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**(Un-Audited)
Condensed Interim Financial Information
for the first quarter ended
September 30, 2017**



GHARIBWAL CEMENT LIMITED

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COMPANY INFORMATION

Mr. Muhammad Tousif Peracha
Chief Executive Officer - Executive Director

Mr. Abdur Rafique Khan
Executive Director

Mrs. Tabassum Tousif Peracha
Non - Executive Director

Mr. Ali Rashid Khan
Non - Executive Director

Ms. Amna Khan
Non - Executive Director

Mian Nazir Ahmed Peracha
Independent Director

Mr. Daniyal Jawaid Paracha ACA
Independent Director

Mr. Muhammad Niaz Paracha
Non - Executive Director

Mr. Abdul Shoeb Piracha
Director Commercial

Mr. Qaseem Nametullah Siddiqi
Executive Director Operation

Syed Firasat Abbas
General Manager Plant

Mr. Muhammad Shamail Javed FCA
Chief Financial Officer & Company Secretary

Mr. Iqbal Ahmed Rizvi FCA
General Manager Taxation

Rana Muhammad Ijaz
General Manager Marketing

Lt. Col (R) Syed Iftikhar Ali
General Manager Administration

Mr. Farukh Naveed ACA
Financial Controller

Mr. Muhammad Tahir
Costing, Budgeting and Planning

Mr. Hassan Mahdi ACA CIA
Chief Internal Auditor

BOARD OF DIRECTORS



KEY EXECUTIVE MANAGEMENT

AUDITORS & 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
Summit Bank Limited
Pak China Investment Company
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
Meezan Bank Limited
Allied Bank Limited
Habib Bank Limited
MCB Bank Limited
United Bank Limited
Bank Al Habib Limited



DIRECTORS' REPORT TO THE MEMBERS

The directors of your Company are pleased to present the un-audited condensed interim financial information for the 1st quarter ended September 30, 2017.

Your Company's net sales revenue increased by 8% mainly because of increase in cement sales volume by 37%. Cost of production increased due to hike in fuel prices for the period along with planned shutdown of kiln for maintenance during July 2017. This caused gross profit to decline by 23% YoY for the period.

Summary of the financial results is given below:

		1st Quarter ended September 30			
		2017	2016	Increase	% Increase
Cement Despatch	Ton	421,501	306,753	114,748	37%
Clinker Despatch	Ton	-	94,237	(94,237)	-100%
Net sales	Million Rupees	2,692	2,488	204	8%
Gross profit	Million Rupees	647	846	(199)	-23%
EBITDA	Million Rupees	735	847	(112)	-13%
Profit before taxation	Million Rupees	423	629	(206)	-33%
Profit after taxation	Million Rupees	302	444	(142)	-32%
Earnings per share	Rupees	0.75	1.11	(0.36)	-32%

At bottom, the Company earned profit after tax amounting to Rs. 302 million and earnings per share reported at Re. 0.75.

New cement mill of 250TPH is expected to come into operation by December 2017. We foresee that there will be sufficient cement demand in the local market and the Company will be able to improve its financial results in future periods.

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

Lahore : October 26, 2017

CONDENSED INTERIM STATEMENT OF FINANCIAL POSITION (UN-AUDITED)

AS AT SEPTEMBER 30, 2017

	Un-Audited 30-09-17	Audited 30-06-17
Note	(Rupees in 000s)	
ASSETS		
NON CURRENT ASSETS		
Property, plant and equipment	18,875,183	18,677,798
Intangible asset	3,948	2,268
Long term loans and deposits	87,535	87,535
	18,966,666	18,767,601
CURRENT ASSETS		
Stores, spares and loose tools	1,056,098	1,133,278
Stock in trade	222,937	624,850
Trade debts	553,728	509,006
Advances, deposits, and other receivables	555,441	456,698
Short Term Investments	20,000	20,000
Cash and bank balances	142,994	103,632
	2,551,198	2,847,464
TOTAL ASSETS	21,517,864	21,615,065
EQUITY AND LIABILITIES		
SHARE CAPITAL AND RESERVES		
Authorized capital		
470,000,000 ordinary shares of Rs. 10 each	4,700,000	4,700,000
Issued, subscribed and paid up capital	4,002,739	4,002,739
Retained earnings	4,348,524	4,004,397
Revaluation Surplus on Property, Plant and Equipment	3,331,579	3,373,909
	11,682,842	11,381,045
NON CURRENT LIABILITIES		
Long term borrowings	3,533,453	3,674,294
Liabilities against assets subject to finance lease	1,334	1,539
Deferred taxation	2,298,686	2,190,311
Employees' retirement benefits	84,695	85,170
	5,918,168	5,951,314
CURRENT LIABILITIES		
Trade and other payables	2,095,104	2,676,233
Markup and profit payable	81,354	61,048
Current portion of non-current liabilities	927,155	830,375
Taxes and duties payable	813,241	715,050
	3,916,854	4,282,706
CONTINGENCIES AND COMMITMENTS		
TOTAL EQUITY AND LIABILITIES	21,517,864	21,615,065



