



# A FUTURE OF PROMISE

Half Yearly Report  
December 31, twenty 16



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## Contents

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Company Information	02
Directors` Report	03
Auditor`s Report	08
Unconsolidated Condensed Interim Balance Sheet	09
Unconsolidated Condensed Interim Profit and Loss Account	10
Unconsolidated Condensed Interim Cash Flow Statement	11
Unconsolidated Condensed Interim Statement of Changes in Equity	12
Notes to the Unconsolidated Condensed Interim Financial Statements	13
Condensed Interim Consolidated Balance Sheet	21
Condensed Interim Consolidated Profit and Loss Account	22
Condensed Interim Consolidated Cash Flow Statement	23
Condensed Interim Consolidated Statement of Changes in Equity	24
Notes to the Condensed Interim Consolidated Financial Statements	25
ڈائریکٹرز چارجز	42

# COMPANY INFORMATION

BOARD OF DIRECTORS	
Muhammad Yunus Tabba – Chairman	Mariam Tabba Khan
Muhammad Ali Tabba	Zulekha Tabba Maskatiya
Muhammad Sohail Tabba	Muhammad Abid Ganatra
Jawed Yunus Tabba	Tariq Iqbal Khan
MANAGEMENT TEAM	
Chief Executive	Muhammad Ali Tabba
Executive Directors	Noman Hasan Muhammad Faisal (Chief Strategy, Finance & Investment Officer)
Chief Operating Officer	Amin Ganny
Company Secretary	Irfan Chawala
BOARD COMMITTEES	
Audit Committee	Human Resource and Remuneration Committee
Tariq Iqbal Khan – Chairman Muhammad Sohail Tabba Jawed Yunus Tabba Mariam Tabba Khan Zulekha Tabba Maskatiya Muhammad Abid Ganatra	Mariam Tabba Khan – Chairperson Muhammad Ali Tabba Muhammad Sohail Tabba Jawed Yunus Tabba Zulekha Tabba Maskatiya
Budget Committee	Shares Transfer Committee
Muhammad Sohail Tabba – Chairman Muhammad Ali Tabba Jawed Yunus Tabba Muhammad Abid Ganatra	Jawed Yunus Tabba – Chairman Mariam Tabba Khan Muhammad Abid Ganatra
BANKERS	
Allied Bank Limited Askari Bank Limited Bank Alfalah Limited Bank AL-Habib Limited Citibank N.A. Dubai Islamic Bank Pakistan Limited Habib Bank Limited Habib Metropolitan Bank Limited	Industrial and Commercial Bank of China Limited MCB Bank Limited Meezan Bank Limited National Bank of Pakistan NIB Bank Limited Standard Chartered Bank (Pakistan) Limited Summit Bank Limited United Bank Limited
AUDITORS	
External Auditors	Cost Auditors
M/s, A.F. Ferguson & Co., Chartered Accountants A member firm of the PwC network	KPMG Taseer Hadi and Co. Chartered Accountants
REGISTERED OFFICE	HEAD OFFICE
Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan	6-A, Muhammad Ali Housing Society, A.Aziz Hashim Tabba Street, Karachi – 75350 UAN: (021) 111-786-555 Website: www.lucky-cement.com Email: info@lucky-cement.com
PRODUCTION FACILITIES	SHARE REGISTRAR/TRANSFER AGENT
1. Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan 2. 58 Kilometers on Main Super Highway, Gadap Town, Karachi, Pakistan	Central Depository Company of Pakistan Limited CDC House, 99-B, Block-B, S.M.C.H.S Main Shahra-e-Faisal, Karachi, Pakistan (Toll Free): 0800 23275



## Directors' Report

The Directors of your Company have the pleasure in presenting to you the financial results of your Company which include both, stand-alone (duly reviewed by the auditors) and consolidated unaudited financial statements for the half year ended December 31, 2016.

### Overview:

Cement industry in Pakistan grew by 8.7% to 19.81 million tons during the half year ended December 31, 2016 compared to 18.23 million tons during the same period last year. While local sales volume registered a growth of 11.1% to 16.90 million tons during the half year compared to 15.21 million tons during the same period last year; export sales volume registered a decline of 3.5% to 2.91 million tons during the current half year compared to 3.02 million tons during the same period last year.

Your Company achieved an overall growth of 12.5% to 3.73 million tons during the half year compared to 3.32 million tons sold in the same period last year. While local sales volume of your Company registered a growth of 23.2% to 2.98 million tons during the current half year compared to 2.42 million tons during the same period last year; export sales volume declined by 16.3% to 0.75 million tons during the current half year compared to 0.90 million tons during the same period last year.

The EPS for the current half year was recorded at PKR 21.76 which is 12.5% higher than the same period last year's EPS of PKR 19.34.

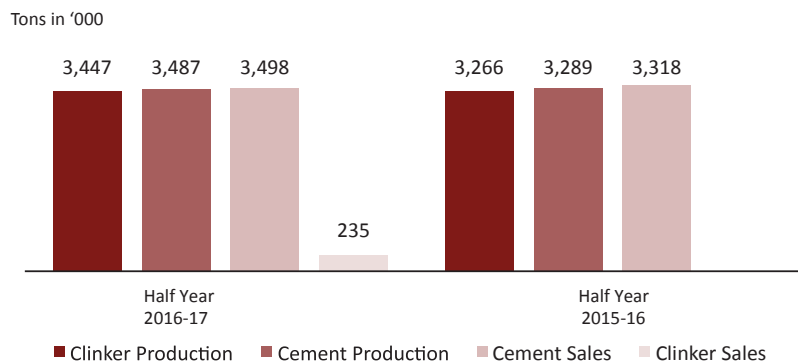
### Business Performance

#### (a) Production & Sales Volume Performance

The production and sales statistics of your Company for the half year ended 2016-17 compared to the same period last year are as follows:

Particulars	Half Year	Half Year	Growth/ (Decline) %
	2016-17	2015-16	
	Tons in '000'		
Clinker Production	3,447	3,266	5.5%
Cement Production	3,487	3,289	6.0%
Cement Sales	3,498	3,318	5.4%
Clinker Sales	235	-	100%

The production and sales volume data is graphically presented as under:



A comparison of the dispatches of the industry and your Company for the half year ended 2016-17 with the same period last year is presented below:

