



Interim Financial Information
September 30, 2017

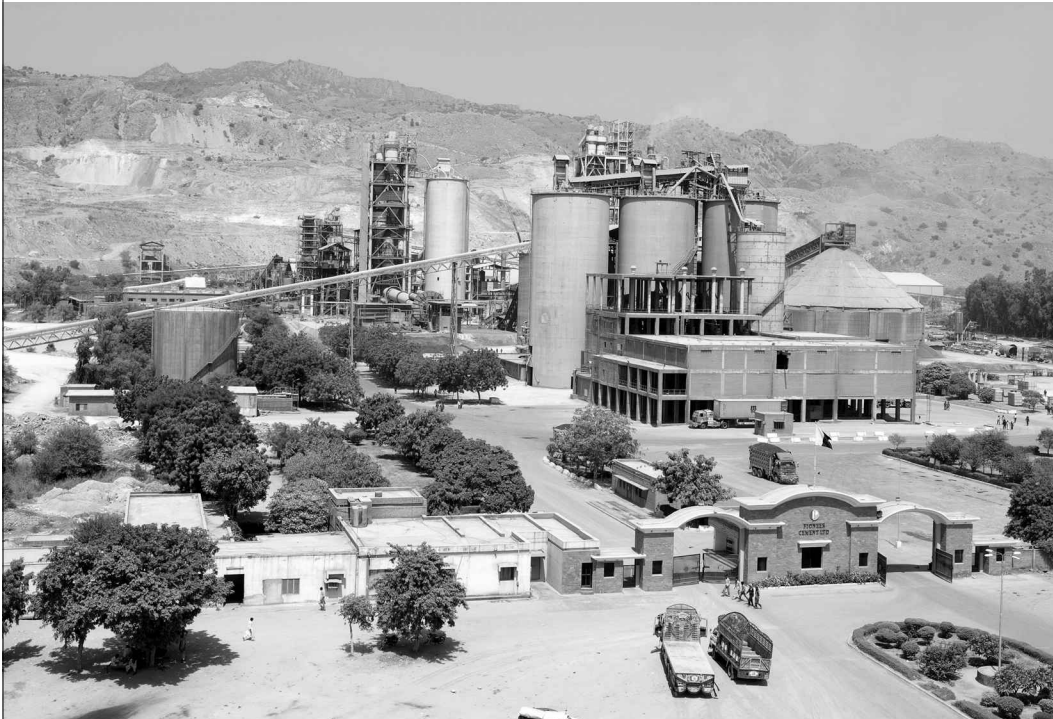


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CORPORATE INFORMATION

Board of Directors

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

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: pclkhi@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 TO THE SHAREHOLDERS

On behalf of the Board, I feel pleasure in presenting the directors' report for the quarter ended September 30, 2017.

The Cement Sector

Industry accomplished total dispatches of 10.35 million tons during the first quarter of financial year 2017-18 marking a growth of 15.29% over the corresponding period of last year. This comprised of 9.06 million tons of domestic consumption and 1.29 million tons exports as against 7.43 million tons of local and 1.55 million tons of exports respectively made during same period last year (SPLY).

Business Performance

During the quarter under review, your Company has produced 382,963 tons of clinker against 408,473 tons produced SPLY, achieving 76.78% capacity utilization. Cement grinding of 337,918 tons was a growth of 11.94% over 301,880 tons produced during the corresponding period. The following table exhibits the quantitative data of production and sale for the period under review:

Particulars	First Quarter		Variance	
	2018	2017		
	----- Tons -----		%	
Production				
Clinker	382,963	408,473	(25,510)	(6.25)
Cement	337,918	301,880	36,038	11.94
Sales				
Domestic				
Local	324,116	295,810	28,306	9.57
Export	12,740	1,674	11,066	661.05
	336,856	297,484	39,372	13.23
Clinker sale	48,614	101,348	(52,734)	(52.03)
Total	385,470	398,832	(13,362)	(3.35)

Your Company achieved 13.23% quantitative growth in overall cement dispatches comprising 324,116 tons of local sale and 12,740 tons exports, thus securing 28,306 tons and 11,066 tons of respective volumetric increase.

