صنعت

پہلی سہ ماہی کے نتائج سیمنٹ کی صنعتی نمو کے ایک اور سال کی نشان دہی کرتے ہیں۔ زیر نظر عرصہ کے دوران سیمنٹ کی صنعت نے مجموعی طور پر 8.98 ملین ٹن سیمنٹ کی ترسیل کی جو کہ پچھلے سال کے اسی عرصہ کے مقابلے میں 8.33 فی صد زیادہ ہے۔ یہ ترسیلات 7.43 ملین ٹن اندرون ملک اور 1.55 ملین ٹن برآمدات پر مشتمل ہیں۔ جبکہ برآمدات کی مقدار میں پچھلے سال کی پہلی سہ ماہی کی نسبت 3.03 فی صد اضافہ ہوا۔

### کاروباری کارکردگی

مالی سال 2016-17 کی پہلی سہ ماہی کے دوران آپ کی کمپنی نے اپنی پیداواری گنجائش کا 81.90 فی صد ہدف حاصل کرتے ہوئے 408,473 ٹن کلنٹر پیدا کیا جو کہ پچھلے سال کے اسی دورانیہ کے مقابلے میں 109,883 ٹن زیادہ ہے۔

اس عرصہ کے دوران کل مقداری فروخت 398,832 ملین ٹن رہی جو کہ پچھلے سال کے اسی عرصہ کے دوران 288,055 ٹن فروخت کے مقابلے میں 38.46 فی صد زیادہ ہے۔

زیر تذکرہ عرصہ کے دوران ملکی سطح پر سیمنٹ کی ترسیل 295,810 ٹن تک بڑھ گئی جو کہ پچھلے سال کے اسی عرصہ کے مقابلے میں 8.13 فی صد زیادہ ہے۔ مزید برآں زیر غور عرصہ کے دوران 101,348 ٹن کلنٹر ایک مقامی سیمنٹ پیدا کرنے والی کمپنی کو بیچا گیا۔ تاہم برآمدات کم ہو کر 1,674 ٹن رہیں۔

### مالیاتی کارکردگی

زیر نظر عرصہ کے دوران خالص آمدنی 2,504.15 ملین روپے رہی جو کہ پچھلے سال کی پہلی سہ ماہی کے 2,002.79 ملین روپے کے مقابلے میں 25.03 فی صد زیادہ ہے۔ یہ ترقی سیمنٹ کی مقامی ترسیل میں اضافے اور 101,348 ٹن کلنٹر کی فروخت کی بدولت حاصل کی گئی۔




# CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2016

Rupees in thousand	Note	September 30, 2016 Un-audited	June 30, 2016 Audited
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property, plant and equipment	4	10,434,068	10,384,030
Investment property		68,910	68,910
Intangible assets		6,969	7,799
		10,509,947	10,460,739
Long term deposits		39,449	39,449
		10,549,396	10,500,188
<b>Current Assets</b>			
Stores, spare parts and loose tools	5	838,621	922,941
Stock in trade	6	313,536	181,319
Trade debts - unsecured, considered good		126,224	108,481
Loans and advances		104,747	35,254
Trade deposits and short term prepayments		3,135	1,991
Other receivables		625	549
Short term investments	7	2,383,146	2,356,497
Cash and bank balances	8	898,405	660,479
		4,668,439	4,267,511
<b>TOTAL ASSETS</b>		<b>15,217,835</b>	<b>14,767,699</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Share capital and reserves</b>			
Authorized share capital		3,500,000	3,500,000
Issued, subscribed and paid-up capital		2,271,489	2,271,489
Reserves		5,404,659	5,549,208
		7,676,148	7,820,697
Surplus on revaluation of fixed assets - net of tax		2,844,486	2,849,469
<b>Non Current Liabilities</b>			
Deferred liabilities		2,345,442	2,341,138
Long term deposits		4,177	4,177
		2,349,619	2,345,315
<b>Current Liabilities</b>			
Trade and other payables	9	1,955,268	939,277
Accrued interest / markup		399	442
Short term borrowings - secured	10	-	644,597
Provision for taxation - net		332,563	71,316
Sales tax payable		59,352	96,586
		2,347,582	1,752,218
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>15,217,835</b>	<b>14,767,699</b>