Particulars	Half Year 2016-17 (Tons in '000')	Half Year 2015-16	Growth / (Decline) %	
<b>Cement Industry</b>				
<u>Local Sales</u>	<b>16,895</b>	<b>15,210</b>	<b>1,685</b>	<b>11.1%</b>
<u>Export Sales</u>				
- Bagged	2,790	2,976	(186)	(6.3%)
- Loose	121	42	79	188.1%
<b>Total Exports</b>	<b>2,911</b>	<b>3,018</b>	<b>(107)</b>	<b>(3.5%)</b>
<b>Grand Total</b>	<b>19,806</b>	<b>18,228</b>	<b>1,578</b>	<b>8.7%</b>
<b>Lucky Cement</b>				
<u>Local Sales</u>				
- Cement	2,745	2,418	327	13.5%
- Clinker	235	-	235	100.0%
<b>Total Local Sales</b>	<b>2,980</b>	<b>2,418</b>	<b>562</b>	<b>23.2%</b>
<u>Export Sales</u>				
- Bagged	632	858	(226)	(26.3%)
- Loose	121	42	79	188.1%
<b>Total Exports</b>	<b>753</b>	<b>900</b>	<b>(147)</b>	<b>(16.3%)</b>
<b>Grand Total</b>	<b>3,733</b>	<b>3,318</b>	<b>415</b>	<b>12.5%</b>
<b>Market Share</b>				
	Half Year 2016-17	Half Year 2015-16	Growth / (Decline)%	
<u>Local Sales</u>	<b>17.6%</b>	<b>15.9%</b>	<b>10.7%</b>	
<u>Export Sales</u>				
- Bagged	22.7%	28.8%	(21.2%)	
- Loose	100.0%	100.0%	0.0%	
<b>Total Export</b>	<b>25.9%</b>	<b>29.8%</b>	<b>(13.1%)</b>	
<b>Grand Total</b>	<b>18.8%</b>	<b>18.2%</b>	<b>3.3%</b>	

Industry Source: APCMA website

**b. Financial Performance**

The financial performance of your Company for the half year ended 2016-17 compared to the same period last year is presented below:

Numbers in PKR million except EPS

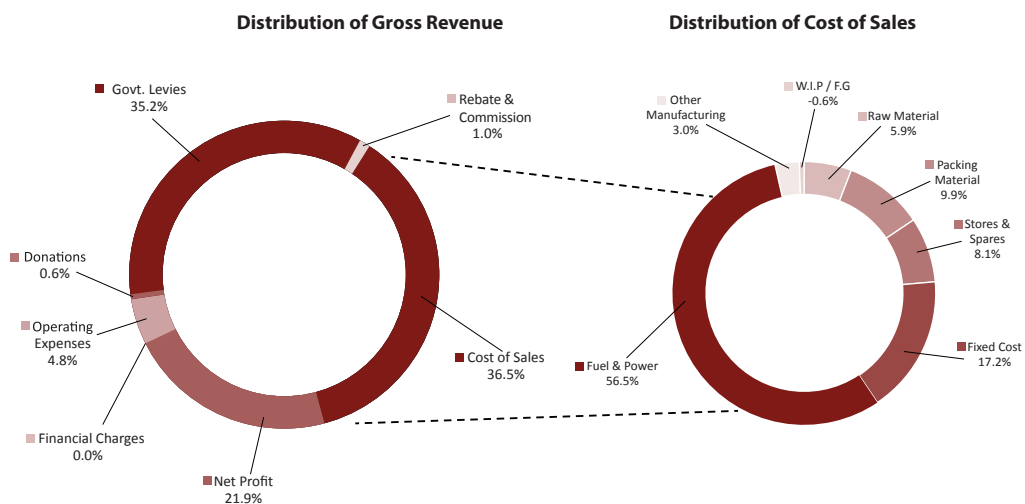
Particulars	Half Year 2016-17	Half Year 2015-16	% Change
Revenue	23,422	21,808	7.5%
GP	11,666	10,176	14.6%
OP	10,121	8,565	18.2%
EBITDA	11,424	9,819	16.4%
NP	7,037	6,255	12.5%
EPS	21.76/Share	19.34/ Share	12.5%

**Revenue**

During the half year 2016-17 under review, your Company achieved an overall net sales revenue growth of 7.5% compared to same period last year. This was mainly attributable to increase in sales volumes.

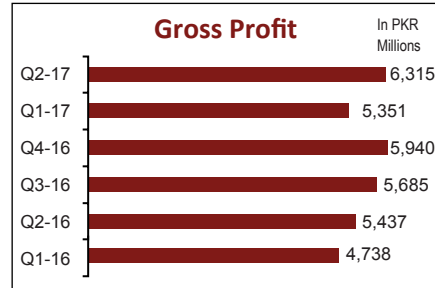
**Cost of Sales**

During the period under review, per ton cost of sales of your Company decreased by 10.0% compared to same period last year. The decrease was mainly attributable to efficient fuel mix.



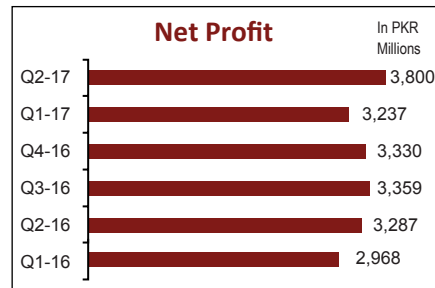
**Gross Profit**

Your Company was able to improve its gross profit margin to 49.8% for the half year under review compared to 46.7% reported during the same period last year.



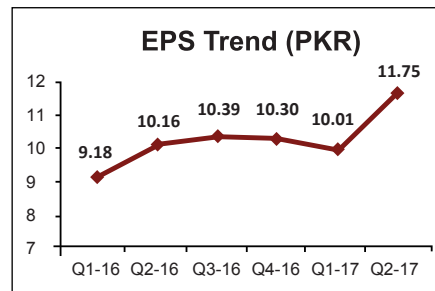
**Net Profit**

Your Company achieved profit before tax of PKR 9,906.4 million during the current half year under review compared to PKR 8,501.9 million reported during the same period last year. Similarly, after tax profit of PKR 7,037.4 million was achieved during the half year under review compared to PKR 6,254.9 million reported during the same period last year.



**Earnings per share**

The earnings per share of your Company for the half year ended December 31, 2016 was PKR 21.76 compared to PKR 19.34 reported during the same period last year.



**Projects – New and Ongoing**

**Brownfield Expansion (Installation of additional Line of 1.25 million tons per annum) at Karachi Plant**

Your company expects the new line to be operational by the end of the calendar year 2017.

**Fully integrated green field Cement Plant in Punjab Province of Pakistan – 2.3 million tons per annum**

Your Company is still in the process of seeking approvals and necessary authorizations from the Government of Punjab for commencement of this project. Construction is expected to start by the end of June 2017.

**10 MW WHR at PEZU Plant - Kiln**

The project is in testing & commissioning phase currently. It is expected to be operational by the end of January 2017.

**Investments**

**Investment in 1 x 660 MW, supercritical, coal based power project**

Your Company has executed EPC contract and finalized draft of the Power Purchase Agreement. It is currently in the process of finalizing the Implementation Agreement and long term Coal Supply Agreement with Sindh Engro Coal Mining Company (SECMC). The target to achieve financial close is May 2017 and Commercial Operation Date by June, 2020.

The consolidated unaudited financial statements of the Company for the half year ended December 31, 2016, include the net assets of LEPCL which is 100% indirectly owned subsidiary of the Company.



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### **Joint Venture Investment in Cement Plant in DR Congo – 1.18 million tons per annum**

The plant started Commercial Operations in December 2016.

The effect of 50% share of operating results as well as net assets of the DR Congo plant has been reflected in the consolidated unaudited condensed financial statements of the Company for the half year ended December 31, 2016.

### **Brown field expansion in Cement Grinding unit in Republic of Iraq – 0.871 million tons per annum**

Capacity expansion in Iraq grinding unit is expected to come online by August 2017.