Clinker shipments to various local cement manufacturers shrank to 48,614 tons compared to the corresponding period's dispatches of 101,348 tons.

Financial Performance

The summarized financial results are given below:

Particulars	Quarter 1		Variance	
	2018	2017		
	-----Rs. in million-----			%
Net sales	2,421.09	2,504.15	(83.06)	(3.32)
Cost of sales	1,604.03	1,430.94	173.09	12.10
Gross profit	817.06	1,073.21	(256.15)	(23.87)
Operating profit	615.79	997.21	(381.42)	(38.25)
Profit after tax	417.22	702.28	(285.06)	(40.59)

Net sales declined to Rs. 2,421.09 million (September 30, 2016: Rs. 2,504.15 million) as a result of low prices in local market and drop in clinker sale.

The net cost of sales per ton has increased to Rs. 4,161 from Rs. 3,588 of SPLY mainly caused by the surge in coal prices in international market pushing the fuel and power cost per ton of sale up to Rs. 2,975 (September 30, 2016: Rs. 2,521). Stores and spares cost per ton also increased to Rs. 189 per ton compared to Rs. 148 per ton incurred in the corresponding period. However, packing material cost dropped from Rs. 396 per ton of cement sale to Rs. 376 per ton, during current quarter.

Caused by the factors mentioned in the preceding paragraphs, gross profit constrained to Rs. 817.06 million (September 30, 2016: Rs. 1,073.21 million) and GP margin also fell to 33.75% compared to 42.86% secured in the corresponding period. The profit after tax amounted to Rs. 417.22 million against Rs. 702.28 million of SPLY representing a drop of Rs. 285.06 million.

Subsequent to the period end, your Company signed a Non-binding Memorandum of Understanding with the major shareholders of Galadari Cement (Gulf) Limited to acquire the controlling interest of the company. Once the takeover materializes, your Company shall mark its presence in south region which has better retention prices and lower cost of production due to proximity to port bringing savings in transportation of coal.

Acknowledgement:

The Board also expresses its gratitude to all the stakeholders including but not limited to shareholders, customers, suppliers, bankers and regulators for their continuous support & trust.

For and on behalf of the board.



Syed Mazher Iqbal
Chief Executive Officer

October 23, 2017
Lahore

فروخت کی فی ٹن کل لاگت گزشتہ سال اسی عرصہ کے 3,588 روپے کے مقابلے میں 4,161 روپے فی ٹن تک بڑ گئی کیونکہ بین الاقوامی منڈی میں کونکرہ کی قیمت میں اضافہ ہوا جس کی وجہ سے ایندھن کی فی ٹن فروخت کی لاگت 2,975 روپے ہو گئی جبکہ گزشتہ سال یہ 2,521 روپے فی ٹن تھی۔ سٹورز اور سپنیر کی لاگت گزشتہ سال اسی عرصہ کے 148 روپے فی ٹن کے مقابلے میں 189 روپے فی ٹن ہو گئی۔ تاہم موجودہ سہ ماہی کے دوران پیکنگ میٹریل کی لاگت 396 روپے فی ٹن سے کم ہو کر 376 روپے فی ٹن ہو گئی۔

اوپر پیش کئے گئے عوامل کی وجہ سے مجموعی منافع گزشتہ سال کے تقابلی عرصہ میں کمائے گئے 1,073.21 ملین روپے سے کم ہو کر 817.06 ملین روپے تک محدود رہا اور جی پی مارجن بھی 33.75% رہا جو کہ گزشتہ سال اسی عرصہ میں 42.86% تھا۔ بعد از ٹیکس منافع پچھلے سال کی پہلی سہ ماہی کے 702.28 ملین روپے کے مقابلے میں 417.22 ملین روپے رہا اس طرح 285.06 ملین روپے کی کمی واقع ہوئی

اس سہ ماہی کے اختتام پر آپ کی کمپنی نے گلہ داری سینٹ (گلف) لیمیٹڈ کے بڑے حصص داران کے ساتھ کمپنی کو خریدنے کیلئے ایک مفاہمت کی یادداشت پر دستخط کئے ہیں۔ خریداری کے مراحل مکمل ہو جانے کے بعد آپ کی کمپنی جنوبی پاکستان میں بھی اپنی جگہ بنالے گی جہاں قیمت بہتر اور بندرگاہ کے قریب ہونے کی وجہ سے پیداواری لاگت کم ہے۔