## CONTINGENCIES AND COMMITMENTS 11

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

  
Syed Mazher Iqbal  
Chief Executive Officer

  
Aly Khan  
Director



# CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)

Rupees in thousand	Note	September 30,	
		2016	2015
		—Un-audited—	
Sales-gross	12	3,459,112	2,531,501
Sales tax		543,583	395,079
Excise duty		397,158	116,208
Commission		14,226	17,421
		954,967	528,708
Sales-net		2,504,145	2,002,793
Cost of sales	13	1,430,935	1,278,064
Gross profit		1,073,210	724,729
Distribution cost		14,616	14,560
Administrative expenses		21,076	18,653
Other income		(34,594)	(70,146)
Other operating expenses		74,899	51,417
		75,997	14,484
Operating profit		997,213	710,245
Finance cost		1,135	7,844
Profit before taxation		996,078	702,401
Taxation		293,801	270,483
Profit after taxation		702,277	431,918
Basic and diluted earnings per share (Rs.)	14	3.09	1.90

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

  
Syed Mazher Iqbal  
Chief Executive Officer

  
Aly Khan  
Director

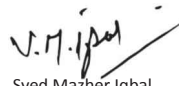
# CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)

Rupees in thousand	September 30, 2016                      2015 —Un-audited—	
<b>Profit for the period</b>	<b>702,277</b>	431,918
<b>Other comprehensive income:</b>		
Items that may be reclassified to profit and loss account	-	-
Items that will not be reclassified to profit and loss account subsequently	-	-
<b>Other comprehensive income for the period</b>	-	-
<b>Total comprehensive income for the period</b>	<b>702,277</b>	431,918

The surplus arising on revaluation of fixed assets is presented separately below equity in accordance with the requirements of Companies Ordinance 1984.

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

  
Syed Mazher Iqbal  
Chief Executive Officer


  
Aly Khan  
Director

# CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)

Rupees in thousand		September 30, 2016	2015
	Note	—Un-audited—	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	15	1,093,658	923,566
Income tax paid		(32,555)	(11,363)
Paid to Worker's Profit Participation Fund		(25,585)	(38,048)
Gratuity and Compensated absences paid		(1,294)	(1,184)
		(59,434)	(50,595)
Net cash from operating activities		1,034,224	872,971
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Capital expenditures incurred		(149,915)	(209,792)
Proceeds from disposal of fixed assets		-	1,560
Decrease in long term deposits - net		-	(10)
Increase in short term investments		-	(1,328,364)
Net cash used in investing activities		(149,915)	(1,536,606)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long term musharaka finance repaid		-	(49,587)
Short term borrowings		(644,597)	(621,174)
Finance cost paid		(1,167)	(10,098)
Dividend paid		(619)	(9)
Net cash used in financing activities		(646,383)	(680,868)
Net increase / (decrease) in cash and cash equivalents		237,926	(1,344,503)
Cash and cash equivalents at the beginning of the period		660,479	2,091,913
Cash and cash equivalents at the end of the period		898,405	747,410

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

  
Syed Mazher Iqbal  
Chief Executive Officer


  
Aly Khan  
Director

# CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)

Rupees in thousand	Issued, subscribed and paid-up capital	Reserves			Total equity
		Capital	Revenue	Sub total	
		Share premium	Accumulated profit		
Balance as at June 30, 2015 -audited	2,271,489	197,517	4,251,311	4,448,828	6,720,317
Final dividend for the year ended June 30, 2015	-	-	(908,595)	(908,595)	(908,595)
Transactions with Owners	-	-	(908,595)	(908,595)	(908,595)
Profit after taxation for the period	-	-	431,918	431,918	431,918
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	431,918	431,918	431,918
Surplus on revaluation of fixed assets realized - net	-	-	14,774	14,774	14,774
<b>Balance as at September 30, 2015 -un audited</b>	<b>2,271,489</b>	<b>197,517</b>	<b>3,789,408</b>	<b>3,986,925</b>	<b>6,258,414</b>
Balance as at June 30, 2016 - audited	2,271,489	197,517	5,351,691	5,549,208	7,820,697
Final dividend for the year ended June 30, 2016	-	-	(851,809)	(851,809)	(851,809)
Transaction with Owners	-	-	(851,809)	(851,809)	(851,809)
Profit after taxation for the period	-	-	702,277	702,277	702,277
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	702,277	702,277	702,277
Surplus on revaluation of fixed assets realized - net	-	-	4,983	4,983	4,983
<b>Balance as at September 30, 2016 -un audited</b>	<b>2,271,489</b>	<b>197,517</b>	<b>5,207,142</b>	<b>5,404,659</b>	<b>7,676,148</b>

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

  
Syed Mazher Iqbal  
Chief Executive Officer

  
Aly Khan  
Director

# NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2016 (UN-AUDITED)

## 1 LEGAL STATUS AND NATURE OF BUSINESS

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

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

## 2 STATEMENT OF COMPLIANCE

This condensed interim financial information is un-audited and is being submitted to the shareholders as required under Section 245 of the Companies Ordinance, 1984 and has been prepared in accordance with the requirements of the International Accounting Standard 34 "Interim Financial Reporting" as applicable in Pakistan. This financial information should be read in conjunction with the published annual financial statements of the Company for the year ended June 30, 2016.