### **Corporate Social Responsibility**

Your Company is fully committed in value-creation for the society it operates in. During the half year under review, your Company extended numerous scholarships for various leading universities in Pakistan, including a scholarship fund for 16 students from The Citizens Foundation (TCF) schools who are pursuing higher education after graduating from TCF Schools. Taking on the cause of empowering women in the country, Lucky Cement recently adopted two leading Government girls' schools in Karachi in collaboration with Zindagi Trust. Your Company intends to transform these government girls' schools into model campuses for the country. Your Company also donated generously for the efficient running of The Hub School and the SOS Children's Villages of Pakistan.

Ensuing its commitment of supporting quality health care projects in the country, your Company continued to extend its support to Aziz Tabba Foundation, which is one of the most prominent philanthropic institutions in Pakistan, for the running of its two premium health care institutes in the country, namely Tabba Heart Institute and Tabba Kidney Institute.

Lucky Cement also donated towards the cause of community development by supporting the CPLC, an institution responsible for the safety and security of citizens.

### **Outlook**

Your Company remains optimistic about its domestic sales volumetric growth for the current financial year. Domestic sales are anticipated to maintain the current upward momentum during the entire year as witnessed during the half year under review on the back of private and public sector construction projects as well as mega infrastructure development projects under the China–Pakistan Economic Corridor (CPEC) initiative. Your Company's strong and debt-free financial position and free cash flow generating ability would continue to support investments in projects and avenues which can bring in further operational efficiencies and enhance shareholders' value.

### **Acknowledgement**

Your directors take this opportunity to express their deep sense of gratitude for all the stakeholders for their encouragement and support.

We would like to place on record our sincere appreciation for the commitment, dedication and hard work put in by every member of the Lucky family.

And also our shareholders, who have always shown their confidence and faith in the Company.

On behalf of the Board



**MUHAMMAD YUNUS TABBA**

Chairman / Director

Karachi: January 26, 2017

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## **AUDITORS' REPORT TO THE MEMBERS ON REVIEW OF UNCONSOLIDATED CONDENSED INTERIM FINANCIAL STATEMENTS**

### **Introduction**

We have reviewed the accompanying unconsolidated condensed interim balance sheet of Lucky Cement Limited as at December 31, 2016, the related unconsolidated condensed interim profit and loss account, unconsolidated condensed interim cash flow statement and unconsolidated condensed interim statement of changes in equity and notes to the accounts for the half year then ended (here-in-after referred to as the "unconsolidated condensed interim financial statements"). Management is responsible for the preparation and presentation of these unconsolidated condensed interim financial statements in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting. Our responsibility is to express a conclusion on these unconsolidated condensed interim financial statements based on our review. The figures included in the unconsolidated condensed interim profit and loss account for the quarters ended December 31, 2016 and 2015 and the notes to the accounts 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 the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of the unconsolidated condensed interim financial statements 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 unconsolidated condensed interim financial statements are not prepared, in all material respects, in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting.

### **Other matter**

The unconsolidated financial statements of the Company for the year ended June 30, 2016 were audited by another auditor whose report dated September 1, 2016 expressed an unmodified opinion thereon and included emphasis of matter paragraphs in respect of other receivable from Hyderabad Electric Supply Company amounting to Rs 1,176.723 million and tax refund due from the Government amounting to Rs 538.812 million (as more fully explained in notes 15.2 and 16 to those financial statements respectively). Further, the unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2015 were reviewed by the same auditor whose report dated February 20, 2016 expressed an unmodified conclusion thereon and included an emphasis of matter paragraph in respect of tax refund due from the Government amounting to Rs 538.812 million.

Chartered Accountants  
Engagement Partner: **Rashid A. Jafer**  
Dated: **January 26, 2017**  
Karachi

# Unconsolidated Condensed Interim Balance Sheet

As at December 31, 2016

	Note	(Un-audited) December 31, 2016	(Audited) June 30, 2016
(PKR in'000')			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Property, plant and equipment	5	34,631,600	33,887,375
Intangible assets		101,829	126,549
		<b>34,733,429</b>	<b>34,013,924</b>
Long-term investments	6	12,572,020	12,422,020
Long-term loans and advances		88,293	75,570
Long-term deposits		3,175	3,175
		<b>47,396,917</b>	<b>46,514,689</b>
<b>CURRENT ASSETS</b>			
Stores and spares		6,113,982	5,993,969
Stock-in-trade		1,640,720	1,588,469
Trade debts		1,704,090	2,181,788
Loans and advances		455,390	447,049
Trade deposits and short-term prepayments		88,275	52,038
Accrued mark-up		146,109	125,984
Other receivables	7	1,259,993	1,274,026
Tax refunds due from the Government	8	538,812	538,812
Short term investments	9	20,211,825	400,000
Cash and bank balances		11,891,319	26,805,582
		<b>44,050,515</b>	<b>39,407,717</b>
<b>TOTAL ASSETS</b>		<b>91,447,432</b>	<b>85,922,406</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized capital		5,000,000	5,000,000
Share Capital		3,233,750	3,233,750
Reserves		69,892,754	66,089,088
		<b>73,126,504</b>	<b>69,322,838</b>
<b>NON-CURRENT LIABILITIES</b>		<b>71,126</b>	<b>70,666</b>
Long-term deposits	10	7,092,723	6,898,078
Deferred liabilities		7,163,849	6,968,744
<b>CURRENT LIABILITIES</b>		<b>8,889,344</b>	<b>8,563,850</b>
Trade and other payables		2,267,735	1,066,974
Taxation - net		11,157,079	9,630,824
		<b>18,320,928</b>	<b>16,599,568</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	11		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>91,447,432</b>	<b>85,922,406</b>

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Unconsolidated Condensed Interim Profit and Loss Account

For the half year ended December 31, 2016

	Note	Half Year Ended		Quarter Ended	
		December 31,	December 31,	December 31,	December 31,
		2016	2015	2016	2015
		(PKR in '000')		(PKR in '000')	
<b>Gross sales</b>	12	<b>31,242,508</b>	26,697,331	<b>17,193,514</b>	14,198,454
Less: Sales tax and excise duty		<b>7,460,182</b>	4,572,763	<b>4,123,836</b>	2,543,396
Rebates and commission		<b>340,652</b>	316,139	<b>194,819</b>	173,422
		<b>7,800,834</b>	4,888,902	<b>4,318,655</b>	2,716,818
Net sales		<b>23,441,674</b>	21,808,429	<b>12,874,859</b>	11,481,636
Cost of sales		<b>(11,775,513)</b>	(11,632,889)	<b>(6,559,451)</b>	(6,044,255)
<b>Gross profit</b>		<b>11,666,161</b>	10,175,540	<b>6,315,408</b>	5,437,381
Distribution cost		<b>(1,037,958)</b>	(1,030,683)	<b>(547,843)</b>	(453,748)
Administrative expenses		<b>(507,151)</b>	(579,396)	<b>(263,107)</b>	(315,762)
Finance costs		<b>(6,904)</b>	(5,607)	<b>(3,941)</b>	(2,709)
Other charges		<b>(1,156,569)</b>	(719,046)	<b>(742,706)</b>	(380,191)
Other income		<b>948,857</b>	661,176	<b>497,512</b>	302,746
<b>Profit before taxation</b>		<b>9,906,436</b>	8,501,984	<b>5,255,323</b>	4,587,717
Taxation					
-current		<b>(2,773,574)</b>	(2,035,062)	<b>(1,465,115)</b>	(1,103,598)
-deferred		<b>(95,446)</b>	(211,983)	<b>10,047</b>	(197,393)
		<b>(2,869,020)</b>	(2,247,045)	<b>(1,455,068)</b>	(1,300,991)
<b>Profit after taxation</b>		<b>7,037,416</b>	6,254,939	<b>3,800,255</b>	3,286,726
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>7,037,416</b>	6,254,939	<b>3,800,255</b>	3,286,726
			(PKR)		(PKR)
<b>Earnings per share - basic and diluted</b>		<b>21.76</b>	19.34	<b>11.75</b>	10.16