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

۱۱.۱۱.۲۰

سید مظہر اقبال

چیف ایگزیکٹو آفیسر

اکتوبر ۲۳، ۲۰۱۷

ڈائریکٹرز رپورٹ

بورڈ آف ڈائریکٹرز کی جانب سے میں 30 ستمبر 2017 کو ختم ہونے والی پہلی سہ ماہی کے حسابات کا جائزہ پیش کرتے ہوئے خوشی محسوس کر رہا ہوں۔

سیمنٹ کی صنعت

مالی سال 2017-18 کی پہلی سہ ماہی کے دوران سیمنٹ کی صنعت نے 10.35 ملین ٹن سیمنٹ کی ترسیل کی جو کہ پچھلے سال کے اسی عرصہ کے مقابلے میں 15.29 فی صد زیادہ ہے۔ یہ ترسیلات 9.06 ملین ٹن اندرون ملک اور 1.29 ملین ٹن برآمدات پر مشتمل ہیں۔ جبکہ پچھلے سال کی پہلی سہ ماہی میں یہ ترسیلات 7.43 ملین ٹن اندرون ملک اور 1.55 ملین ٹن برآمدات پر مشتمل تھیں۔

کاروباری کارکردگی

زیر نظر سہ ماہی کے دوران آپ کی کمپنی نے 76.78 فی صد پیداواری صلاحیت استعمال کرتے ہوئے 382,963 ٹن کلنکر پیدا کیا جبکہ پچھلے سال کے اسی دورانیہ میں 408,473 ٹن کلنکر پیدا کیا گیا۔ سیمنٹ کی پیداوار 337,918 ٹن رہی جو کہ پچھلے سال کے 301,880 ٹن کے مقابلے میں 11.94 فی صد زیادہ ہے۔

آپ کی کمپنی نے اس عرصہ کے دوران مجموعی طور پر 324,116 ٹن مقامی منڈی میں اور 12,740 ٹن برآمدات کے ذریعے سیمنٹ کی ترسیلات کرتے ہوئے 13.23 فی صد کی مقداری ترقی کی اس طرح بالترتیب 28,306 ٹن اور 11,066 ٹن حجم میں اضافہ ہوا۔

کلنکر کی ترسیل مختلف مقامی سیمنٹ پیدا کرنے والے اداروں کو 48,614 ٹن کی سطح تک محدود رہی جبکہ پچھلے سال یہی ترسیل 101,348 ٹن تھی۔

مالیاتی کارکردگی

خالص آمدنی میں کمی کے ساتھ 2,421.09 ملین روپے رہی جبکہ گزشتہ سال اسی عرصہ میں خالص آمدنی 2,504.15 ملین روپے تھی۔ یہ کمی مقامی منڈی میں سیمنٹ کی قیمتوں کے کم ہونے اور کلنکر کی فروخت میں کمی کی بدولت ہوئی۔