## 3 SUMMARY OF ACCOUNTING POLICIES

The accounting policies adopted in the preparation of this condensed interim financial information are consistent with those followed in the preparation of the Company's annual financial statements for the year ended June 30, 2016.

Rupees in thousand		September 30, 2016	June 30, 2016
	Note	Un-audited	Audited

## 4 PROPERTY, PLANT AND EQUIPMENT

Operating property, plant and equipment	4.1	8,775,939	8,852,173
Capital work - in - progress	4.2	1,658,129	1,531,857
		<b>10,434,068</b>	<b>10,384,030</b>

### 4.1 Operating fixed assets

Opening book value		8,852,173	7,269,621
Additions and revaluation surplus			
for the period - net	4.1.1	23,643	1,962,998
Disposals during the period/year - NBV		-	(418)
Depreciation for the period/year		(99,877)	(380,028)
		<b>8,775,939</b>	<b>8,852,173</b>

Rupees in thousand	September 30, 2016 Un-audited	June 30, 2016 Audited
<b>4.1.1 Additions and revaluation surplus for the period/year - net</b>		
Factory buildings	-	48,834
Plant and machinery	4,808	25,548
Furniture and fixtures	-	1,143
Office and other equipments	480	1,530
Computers and accessories	151	2,313
Vehicles	18,204	7,141
	<b>23,643</b>	86,509
Revaluation surplus	-	1,876,489
	<b>23,643</b>	<b>1,962,998</b>
<b>4.2 Capital Work in Progress</b>		
Opening balance	1,531,857	61,052
<b>Additions</b>		
Waste heat recovery power plant	111,836	1,307,518
Other plant and machinery items	3,351	514
Factory buildings under construction	7,938	84,975
Office premises under construction	3,147	126,632
	<b>1,658,129</b>	1,580,691
Transferred to operating fixed assets	-	(48,834)
	<b>1,658,129</b>	<b>1,531,857</b>
<b>5 STORES, SPARE PARTS AND LOOSE TOOLS</b>		
Stores	356,784	292,523
Spare parts	423,602	431,961
Loose tools	8,398	6,737
	<b>788,784</b>	731,221
Spare parts in transit	93,770	235,653
Provision for slow moving stores and spare parts	(43,933)	(43,933)
	<b>838,621</b>	<b>922,941</b>
<b>6 STOCK IN TRADE</b>		
Raw material	22,793	24,200
Packing material	55,228	45,945
Work in process	202,905	92,788
Finished goods	32,610	18,386
	<b>313,536</b>	<b>181,319</b>

Rupees in thousand	September 30, 2016 Un-audited	June 30, 2016 Audited
<b>7 SHORT TERM INVESTMENTS - held for trading</b>		
ABL Government Securities Fund		
Units 116,374,534 (June 2016: 116,216,941)	1,178,967	1,167,097
UBL Government Securities Fund		
Units 8,329,120 (June 2016: 8,329,120)	889,011	878,557
Meezan Islamic Income Fund		
Units 4,437,445 (June 2016: 4,437,445)	230,614	227,552
Meezan Sovereign Fund		
Units 1,639,588 (June 2016: 1,639,588)	84,554	83,291
	2,383,146	2,356,497

**8 CASH AND BANK BALANCES**

Includes sales collection in process amounting to Rs.324.776 million (June 2016: Rs.277.786 million).

Rupees in thousand	September 30, 2016 Un-audited	June 30, 2016 Audited
<b>9 TRADE AND OTHER PAYABLES</b>		
Creditors	98,136	140,477
Accrued expenses	523,318	445,705
Advances from customers	93,601	88,769
Deposits	15,653	17,159
Retention money	14,187	10,131
Excise duty on cement	120,140	61,707
Royalty and excise duty	9,604	7,562
Withholding tax	16,579	5,731
Employees' compensated absences	18,084	17,817
Workers' Profit Participation Fund	53,541	25,583
Workers' Welfare Fund	99,711	78,502
Dividend payable	891,208	40,019
Others	1,506	115
	1,955,268	939,277

**10 SHORT TERM BORROWINGS - secured**

Meezan Bank Limited	-	644,597
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Represents Running Mushaharak/Murabaha/LC sight facility and other sublimits upto Rs.550 million in aggregate(June 2016: Rs.550 million) obtained from Meezan Bank Limited.The facility carries profit rate of 0.25 peercent plus 3 months KIBOR on the basis of Meezan Bank's average Musharaka investment determind at the time of disbursement and is payable on quarterly basis.The facility is secured against first charge over current assets of the Company with margin of 15 percent.This renewable facility will expire on December 31,2016.