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Unconsolidated Condensed Interim Cash Flow Statement

For the half year ended December 31, 2016

	Note	December 31, 2016 (PKR in '000')	December 31, 2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Cash generated from operations	13	11,017,948	8,414,467
Finance costs paid		(6,904)	(5,607)
Income tax paid		(1,572,813)	(2,218,803)
Gratuity paid		(27,543)	(20,026)
Long-term loans and advances		(12,723)	(97,707)
Long-term deposits (liabilities)		460	1,717
<b>Net cash generated from operating activities</b>		<b>9,398,425</b>	<b>6,074,041</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(2,030,167)	(696,539)
Long Term investment		(150,000)	(1,092,000)
Sale proceeds on disposal of property, plant and equipment		16,258	9,282
Proceeds from sale of short-term investments		396,626	-
Interest received		881,512	582,217
Short term investments		(20,211,825)	(3,147,919)
<b>Net cash used in investing activities</b>		<b>(21,097,596)</b>	<b>(4,344,959)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Dividends paid		(3,215,092)	(2,755,792)
<b>Net decrease in cash and cash equivalents</b>		<b>(14,914,263)</b>	<b>(1,026,710)</b>
Cash and cash equivalents at the beginning of the period		26,805,582	16,444,622
Cash and cash equivalents at the end of the period		<b>11,891,319</b>	<b>15,417,912</b>

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Unconsolidated Condensed Interim Statement of Changes in Equity

For the half year ended December 31, 2016

	Issued, subscribed and paid up capital	Capital reserve	Revenue reserves		Total reserves	Total equity
		Share premium	General reserve	Unappropriated profit		
----- (PKR in '000') -----						
Balance as at July 1, 2015	3,233,750	7,343,422	36,304,636	12,376,962	56,025,020	59,258,770
Transfer to general reserve	-	-	9,466,587	(9,466,587)	-	-
Final dividend at the rate of PKR 9 per share for the year ended June 30, 2015	-	-	-	(2,910,375)	(2,910,375)	(2,910,375)
Total comprehensive income for the half year ended December 31, 2015	-	-	-	6,254,939	6,254,939	6,254,939
Balance as at December 31, 2015	<u>3,233,750</u>	<u>7,343,422</u>	<u>45,771,223</u>	<u>6,254,939</u>	<u>59,369,584</u>	<u>62,603,334</u>
Balance as at July 1, 2016	3,233,750	7,343,422	45,771,223	12,974,443	66,089,088	69,322,838
Transfer to general reserve	-	-	9,740,693	(9,740,693)	-	-
Final dividend at the rate of PKR 10 per share for the year ended June 30, 2016	-	-	-	(3,233,750)	(3,233,750)	(3,233,750)
Total comprehensive income for the half year ended December 31, 2016	-	-	-	7,037,416	7,037,416	7,037,416
<b>Balance as at December 31, 2016</b>	<u><b>3,233,750</b></u>	<u><b>7,343,422</b></u>	<u><b>55,511,916</b></u>	<u><b>7,037,416</b></u>	<u><b>69,892,754</b></u>	<u><b>73,126,504</b></u>

The annexed notes from 1 to 16 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

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### 1 THE COMPANY AND ITS OPERATION

- 1.1** Lucky Cement Limited (the Company) was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (the Ordinance). The shares of the Company are quoted on the Pakistan Stock Exchange. The Company has also issued Global Depository Receipts (GDRs) which are listed and traded on the Professional Securities Market of the London Stock Exchange. The principal activity of the Company is manufacturing and marketing of cement. The registered office of the Company is located at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa. The Company has production facilities at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and at Main Super Highway in Karachi, Sindh.
- 1.2** These unconsolidated condensed interim financial statements are the separate financial statements of the Company in which investments in subsidiaries have been accounted for at cost less accumulated impairment losses, if any.

### 2 STATEMENT OF COMPLIANCE

- 2.1** These unconsolidated condensed interim financial statements of the Company for the half year ended December 31, 2016 have been prepared in accordance with the approved accounting standards as applicable in Pakistan for interim financial reporting which comprise of the International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Companies Ordinance, 1984 (the Ordinance). In cases where the requirements differ, the provisions of or directives issued under the Ordinance shall prevail.
- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in an annual audited financial statements, and should be read in conjunction with the Company's annual audited financial statements for the year ended June 30, 2016.
- 2.3** The figures included in the unconsolidated condensed interim profit and loss account for the quarters ended December 31, 2016 and 2015 and in the notes forming part thereof have not been reviewed by the auditors of the Company, as they have reviewed the accumulated figures for the half years ended December 31, 2016 and 2015.

### 3 SIGNIFICANT ACCOUNTING POLICIES

- 3.1** The accounting policies and methods of computation adopted in the preparation of these unconsolidated condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2016.
- 3.2 Change in accounting standards, interpretations and amendments to published approved accounting standards**
- (a) Amendments to published approved accounting standards which are effective**
- There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2016. However, these do not have any significant impact on the Company's financial reporting and, therefore, have not been detailed in these unconsolidated condensed interim financial statements.

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

### (b) Standards and amendments to published approved accounting standards that are not yet effective

There are certain new standards and amendments to the approved accounting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2017. However, these amendments will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these unconsolidated condensed interim financial statements. Further, the new standards are yet to be adopted by the Securities and Exchange Commission of Pakistan.

### 4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANGEMENT

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

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

Judgements and estimates made by the management in the preparation of these unconsolidated condensed interim financial statements are the same as those applied in the Company's annual financial statements for the year ended June 30, 2016.