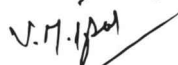
INTERIM FINANCIAL **INFORMATION**

CONDENSED INTERIM BALANCE SHEET

AS AT SEPTEMBER 30, 2017

Rupees in thousand		September 30, 2017 Un-audited	June 30, 2017 Audited
	Note		
ASSETS			
Non Current			
Fixed			
Property, plant and equipment	4	12,994,562	12,237,399
Investment property		70,836	70,836
Intangible assets		3,650	4,480
		13,069,048	12,312,715
Long term deposits		39,531	39,531
		13,108,579	12,352,246
Current			
Stores, spare parts and loose tools	5	1,640,975	1,500,779
Stock in trade	6	351,165	235,743
Trade debts - unsecured		339,187	224,828
Loans and advances		96,156	62,512
Trade deposits and short term prepayments		4,446	1,937
Other receivables		3,432	-
Advance sales tax		121,139	90,176
Short term investments	7	2,513,787	2,623,180
Advance income tax		387,206	359,748
Cash and bank balances	8	276,535	309,019
		5,734,029	5,407,922
TOTAL ASSETS		18,842,608	17,760,168
EQUITY AND LIABILITIES			
Share capital and reserves			
Authorized share capital		3,500,000	3,500,000
Issued, subscribed and paid-up share capital		2,271,489	2,271,489
Capital reserve		197,517	197,517
Revenue reserves		6,734,606	7,050,106
		9,203,612	9,519,112
Surplus on revaluation of fixed assets - net of tax		2,700,195	2,728,420
LIABILITIES			
Non Current			
Long term financing - secured	9	1,331,250	1,387,500
Long term deposits		4,202	4,202
Deferred liabilities		2,404,814	2,399,820
		3,740,265	3,791,522
Current			
Trade and other payables	10	2,048,133	754,658
Accrued markup / profit on financing		20,136	47,101
Short term borrowings - secured	11	961,517	806,855
Current portion of long term financing		168,750	112,500
		3,198,536	1,721,114
Total Liabilities		6,938,801	5,512,636
TOTAL EQUITY AND LIABILITIES		18,842,608	17,760,168
CONTINGENCIES AND COMMITMENTS			
	12		

The annexed notes from 1 to 19 form an integral part of this interim financial information.


Syed Mazher Iqbal
Chief Executive Officer


Waqar Naeem
Chief Financial Officer



Aly Khan
Director


CONDENSED INTERIM PROFIT AND LOSS ACCOUNT

FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Rupees in thousand	Note	September 30, 2017	2016
		---Un-audited---	
Sales-gross			
Cement		3,154,758	2,842,509
Clinker		289,526	616,603
		3,444,284	3,459,112
Sales tax		543,747	543,583
Excise duty		465,913	397,158
Commission		5,815	7,999
Discount & Rebate		7,715	6,227
		1,023,190	954,967
Sales-net		2,421,094	2,504,145
Cost of sales	13	1,604,034	1,430,935
Gross profit		817,060	1,073,210
Distribution cost		30,003	14,616
Administrative expenses		21,346	21,076
Other income		105,745	(34,594)
Other operating expenses		44,175	74,899
		201,269	75,997
Operating profit		615,792	997,213
Finance cost		19,749	1,135
Profit before taxation		596,042	996,078
Taxation		178,819	293,801
Profit after taxation		417,223	702,277
Earnings per share - basic and diluted (Rs.)	14	1.84	3.09

The annexed notes from 1 to 19 form an integral part of this interim financial information.


Syed Mazher Iqbal
Chief Executive Officer


Waqar Naeem
Chief Financial Officer


Aly Khan
Director

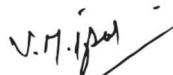
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME


FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Rupees in thousand	September 30,	
	2017	2016
	---Un-audited---	
Profit after taxation	417,223	702,277
Other comprehensive income:		
Items that may be subsequently reclassified to profit and loss account	-	-
Items that will not be reclassified to profit and loss account subsequently	-	-
Other comprehensive income for the period	-	-
Total comprehensive income for the period	417,223	702,277

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

The annexed notes from 1 to 19 form an integral part of this interim financial information.


Syed Mazher Iqbal
Chief Executive Officer


Waqar Naeem
Chief Financial Officer

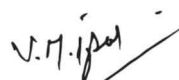

Aly Khan
Director


CONDENSED INTERIM CASH FLOW STATEMENT

FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (UN-AUDITED)

Rupees in thousand		September 30,	
	Note	2017	2016
		---Un-audited---	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	15	976,486	1,093,658
Income tax paid		(206,278)	(32,555)
Paid to Workers Profit Participation Fund		(18,554)	(25,585)
Gratuity and Compensated absences paid		(1,918)	(1,294)
		(226,750)	(59,434)
Net cash from operating activities		749,736	1,034,224
CASH FLOWS FROM INVESTING ACTIVITIES			
Capital expenditures incurred		(879,094)	(149,915)
Net cash used in investing activities		(879,094)	(149,915)
CASH FLOWS FROM FINANCING ACTIVITIES			
Short term borrowings obtained / (repaid)		154,662	(644,597)
Finance cost paid		(57,663)	(1,167)
Dividend paid		(125)	(619)
Net cash generated from / (used in) financing activities		96,874	(646,383)
Net (decrease) / increase in cash and cash equivalents		(32,484)	237,926
Cash and cash equivalents at the beginning of the period		309,019	660,479
Cash and cash equivalents at the end of the period		276,535	898,405

The annexed notes from 1 to 19 form an integral part of this interim financial information.