## 11 CONTINGENCIES AND COMMITMENTS

- 11.1 There has been no significant change in the contingencies as disclosed in the financial statements for the year ended June 30, 2016.
- 11.2 Commitments in respect of letters of credit inclusive of capital commitments amount to Rs.447.174 million (June 30,2016 Rs.79.074 million).
- 11.3 Cheque amunting to Rs.113.724 million (2016: Rs. 113.724 million) has been issued to Commissioner Inland Revenue as a collateral against Company's petition pertaining to chargeability of Alternative Corporate Tax for Tax year 2014.
- 11.4 Contracts for capital expenditure amount to Rs.298.189 million (June 30, 2016: Rs.315.138 million).

## 12 SALES

It comprises sale of cement as well as clinker.

Rupees in thousand		September 30, 2016	2015 --Un-audited--
13	COST OF SALES		
	Raw material consumed	143,762	97,130
	Packing material consumed	117,723	124,416
	Fuel and power	1,005,664	928,053
	Stores and spare parts consumed	59,111	49,421
	Salaries, wages and benefits	99,318	78,320
	Travelling and conveyance	4,824	3,636
	Insurance	1,944	1,834
	Repairs and maintenance	15,963	20,051
	Depreciation	97,847	88,055
	Other manufacturing expenses	9,120	4,629
	<b>Total manufacturing cost</b>	<b>1,555,276</b>	<b>1,395,545</b>
	<b>Work in process</b>		
	Opening balance	92,788	202,999
	Closing balance	(202,905)	(312,017)
		(110,117)	(109,018)
	<b>Cost of goods manufactured</b>	<b>1,445,159</b>	<b>1,286,527</b>
	<b>Finished goods</b>		
	Opening balance	18,386	63,766
	Closing balance	(32,610)	(72,229)
		(14,224)	(8,463)
		<b>1,430,935</b>	<b>1,278,064</b>

## 14 EARNINGS PER SHARE - basic and diluted

Profit after taxation (Rupees in '000)	702,277	431,918
Weighted average number of ordinary shares in issue ('000')	227,149	227,149
Earnings per share -Basic and diluted - (Rs)	3.09	1.90

Rupees in thousand	September 30,	
	2016	2015
	--Un-audited--	
<b>15 CASH GENERATED FROM OPERATIONS</b>		
Profit before taxation	996,078	702,401
<b>Adjustment for non cash and other items:</b>		
Depreciation	99,877	89,769
Amortization of intangible assets	830	277
Provision for gratuity and compensated absences	5,865	5,321
Finance cost	1,135	7,844
Workers' Profit Participation Fund	53,541	37,691
Workers' Welfare Fund	21,209	13,726
Gain on disposal of property, plant and equipment	-	(1,560)
Unrealized gain on investments	(26,649)	(57,137)
	155,808	95,931
Cash flows before working capital changes	1,151,886	798,332
<b>Movement in working capital:</b>		
<b>(Increase) / decrease in current assets</b>		
Stores, spare parts and loose tools	84,320	168,128
Stock in trade	(132,217)	(104,271)
Trade debts	(17,743)	(317)
Loans and advances	(69,493)	3,035
Deposits and short term prepayments	(1,144)	(7,862)
Other receivables	(76)	(1,069)
	(136,353)	57,644
<b>Increase in current liabilities</b>		
Trade and other payables	115,359	55,132
Sales tax payable	(37,234)	12,458
Cash generated from operations	1,093,658	923,566

#### 16 TRANSACTIONS WITH RELATED PARTIES

Payments to WPPF	25,585	38,048
Staff retirement contribution plan	2,402	2,019

#### Balances:

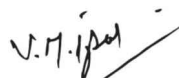
Staff provident fund receivable amounts to Rs.0.654 million (June 30, 2016: Nil)-

#### 17 DATE OF AUTHORIZATION FOR ISSUE

This interim financial information was authorized for issue on October 26, 2016 by the Board of Directors of the Company.

#### 18 GENERAL

- The figures of the corresponding period / year have been rearranged wherever necessary. However, there were no material classifications to report.
- Figures have been rounded off to the nearest thousand rupees unless otherwise stated.

  
Syed Mazher Iqbal  
Chief Executive Officer

  
Aly Khan  
Director



Head Office / Registered Office  
135 - Ferozepur Road, Lahore, Pakistan.  
Tel: +92 (042) 37503570-72 Fax: +92 (042) 37503573  
Email: [pioneer@pioneercement.com](mailto:pioneer@pioneercement.com)