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

### 5 PROPERTY, PLANT AND EQUIPMENT

5.1 The following is the movement in property, plant and equipment during the period/year:

	Note	(Un-audited) December 31, 2016	(Audited) June 30, 2016
Opening balance of operating fixed assets with depreciated value (WDV)		33,261,489	33,734,793
Add: Additions / transfers during the period / year	5.2	490,037	2,085,894
		<b>33,751,526</b>	35,820,687
Less: Disposals during the period/year (WDV)		7,667	14,129
Depreciation charge for the period / year		1,275,047	2,545,069
Closing balance of operating fixed assets (WDV)		<b>32,468,812</b>	33,261,489
Add: Capital work-in-progress	5.3	2,162,788	625,886
		<b>34,631,600</b>	33,887,375



## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

**5.2** The following additions and disposals were made during the period in operating fixed assets:

	Additions (Cost)	Deletions (Cost)
	(PKR in '000')	
<b>Operating fixed assets</b>		
Buildings on leasehold land	71,871	-
Buildings on freehold land	50,717	-
Plant and machinery	181,358	-
Generators	64,831	19,762
Vehicles	95,640	10,645
Furniture and fixtures	2,881	-
Office equipment	9,183	-
Computer and accessories	9,620	130
Other assets (Laboratory equipment, etc.)	3,936	245
	<u>490,037</u>	<u>30,781</u>

**5.3** The following is the movement in capital work-in-progress during the period/year:

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
Note	(PKR in '000')	
Opening balance	625,886	1,284,026
Add: Additions during the period / year	2,014,086	1,367,951
	<u>2,639,972</u>	2,651,977
Less: Transferred to operating fixed assets	477,184	2,026,091
Closing balance	<u>2,162,788</u>	<u>625,886</u>

## 6 LONG-TERM INVESTMENTS - at cost

Lucky Holdings Limited	6.1	5,619,000	5,619,000
LCL Investment Holdings Limited	6.2	4,580,500	4,580,500
LCL Holdings Limited	6.3	1,761,155	1,611,155
Yunus Energy Limited	6.4	611,365	611,365
		<u>12,572,020</u>	<u>12,422,020</u>

**6.1** As of the balance sheet date, the Company owns 75 percent shares of Lucky Holdings Limited (LHL). LHL owns 74.55 percent shares of ICI Pakistan Limited as of the said date.

**6.2** Represents equity investment in LCL Investment Holdings Limited (LCLIHL), a wholly owned subsidiary of the Company, incorporated and domiciled in Mauritius. LCLIHL has entered into joint venture agreements for constructing a cement grinding unit in the Republic of Iraq and a fully integrated cement manufacturing unit in the Democratic Republic of Congo.

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

**6.3** The Company has an equity investment in LCL Holdings Limited (LCLHL), a wholly owned subsidiary of the Company, incorporated in Pakistan. During the period, the Company invested PKR 150 million in LCLHL against right issue. As of the balance sheet date, LCLHL owns 100 percent shares in Lucky Electric Power Company Limited.

**6.4** Represents equity investment in Yunus Energy Limited (YEL), a public unlisted company incorporated in Pakistan. As of the balance sheet date, the Company owns 20 percent shares of YEL.

### 7 OTHER RECEIVABLES

Further to the matter stated in note 15.2 to the Company's annual audited financial statements for the year ended June 30, 2016, in relation to the balance receivable from Hyderabad Electric Supply Company amounting to PKR 1,176.723 million, during the period the Company's appeal in the Supreme Court has been combined with other related appeals and the judgement has been reserved.

The management is confident, on the advise of its legal adviser, that the ultimate outcome of the case would be in its favor and the full amount would be recovered in due course. Therefore, no provision for the above receivable has been made in these unconsolidated condensed interim financial statements.

### 8 TAX REFUNDS DUE FROM THE GOVERNMENT

There is no significant change in the status of the case as reported in note 16 to the Company's annual audited financial statements for the year ended June 30, 2016.

### 9 SHORT TERM INVESTMENTS

These represent investments made in Treasury Bills amounting to PKR 20,212 million (June 30, 2016: Term Finance Certificates amounting to PKR 400 million)

	Note	(Un-audited) December 31, 2016	(Audited) June 30, 2016
(PKR in '000')			
<b>10 DEFERRED LIABILITIES</b>			
Staff gratuity		1,226,410	1,127,211
Deferred tax liability	10.1	5,866,313	5,770,867
		7,092,723	6,898,078
<b>10.1 DEFERRED TAX LIABILITY</b>			
This comprises of the following:			
Deferred tax liability			
- Difference in tax and accounting		6,279,490	6,144,492
Deferred tax assets			
- Provisions		(413,177)	(373,625)
		5,866,313	5,770,867

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

### 11 CONTINGENCIES AND COMMITMENTS

#### 11.1 CONTINGENCIES

There are no significant changes in the status of contingencies as reported in note 24 to the annual audited financial statements of the Company for the year ended June 30, 2016.

#### 11.2 COMMITMENTS

	<b>(Un-audited)</b> <b>December 31,</b> <b>2016</b>	(Audited) June 30, 2016
	<b>(PKR in '000')</b>	
Plant and machinery under letters of credit	<u>2,862,472</u>	1,070,867
Stores, spares and packing material under letters of credit	<u>2,305,088</u>	1,226,102
Standby letter of credit issued by the Company	<u>110,000</u>	110,000
Bank guarantees issued on behalf of the Company	<u>1,442,277</u>	1,127,557
Post dated cheques	<u>17,800</u>	13,954

<b>(Un-audited)</b> <b>For the half year ended</b>	
<b>December 31,</b> <b>2016</b>	December 31, 2015
<b>(PKR in '000')</b>	

### 12 GROSS SALES

Local	<u>27,409,931</u>	21,696,709
Export	<u>3,832,577</u>	5,000,622
	<u>31,242,508</u>	26,697,331

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

	Note	(Un-audited) For the half year ended	
		December 31, 2016	December 31, 2015
		(PKR in '000')	
<b>13 CASH GENERATED FROM OPERATIONS</b>			
Profit before taxation		9,906,436	8,501,984
<b>Adjustments for non cash charges and other items</b>			
Depreciation	5.1	1,275,047	1,236,565
Amortisation of intangible assets		27,948	12,393
Gain on disposal of fixed assets		(8,591)	(8,183)
Unrealized gain on investments		-	(32,324)
Provision for gratuity		126,742	124,027
Interest income		(901,637)	(583,112)
Finance cost & loss on sale of short term investments		10,278	17,468
Profit before working capital changes		10,436,223	9,268,818
<b>(Increase) / decrease in current assets</b>			
Stores and spares		(120,013)	(506,897)
Stock in trade		(52,251)	(267,811)
Trade debts		477,698	(49,557)
Loans and advances		(8,341)	(18,749)
Trade deposits and short term prepayments		(36,237)	(42,554)
Other receivables		14,033	(298,372)
		274,889	(1,183,940)
<b>Increase in current liabilities</b>			
Trade and other payables		306,836	329,589
Cash flows generated from operations		11,017,948	8,414,467

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

### 14 TRANSACTIONS WITH RELATED PARTIES

Related parties of the Company comprise of subsidiary companies, associated undertakings, directors and key management personnel. Transactions with related parties during the period are as follows:

	(Un-audited) For the half year ended	
	December 31, 2016	December 31, 2015
	(PKR in '000')	
<b>Transactions with subsidiary companies</b>		
Reimbursement of expenses to the Company	1,715	820
Investment made during the period	150,000	790,000
Advance against issuance of shares	-	100,000
Sale of containers	-	2,500
Purchase of tax loss on account of Group Tax adjustment	-	302,674
Purchases	3,341	-
Sales	19,419	15,781
<b>Transactions with directors</b>		
Sales	280	778
Meeting fee	1,094	791
Dividend payments	611,307	546,721
<b>Transactions with associated undertakings</b>		
Sales	189,372	235,302
Reimbursement of expenses to the Company	505	-
Reimbursement of expenses from the Company	319	40
Donation	150,000	40,000
Services	12,252	13,585
Purchase of fixed assets	35,100	-
Sale of fixed assets	11,700	-
Investment	-	302,000
Dividend payments	402,053	361,847
<b>Transactions with key management personnel</b>		
Dividend payments	10	9
Salaries and benefits	88,525	88,832
Post employment benefits	12,575	20,618

## Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2016

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**15 DATE OF AUTHORISATION FOR ISSUE**

These unconsolidated condensed interim financial statements were authorised for issue on January 26, 2017 by the Board of Directors of the Company.