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF PROFIT AND LOSS ACCOUNT (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Un-Audited
1st QTR ended
30-09-2017

Un-Audited
1st QTR ended
30-09-2016

(Rupees in 000s)

Net Sales	2,691,671	2,487,968
Cost of sales	(2,044,325)	(1,642,034)
Gross Profit	647,346	845,934
General and administrative expenses	(99,113)	(109,095)
Selling and distribution expenses	(5,297)	(7,604)
Other expenses	(31,359)	(44,800)
Profit from operations	511,577	684,435
Other Income	7,090	5,189
Finance cost	(95,601)	(60,621)
Profit before taxation	423,066	629,003
Taxation	(121,269)	(184,711)
Profit after taxation	301,797	444,292

(Rupees)

Earnings per share (basic & diluted)	0.75	1.11
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Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Un-Audited 1st QTR ended 30-09-2017	Un-Audited 1st QTR ended 30-09-2016
	(Rupees in 000s)	
Profit after taxation for the year	301,797	444,292
Other Comprehensive Income		
Total comprehensive income for the year	<u>301,797</u>	<u>444,292</u>



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CASH FLOW (UN-AUDITED)

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

Un-Audited
1st QTR ended
30-09-2017

Un-Audited
1st QTR ended
30-09-2016

(Rupees in 000s)

CASH FLOW FROM OPERATING ACTIVITIES

Net profit before taxation	423,066	629,003
Adjustment for non-cash and other items:		
Depreciation and amortization	223,093	162,287
Finance cost	95,601	60,621
Other Income	(6,062)	(5,189)
	312,633	217,719
Operating profit before working capital changes	735,699	846,722
Changes in working capital:		
Stores, spares and loose tools	77,180	(82,094)
Stock in trade	401,913	(100,082)
Trade debts	(44,722)	(115,999)
Advance, deposits and other receivables	(92,681)	7,305
Trade and other payables	(391,145)	93,379
Long term deposits	(2,001)	(22)
Taxes & duties	200,361	189,115
	148,905	(8,398)
Cash inflow from operation	884,604	838,324
Finance cost paid	(57,962)	(50,691)
Income tax paid	(115,064)	(36,535)
Net cash inflow from operating activities	711,578	751,098
CASH FLOW FROM INVESTING ACTIVITIES		
Fixed capital expenditure	(420,158)	(659,078)
Net cash outflow from investing activities	(420,158)	(659,078)
CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings	(114,453)	(49,737)
Proceeds of long term borrowings	53,060	11,250
Payment of finance lease	(205)	(202)
Dividend paid	(190,460)	-
Net cash outflow from financing activities	(252,058)	(38,689)
Net (decreased)/increase in cash and cash equivalents	39,362	53,331
Cash and cash equivalents at beginning of the year	123,632	489,096
Cash and cash equivalents at end of the year	162,994	542,427



Chief Executive Officer



Chief Financial Officer



Director

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)
FOR THE QUARTER ENDED SEPTEMBER 30, 2017

	Share Capital	Retained Earnings	Revaluation Surplus	Total
(Rupees in 000s)				
Balance as at June 30, 2016	4,002,739	2,559,381	3,508,947	10,071,067
Total Comprehensive income for the 1st quarter ended September 30, 2016	-	444,292	-	444,292
Final cash dividend @ 10% for the year ending June 30, 2016	-	(400,274)	-	(400,274)
Realization of revaluation surplus on PPE through depreciation (net of deferred tax)	-	42,937	(42,937)	-
Balance as at September 30, 2016	4,002,739	2,646,336	3,466,010	10,115,085
Interim cash dividend @ 15% for the year ended June 30, 2017	-	(600,411)	-	(600,411)
Total Comprehensive income for the nine months ended June 30, 2017	-	1,829,498	36,873	1,866,371
Realization of revaluation surplus on PPE through depreciation (net of deferred tax)	-	128,974	(128,974)	-
Balance as at June 30, 2017	4,002,739	4,004,397	3,373,909	11,381,045
Total Comprehensive income for the 1st quarter ended September 30, 2017	-	301,797	-	301,797
Realization of revaluation surplus on PPE through depreciation (net of deferred tax)	-	42,330	(42,330)	-
Balance as at September 30, 2017	4,002,739	4,348,524	3,331,579	11,682,842


Chief Executive Officer


Chief Financial Officer


Director

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

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

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 Pakistan Stock Exchange. 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 COMPLAINEE

These condensed interim financial statements are un-audited and have 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, 2017. These are being submitted to the shareholders as required by Section 237 of the Companies Act, 2017.