Syed Mazher Iqbal
Chief Executive Officer


Waqar Naeem
Chief Financial Officer



Aly Khan
Director


CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (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, 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)
Transactions 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
Balance as at September 30, 2016 - un audited	2,271,489	197,517	5,207,142	5,404,659	7,676,148
Balance as at June 30, 2017 - audited	2,271,489	197,517	7,050,106	7,247,623	9,519,112
Final dividend for the year ended June 30, 2017	-	-	(760,948)	(760,948)	(760,948)
Transaction with Owners	-	-	(760,948)	(760,948)	(760,948)
Profit after taxation for the period	-	-	417,223	417,223	417,223
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	417,223	417,223	417,223
Surplus on revaluation of fixed assets realized - net	-	-	28,226	28,226	28,226
Balance as at September 30, 2017 - un audited	2,271,489	197,517	6,734,606	6,932,123	9,203,612

The annexed notes from 1 to 19 form an integral part of this interim financial information.


Syed Mazher Iqbal
Chief Executive Officer


Waqar Naeem
Chief Financial Officer


Aly Khan
Director

NOTES TO THE CONDENSED INTERIM FINANCIAL INFORMATION

FOR THE QUARTER ENDED SEPTEMBER 30, 2017 (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 manufacturing 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.
- 1.3 The Company is in process of installing a new brown field cement plant having production capacity of approximately 8,000 tons per day supported by a 12 MW Waste Heat Recovery Power Plant. In addition, a 24 MW Coal Fired Power Plant is also being installed at the existing plant site.

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, 2017.

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, 2017.

Rupees in thousand		September 30, 2017	June 30, 2017
	Note	Un-audited	Audited
4 PROPERTY, PLANT AND EQUIPMENT			
Operating property, plant and equipment	4.1	10,292,499	10,411,469
Capital work in progress	4.2	2,702,063	1,825,930
		12,994,562	12,237,399
4.1 Operating property, plant and equipment			
Opening book value		10,411,469	8,852,173
Additions for the period / year - net	4.1.1	2,960	2,021,132
Depreciation for the period / year		(121,930)	(461,836)
		10,292,499	10,411,469

Rupees in thousand	September 30, 2017 Un-audited	June 30, 2017 Audited
4.1.1 Additions for the period/year - net		
Factory buildings	-	269,573
Plant and machinery	1,980	1,699,442
Furniture and fixtures	426	5,365
Office and other equipments	401	3,039
Computers and accessories	153	1,170
Vehicles	-	42,543
	2,960	2,021,132
4.2 Capital Work in Progress		
Opening balance	1,825,930	1,531,857
Additions during the period / year	876,133	2,181,932
Transferred to operating fixed assets during the period / year	-	(1,887,859)
	2,702,063	1,825,930
Represented by:		
Production Line- III and Coal Power Plant	1,555,533	884,441
Cement grinding capacity enhancement	662,652	560,765
Other plant and machinery items	13,048	13,008
Factory buildings under construction	147,152	55,520
Advance for purchase of vehicles	5,941	5,940
Office premises under construction	317,737	306,256
	2,702,063	1,825,930
5 STORES, SPARE PARTS AND LOOSE TOOLS		
Stores	600,843	915,445
Spare parts	544,606	505,662
Loose tools	10,254	9,915
	1,155,703	1,431,022
In transit		
Coal	302,437	-
Spare parts	226,768	113,690
	529,205	113,690
Provision for slow moving stores and spare parts	(43,933)	(43,933)
	1,640,975	1,500,779
6 STOCK IN TRADE		
Raw material	30,558	29,595
Packing material	34,074	35,249
Work in process	212,857	109,176
Finished goods	73,677	61,723
	351,165	235,743