**16 GENERAL**

**16.1** Certain prior period figures have been reclassified for the purpose of better presentation, however there are no major reclassifications to report.

**16.2** Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Condensed Interim Consolidated Balance Sheet

As at December 31, 2016

	Note	(Un-audited) December 31, 2016	(Audited) June 30, 2016
(PKR in '000')			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Fixed assets			
Property, plant and equipment	4	53,287,451	52,357,646
Intangible assets		6,815,412	7,022,261
		<b>60,102,863</b>	<b>59,379,907</b>
Long-term investments	5	11,916,277	10,654,528
Long-term loans and advances		458,965	433,207
Long-term deposits and prepayments		39,168	39,939
		<b>72,517,273</b>	<b>70,507,581</b>
<b>CURRENT ASSETS</b>			
Stores, spares and consumables		7,207,223	7,016,458
Stock-in-trade		7,117,648	6,905,826
Trade debts		3,591,502	3,821,855
Loans and advances		884,758	852,484
Trade deposits and short-term prepayments		561,466	485,469
Accrued mark-up on deposit accounts		153,085	126,286
Other receivables	6	2,393,725	2,098,339
Tax refunds due from the Government	7	538,812	538,812
Taxation - net		-	1,152,299
Short term investments		20,211,825	400,000
Cash and bank balances		13,872,956	28,448,471
		<b>56,533,000</b>	<b>51,846,299</b>
<b>TOTAL ASSETS</b>		<b>129,050,273</b>	<b>122,353,880</b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Share capital		3,233,750	3,233,750
Reserves		75,311,932	70,337,188
Attributable to the owners of the Holding Company		78,545,682	73,570,938
Non-controlling interests		8,329,810	7,888,373
Total equity		<b>86,875,492</b>	<b>81,459,311</b>
<b>NON-CURRENT LIABILITIES</b>			
Long-term finances	8	8,632,974	8,741,955
Long-term deposits		71,126	70,666
Deferred liabilities	9	10,007,716	9,916,313
		<b>18,711,816</b>	<b>18,728,934</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		19,544,341	18,532,947
Taxation - net		931,288	-
Accrued mark-up		128,819	146,321
Short-term borrowings and running finance		1,286,937	1,937,184
Current portion of long-term finance	8	1,571,580	1,549,183
		<b>23,462,965</b>	<b>22,165,635</b>
<b>CONTINGENCIES AND COMMITMENTS</b>	10		
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>129,050,273</b>	<b>122,353,880</b>

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Condensed Interim Consolidated Profit and Loss Account

For the half year ended December 31, 2016

Note	Half Year Ended		Quarter Ended		
	December 31, 2016	December 31, 2015	December 31, 2016	December 31, 2015	
	(PKR in '000')		(PKR in '000')		
<b>Gross sales</b>	11	53,877,246	47,565,997	29,245,212	25,236,194
Less: Sales tax and excise duty		8,764,985	6,027,888	4,831,489	3,289,307
Rebates and commission		2,055,827	1,681,911	1,172,703	911,667
		10,820,812	7,709,799	6,004,192	4,200,974
<b>Net sales</b>		43,056,434	39,856,198	23,241,020	21,035,220
<b>Cost of sales</b>		(27,895,931)	(26,749,171)	(15,052,169)	(14,007,869)
<b>Gross profit</b>		15,160,503	13,107,027	8,188,851	7,027,351
Distribution costs		(2,131,651)	(1,923,668)	(1,118,560)	(904,498)
Administrative expenses		(1,038,256)	(1,044,275)	(533,053)	(549,080)
Finance costs		(364,151)	(468,805)	(170,908)	(208,754)
Other Charges		(1,323,374)	(859,921)	(837,143)	(464,130)
Other income	12	1,740,984	1,284,932	867,068	664,374
<b>Profit before taxation</b>		12,044,055	10,095,290	6,396,255	5,565,263
Taxation					
- current		(3,319,875)	(2,384,557)	(1,720,365)	(1,293,564)
- deferred		15,991	(57,049)	22,145	(100,685)
		(3,303,884)	(2,441,606)	(1,698,220)	(1,394,249)
<b>Profit after taxation</b>		8,740,171	7,653,684	4,698,035	4,171,014
<b>Attributable to:</b>					
Owners of the Holding Company		8,122,743	7,169,468	4,342,348	3,871,653
Non-controlling interests		617,428	484,216	355,687	299,361
		8,740,171	7,653,684	4,698,035	4,171,014
<b>Other comprehensive income for the period</b>					
Foreign exchange differences on translation of foreign operations		(13,339)	143,259	(1,563)	10,744
Items to be reclassified to profit or loss in subsequent periods:					
Loss on hedge during the period		-	(2,285)	-	1,057
Income tax relating to hedging reserve		-	731	-	(338)
		-	(1,554)	-	719
Adjustments for amounts transferred to initial carrying amounts of hedged item - capital work-in-progress		-	1,554	-	1,168
<b>Total comprehensive income for the period</b>		8,726,832	7,796,943	4,696,472	4,183,645
<b>Attributable to:</b>					
Owners of the Holding Company		8,109,404	7,312,727	4,340,785	3,883,455
Non-controlling interests		617,428	484,216	355,687	300,190
		8,726,832	7,796,943	4,696,472	4,183,645
			(PKR)	(PKR)	
<b>Earnings per share - basic and diluted</b>		25.12	22.17	13.43	11.97

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.