3 STATEMENT OF CONSISTENCY IN ACCOUNTING POLICIES

The accounting policies and methods of computation adopted for the preparation of these condensed interim financial statements are the same as those applied in preparation of financial statements for the year ended June 30, 2017.

4 SIGNIFICANT ESTIMATES

The preparation of these condensed interim financial statements 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 financial statements. Actual results may differ from those estimates. In preparing these condensed interim financial statements, 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 30-09-16 (Rupees in 000s)	Audited 30-06-16
5 PROPERTY, PLANT AND EQUIPMENT			
Operating fixed assets	5.1	16,864,876	16,978,605
Capital work in progress		2,010,307	1,699,193
		<u>18,875,183</u>	<u>18,677,798</u>
5.1 Reconciliation of Operating Fixed Assets			
Opening balance		16,978,605	12,410,237
Additions during the the period/year		109,043	530,513
Deletions during the period/year		-	(287)
Transferred from capital work in progress		-	4,750,966
		<u>17,087,648</u>	<u>17,691,429</u>
Depreciation for the period/year		(222,773)	(712,824)
Closing balance		<u>16,864,876</u>	<u>16,978,605</u>

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

FOR THE QUARTER ENDED SEPTEMBER 30, 2017

- 7 There is no material change in the contingent liabilities of the Company since the last annual balance sheet date.
- 8 There was no significant transaction with the related parties during the period.
- 9 The figures have been rounded off to the nearest of thousand rupees.
- 10 These un-audited condensed interim financial statements are authorized for issue by the Board of directors of the Company on October 26, 2017



Chief Executive Officer



Chief Financial Officer



Director

ڈائریکٹرز کی رپورٹ

کمپنی کے ڈائریکٹرز 30 ستمبر 2017ء کے اختتام پر پہلی سہ ماہی کی غیر آڈٹ شدہ مختصر عبوری مالیاتی معلومات بخوشی پیش کرتے ہیں۔
زیر جائزہ مدت میں کمپنی کی خالص فروخت میں 8 فیصد اضافہ ہوا جسکی بنیادی وجہ سیمینٹ کی فروخت کے حجم میں 37 فیصد اضافہ ہے۔ کونکے کی قیمت اور دیگر مقررہ اخراجات میں اضافہ اور جولائی 2017ء میں رکن کی منصوبہ بندی کے تحت مرمت کے لیے بندش کی وجہ سے مجموعی منافع میں 23 فیصد کمی ہوئی ہے۔

مالیاتی نتائج کا خلاصہ درج ذیل ہے۔

فیصد	پہلی سہ ماہی مورخہ 30 ستمبر		ٹن	ٹن	
	2016	2017			
37%	114,748	306,753	421,501		سیمینٹ ترسیل
-100%	(94,237)	94,237	-		کلنک ترسیل
8%	204	2,488	2,692		خالص فروخت
-23%	(199)	846	647		مجموعی منافع
-13%	(112)	847	735		ٹیکس انٹرسٹ اور فرسودگی سے قبل منافع
-33%	(206)	629	423		ٹیکس سے قبل منافع
-32%	(142)	444	302		ٹیکس کے بعد منافع
-32%	(0.36)	1.11	0.75		فی شیئر منافع

کمپنی نے بعد از ٹیکس 302 ملین روپے کمایا ہے۔ فی شیئر آمدن اس مدت میں 0.75 روپیہ ہے۔

نئی 250 TPH سیمینٹ مل دسمبر 2017ء تک پیداوار دینا شروع کر دے گی۔ امید ہے کہ آنے والی مدت میں سیمینٹ کی مانگ میں اضافہ ہوگا اور کمپنی کے مالی نتائج میں مزید بہتری آئے گی۔

ہم مسلسل حمایت اور تعاون کے لیے ہمارے بنکوں اور دوسرے مالیاتی اداروں، ڈیلروں اور گاہکوں اور دیگر اسٹیک ہولڈرز جن کا ہمارے ساتھ کاروباری تعلق ہے، دل کی گہرائیوں سے شکریہ ادا کرتے ہیں۔ ہمارے تمام عملے کی وابستگی، لگن اور محنت بھی دلی تعریف کے لائق ہے۔

آخر میں معزز اراکین ہم آپ کے اس اعتماد اور یقین کے دل کی گہرائیوں سے ممنون ہیں جو آپ نے ہمیشہ سے ہم پر کیا۔

منجانب بورڈ آف ڈائریکٹرز



محمد قاسم رازا

چیف ایگزیکٹو آفیسر

لاہور

26 اکتوبر 2017ء

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