Rupees in thousand	September 30, 2017 Un-audited	June 30, 2017 Audited
7 SHORT TERM INVESTMENTS		
Held for trading		
- Investments with Shariah compliant funds		
Meezan Islamic Fund		
Units 3,772,627 (June 30, 2017: 3,772,627.1781)	256,312	288,266
NAFA Islamic Energy Fund		
Units 11,979,804 (June 30, 2017: 11,979,804)	154,137	156,884
NAFA Islamic Stock Fund		
Units 22,920,506 (June 30, 2017: 22,920,506)	267,475	300,362
KSE Meezan Index Fund		
Units 913,849, (June 30, 2017: 913,849)	65,815	72,706
Meezan Balance Fund		
Units 10,873,817 (June 30, 2017: 10,873,817)	172,350	184,311
Meezan Assets Allocation Fund		
Units 3,427,064 (June 30, 2017: 3,427,064)	159,221	174,403
Meezan Islamic Income Fund		
Units 10,100 (June 30, 2017: 10,100)	523	519
	1,075,834	1,177,451
- Investments with conventional funds		
ABL Government Securities Fund		
Units 11,102,494 (June 30, 2017: 11,102,494)	112,619	111,225
NAFA Assets Allocation Fund		
Units 17,893,765 (June 30, 2016: 17,893,765)	282,693	305,030
NAFA Government Securities Liquid Fund		
Units 63,467,991 (June 30, 2017: 63,467,991)	653,155	644,924
NAFA Money Market Fund		
Units 39,006,958 (June 30, 2017: 39,006,958)	389,484	384,550
	1,437,952	1,445,729
	2,513,787	2,623,180

8 CASH AND BANK BALANCES

Includes sales collection in process amounting to Rs.209.097 million (June 30, 2017: Rs.192.243 million).

Rupees in thousand	Note	September 30, 2017 Un-audited	June 30, 2017 Audited
9 LONG TERM FINANCING - SECURED			
Meezan Bank Limited	9.1	900,000	900,000
Meezan Bank Limited	9.2	600,000	600,000
		1,500,000	1,500,000
Current portion		(168,750)	(112,500)
		1,331,250	1,387,500

- 9.1 Represents Diminishing Musharaka / Ijarah facility of Rs. 900 million (June 30, 2017: Rs. 900 million) obtained to finance the installation of Waste Heat Recovery Power Plant & Coal Fired Boiler at a price of 3 months KIBOR plus 1.1% per annum for a tenure of five years including grace period of one year with quarterly rental frequency. The facility is secured by creation of specific hypothecation charge over Waste Heat Recovery Power Plant and Coal Fired Boiler of the Company amounting to Rs. 1,000 million.

- 9.2 The Company has obtained Diminishing Musharaka / Ijarah facility of Rs. 600 million (June 30, 2017: Rs. 600 million) for cement grinding capacity enhancement project at a price of 3 months KIBOR plus 1.1%. The facility is secured by creation of specific hypothecation charge over complete cement grinding capacity enhancement project of Rs. 650 million. The facility is re-payable in five years including a grace period of one year on quarterly / semi annually basis.

Rupees in thousand		September 30, 2017	June 30, 2017
	Note	Un-audited	Audited
10	TRADE AND OTHER PAYABLES		
	Creditors	657,480	262,119
	Accrued expenses	205,583	171,712
	Advances from customers	88,117	51,886
	Dividend payable	814,008	53,185
	Deposits	15,671	15,628
	Retention money	41,408	34,045
	Excise duty on cement	47,498	19,190
	Royalty and excise duty	11,333	10,464
	Withholding tax	13,538	6,916
	Employees' compensated absences	23,049	22,764
	Workers' Profit Participation Fund	32,011	18,554
	Workers' Welfare Fund	98,037	85,872
	Others	401	2,323
		2,048,133	754,658
11	SHORT TERM BORROWINGS - secured		
	Allied Bank Limited-Cash finance	256,917	280,935
	Meezan Bank Ltd-Running Musharakah	313,599	525,920
	National Bank of Pakistan-Running finance 11.1	391,001	-
		961,517	806,855

- 11.1 During the period, the Company has obtained a Running finance facility amounting to Rs. 500 million. The facility is secured against ranking charge over current assets of the Company with 25% margin which shall subsequently be upgraded to first pari passu charge. This carries markup at the rate of 3 months KIBOR + 0.10% per annum payable on quarterly basis. This facility also has a Letter of Credit - sublimit of Rs. 500 million to import coal, stores and machinery parts. This facility expires on June 30, 2018.