Muhammad Yunus Tabba  
Chairman / Director

Muhammad Ali Tabba  
Chief Executive



## Condensed Interim Consolidated Cash Flow Statement

For the half year ended December 31, 2016

	Note	December 31, 2016	December 31, 2015
(PKR in'000')			
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
<b>Cash generated from operations</b>	13	<b>15,144,362</b>	11,854,752
Finance costs paid		(384,091)	(435,299)
Income tax paid		(1,262,589)	(2,164,921)
Gratuity paid		(63,665)	(56,635)
		(1,710,345)	(2,656,855)
Long-term loans and advances		(25,758)	(13,860)
Long-term deposits		1,231	1,392
<b>Net cash generated from operating activities</b>		<b>13,409,490</b>	9,185,429
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Fixed capital expenditure		(3,465,849)	(4,409,579)
Long term Investments		(981,300)	(302,000)
Short term Investments		(20,211,825)	(3,147,919)
Proceeds from sale of short-term investments		529,991	-
Dividend from Associate		277,140	180,000
Sale proceeds on disposal of property, plant and equipment		17,318	31,687
<b>Net cash (used in) investing activities</b>		<b>(23,834,525)</b>	(7,647,811)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Long-term finance - net		(82,338)	376,701
Dividends paid		(3,417,896)	(2,902,933)
Short-term borrowings and running finance		(650,246)	275,620
<b>Net cash (used in) financing activities</b>		<b>(4,150,480)</b>	(2,250,612)
Net (decrease) in cash and cash equivalents		(14,575,515)	(712,994)
Cash and cash equivalents at the beginning of the period		28,448,471	18,155,599
Cash and cash equivalents at the end of the period		<b>13,872,956</b>	17,442,605

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Condensed Interim Consolidated Statement of Changes in Equity

For the half year ended December 31, 2016

	Issued, subscribed and paid up capital	Capital reserve	Revenue reserves			Total reserves	Non-controlling interests	Total equity
		Share premium	General reserves	Foreign currency translation reserve	Unappropriated Profit			
-----PKR in '000'-----								
Balance as at July 01, 2015	3,233,750	7,343,422	36,304,636	1,854	14,540,906	58,190,818	7,071,234	68,495,802
Transfer to general reserve	-	-	9,466,587	-	(9,466,587)	-	-	-
Final dividend at the rate of PKR 9/- per share for the year ended June 30, 2015	-	-	-	-	(2,910,375)	(2,910,375)	-	(2,910,375)
Dividends paid to non-controlling interests of ICI	-	-	-	-	-	-	(151,861)	(151,861)
Decrease in ownership interest in ICI	-	-	-	-	12,882	12,882	8,530	21,412
Profit after taxation	-	-	-	-	7,169,468	7,169,468	484,216	7,653,684
Other comprehensive income	-	-	-	143,259	-	143,259	-	143,259
Total comprehensive income for the period ended December 31, 2015	-	-	-	143,259	7,169,468	7,312,727	484,216	7,796,943
Balance as at December 31, 2015	<u>3,233,750</u>	<u>7,343,422</u>	<u>45,771,223</u>	<u>145,113</u>	<u>9,346,294</u>	<u>62,606,052</u>	<u>7,412,119</u>	<u>73,251,921</u>
Balance as at July 01, 2016	3,233,750	7,343,422	45,771,223	150,721	17,071,822	70,337,188	7,888,373	81,459,311
Transfer to general reserve	-	-	9,740,693	-	(9,740,693)	-	-	-
Final dividend at the rate of PKR 10/- per share for the year ended June 30, 2016	-	-	-	-	(3,233,750)	(3,233,750)	-	(3,233,750)
Dividends paid to non-controlling interests of ICI	-	-	-	-	-	-	(210,267)	(210,267)
Decrease in ownership interest in ICI	-	-	-	-	99,090	99,090	34,276	133,366
Profit after taxation	-	-	-	-	8,122,743	8,122,743	617,428	8,740,171
Other comprehensive income	-	-	-	(13,339)	-	(13,339)	-	(13,339)
Total comprehensive income for the period ended December 31, 2016	-	-	-	(13,339)	8,122,743	8,109,404	617,428	8,726,832
<b>Balance as at December 31, 2016</b>	<b><u>3,233,750</u></b>	<b><u>7,343,422</u></b>	<b><u>55,511,916</u></b>	<b><u>137,382</u></b>	<b><u>12,319,212</u></b>	<b><u>75,311,932</u></b>	<b><u>8,329,810</u></b>	<b><u>86,875,492</u></b>

The annexed notes from 1 to 16 form an integral part of these condensed interim consolidated financial statements.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

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### 1 THE GROUP AND ITS OPERATIONS

The Group consists of Lucky Cement Limited ("the Holding Company") and its subsidiary companies LCL Investment Holdings Limited, Lucky Holdings Limited, ICI Pakistan Limited, ICI Pakistan PowerGen Limited, LCL Holdings Limited, Lucky Electric Power Company Limited. Brief profiles of the Holding Company and its subsidiary companies are as follows :

#### 1.1 Lucky Cement Limited

The Holding Company was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (the Ordinance). The shares of the Holding Company are quoted on Pakistan Stock Exchange. The Holding Company has also issued Global Depository Receipts (GDRs) which are listed and traded on the Professional Securities Market of the London Stock Exchange. The principal activity of the Holding Company is manufacturing and marketing of cement. The registered office of the Holding Company is located at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa. The Holding Company has two production facilities at Pezu, District Lakki Marwat in Khyber Pakhtunkhwa and at Main Super Highway in Karachi, Sindh.

#### 1.2 LCL Investment Holdings Limited

The Holding Company has made an investment in LCL Investment Holdings Limited (LCLIHL), a wholly owned subsidiary of the Holding Company, incorporated and domiciled in Mauritius. LCLIHL has concluded a joint venture agreement with Al-Shumookh Construction Materials Trading FZE, United Arab Emirates, for establishing Lucky Al-Shumookh Holdings Limited, for constructing a cement grinding unit in the Republic of Iraq. LCLIHL holds 50 percent ownership interest in the aforementioned joint venture.

LCLIHL has also entered into a joint venture agreement with Rawsons Investments Limited (registered in Cayman Islands) for establishing LuckyRawji Holdings Limited for constructing a fully integrated cement manufacturing unit in the Democratic Republic of Congo. LCLIHL holds 50 percent ownership interest in the aforementioned joint venture.

#### 1.3 Lucky Holdings Limited

Lucky Holdings Limited (LHL) was incorporated in Pakistan on September 6, 2012 as a public unlisted Company limited by shares under the Companies Ordinance, 1984. The registered office of LHL is located at Syed towers, University road, Peshawar in the province of Khyber Pakhtunkhwa. As of the balance sheet date, LHL held 74.55% (2016: 74.70%) shares in ICI Pakistan Limited. The main source of earning is dividend and royalty income.

#### 1.4 ICI Pakistan Limited

ICI Pakistan Limited (ICI) was incorporated in Pakistan and is listed on the Pakistan Stock Exchange. The Company is engaged in the manufacture of polyester staple fiber, POY chips, soda ash, specialty chemicals, sodium bicarbonate and polyurethanes; marketing of seeds, toll manufactured and imported pharmaceuticals and animal health products; and merchandising of general chemicals. It also acts as an indenting agent and toll manufacturer. The registered office of ICI is situated at 5 West Wharf, Karachi.

#### 1.5 ICI Pakistan PowerGen Limited

ICI Pakistan PowerGen Limited (ICI PowerGen) was incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary company of ICI. ICI PowerGen is engaged in generating, selling and supplying electricity to the ICI. The registered office of ICI PowerGen is situated at 5 West Wharf, Karachi.

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

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### 1.6 LCL Holdings Limited

LCL Holdings Limited (LCLHL) was incorporated in Pakistan as public unlisted company. LCLHL is a wholly owned subsidiary of the Holding Company. LCLHL has been incorporated with the objective to invest in the Coal Based Power project to be setup by Lucky Electric Power Company Limited (LEPCL). Its registered office is situated at 6-A, Muhammad Ali Society, A. Aziz Hashim Tabba Street, Karachi in the province of Sindh.