12 CONTINGENCIES AND COMMITMENTS

- 12.1 There has been no significant change in the contingencies as disclosed in the financial statements for the year ended June 30, 2017.
- 12.2 Commitments in respect of letters of credit inclusive of capital commitments amounting to Rs.16,076.457 million (June 30, 2017 Rs.9,455.458 million). It includes commitments against the letter of credits established for the import of new cement plant and coal fire power plant.

Rupees in thousand	September 30,	
	2017	2016
	---Un-audited---	
13 COST OF SALES		
Raw material consumed	141,321	143,762
Packing material consumed	126,555	117,723
Fuel and power	1,146,677	1,005,664
Stores and spare parts consumed	72,817	59,111
Salaries, wages and benefits	106,398	99,318
Travelling and conveyance	-	4,824
Insurance	2,171	1,944
Repairs and maintenance	13,603	15,963
Depreciation	101,217	97,847
Other manufacturing expenses	8,909	9,120
Total manufacturing cost	1,719,668	1,555,276
Work in process		
Opening balance	109,176	92,788
Closing balance	(212,857)	(202,905)
	(103,680)	(110,117)
Cost of goods manufactured	1,615,988	1,445,159
Finished goods		
Opening balance	61,723	18,386
Closing balance	(73,677)	(32,610)
	(11,954)	(14,224)
	1,604,034	1,430,935
14 EARNINGS PER SHARE - basic and diluted		
Profit after taxation (Rupees in '000)	417,223	702,277
Weighted average number of ordinary shares in issue ('000')	227,149	227,149
Earnings per share -basic and diluted - (Rs)	1.84	3.09

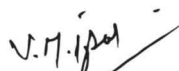
Rupees in thousand	September 30,	
	2017	2016
	---Un-audited---	
15 CASH GENERATED FROM OPERATIONS		
Profit before taxation	596,042	996,078
Adjustment for non cash and other items:		
Depreciation	121,930	99,877
Amortization of intangibles	830	830
Provision for gratuity and compensated absences	7,198	5,865
Finance cost	30,699	1,135
Workers' Profit Participation Fund	32,011	53,541
Workers' Welfare Fund	12,164	21,209
Unrealized gain on investments	109,393	(26,649)
	314,225	155,808
Cash flows before working capital changes	910,267	1,151,886
Movement in working capital:		
(Increase) / decrease in current assets		
Stores, spare parts and loose tools	(140,196)	84,320
Stock in trade	(115,422)	(132,217)
Trade debts	(114,359)	(17,743)
Loans and advances	(33,644)	(69,493)
Deposits and short term prepayments	(2,509)	(1,144)
Other receivables	(3,432)	(76)
	(409,563)	(136,353)
Increase / (decrease) in current liabilities		
Trade and other payables	506,745	115,359
Advance sales tax	(30,963)	(37,234)
Cash generated from operations	976,486	1,093,658
16 TRANSACTIONS WITH RELATED PARTIES		
Payments to WPPF	18,554	25,585
Staff retirement contribution plan	2,688	2,402
Balances:		
Staff provident fund receivable amounts to Rs. 2.374 million (June 30, 2017: nil).		
17 DATE OF AUTHORIZATION FOR ISSUE		
This interim financial information was authorized for issue on October 23, 2017 by the Board of Directors of the Company.		

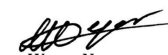
18 SUBSEQUENT EVENTS

In October 2017, the Company has signed a non binding Memorandum of Understanding with major shareholders of Galadari Cement (Gulf) Limited (GCGL) to acquire the controlling interest of GCGL.

19 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


Waqar Naeem
Chief Financial Officer


Aly Khan
Director

Notes -----

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WWW.PIONEERCEMENT.COM



Head Office

135-Ferozepur Road, Lahore, Pakistan.

Phone (+92-42) 37503570-72

pioneer@pioneerement.com

Factory

P.B. No. 50, Jouharabad,

District Khushab, Pakistan.

factory@pioneerement.com