### 1.7 Lucky Electric Power Company Limited

Lucky Electric Power Company Limited (LEPCL) was incorporated in Pakistan as a public unlisted company. LEPCL is a wholly owned subsidiary of LCLHL. The operations of LEPCL have not yet started. LEPCL will invest in setting up a 660 MW coal based power project in Karachi. Its registered office is situated at 6-A, Muhammad Ali Society, A. Aziz Hashim Tabba Street, Karachi in the province of Sindh.

## 2 STATEMENT OF COMPLIANCE

**2.1** These condensed interim consolidated financial statements of the Holding Company for the six months period ended December 31, 2016 have 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 the requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 shall prevail.

**2.2** These condensed interim consolidated financial statements do not include all the information and disclosures required in the annual audited consolidated financial statements, and should be read in conjunction with Holding Company's annual audited consolidated financial statements for the year ended June 30, 2016.

## 3 SIGNIFICANT ACCOUNTING POLICIES

**3.1** The accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated financial statements are consistent with those applied in the preparation of the annual audited consolidated financial statements for the year ended June 30, 2016.

### 3.2 Change in accounting standards, interpretations and amendments to published approved accounting standards

#### a) Amendments to published approved accounting standards which are effective

There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period began on or after July 1, 2016. However, such do not have any significant impact on the holding Company's financial reporting, therefore, have not been detailed in these condensed interim consolidated financial statements.

#### b) Standards and amendments to published approved accounting standards that are not yet effective

There are certain new standards and amendments to the approved accounting standards that are mandatory for the holding Company's annual periods beginning on or after July 1, 2017. However, the amendments do not have any significant impact on financial reporting of the holding Company, therefore, not disclosed in these condensed interim consolidated financial statements. Further, the new standards are yet to be adopted by the Securities Exchange Commission of Pakistan.

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

### 4 PROPERTY, PLANT AND EQUIPMENT

4.1 The following is the movement in property, plant and equipment during the period/year:

		(Un-audited) December 31, 2016	(Audited) June 30, 2016
	Note	(PKR in '000')	
Operating fixed assets (WDV) Opening balance		50,300,082	46,737,710
Add: Additions during the period/year	4.2	1,442,146	8,110,537
		<b>51,742,228</b>	54,848,247
Less: Disposals during the period/year (WDV)		10,408	27,776
Depreciation charge for the period/year		2,422,993	4,520,389
Operating fixed assets (WDV) - closing balance		49,308,827	50,300,082
Add: Capital work-in-progress	4.3	3,978,624	2,057,564
		<b>53,287,451</b>	52,357,646

4.2 The following additions and deletions were made during the period in operating fixed assets:

	Additions (Cost)	Deletions (Cost)
	(PKR in '000')	
<b>Operating fixed assets</b>		
Land	32,943	-
Buildings	158,981	-
Plant and machinery	1,014,297	944
Generators	64,831	19,762
Vehicles	95,641	15,729
Furniture and fixtures	46,565	2,020
Office equipments	15,044	1,343
Computer & accessories	9,909	1,493
Other assets	3,935	245
	<b>1,442,146</b>	<b>41,536</b>

4.3 The following is the movement in capital work-in-progress during the period/year:

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	(PKR in '000')	
Opening balance	2,057,564	3,162,473
Add: Additions during the period/year	3,299,433	6,850,700
	<b>5,356,997</b>	10,013,173
Less: Transferred to operating fixed assets	1,378,373	7,955,609
Closing balance	<b>3,978,624</b>	2,057,564

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

5 LONG TERM INVESTMENT	Note	(Un-audited) December 31, 2016	(Audited) June 30, 2016
(PKR in '000')			
<b>Equity accounted investment</b>			
Subsidiary			
Cirin Pharmaceuticals Private Limited	5.1	981,300	-
Joint ventures			
Lucky Al Shumookh Holdings Limited	5.2	2,346,833	2,042,256
LuckyRawji Holdings Limited	5.3	6,999,283	7,075,110
		9,346,116	9,117,366
Associate			
NutriCo Pakistan (Pvt) Limited	5.4	1,002,834	961,165
Yunus Energy Limited	5.5	583,527	573,497
		1,586,361	1,534,662
<b>Unquoted</b>			
Equity security available-for-sale		11,913,777	10,652,028
Arabian Sea Country Club Limited (250,000 ordinary shares of PKR 10 each)		2,500	2,500
		11,916,277	10,654,528

### 5.1 Cirin Pharmaceuticals Private Limited

On 23rd December 2016, the Group acquired 100% voting shares of Cirin Pharmaceuticals (Private) Limited ("Cirin") against a net consideration of PKR 981.300 million. Cirin is involved in manufacturing and sales of pharmaceutical products. However, considering the acquisition was very close to the half year ended December 31, 2016, financial statements of Cirin have not been consolidated for which exemption has been granted by Securities & Exchange Commission of Pakistan. The summary of financial information as per the audited accounts of Cirin as at June 30, 2016 were as follows:

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
(PKR in '000')		
Total assets	-	301,411
Total liabilities	-	135,118
Total equity and reserves	-	166,293
Total revenue for the year	-	744,560
Profit after tax for the year	-	70,615

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
<b>5.2 Lucky Al Shumookh Holdings Limited</b>	<b>(PKR in '000')</b>	
Investment at cost	1,912,283	1,912,283
Share of profit - opening balance	129,973	192,664
Share of profit during the period/year	466,792	811,919
Dividend income	(157,140)	(991,501)
Foreign currency translation reserve	(5,075)	116,891
	<b>2,346,833</b>	<b>2,042,256</b>

Lucky Al Shumookh Holdings Limited (LASHL) is a joint venture between the Group and Al Shumookh Group. LASHL was incorporated as an offshore company with limited liability in Jebel Ali Free Zone, United Arab Emirates. The Group holds 50 percent ownership interest in LASHL.

The Group's interest in LASHL's assets and liabilities is as follows:

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	<b>(PKR in '000')</b>	
Total assets	5,176,955	4,371,791
Total liabilities	(483,288)	(287,279)
Net assets (100%)	4,693,667	4,084,512
Group's share of net assets (50%)	2,346,833	2,042,256

The Group's share in LASHL's profit and loss account is as follows:

Revenue	3,458,974	6,759,877
Net profit during the period/year (100%)	933,583	1,621,274
Group's share of net profit during the period/year (50%)	466,792	811,919

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	(PKR in '000')	
<b>5.3 LuckyRawji Holdings Limited</b>		
Investment at cost	6,870,050	6,870,050
Share of profit-opening balance	205,060	189
Share of (loss) for the period/year	(59,999)	(1,402)
Foreign currency translation reserve	(15,828)	206,273
	<u>6,999,283</u>	<u>7,075,110</u>

LuckyRawji Holdings Limited (LRHL) is a joint venture between the Group and Rawsons Investments Limited. LRHL was incorporated with limited liability under the laws of British Virgin Islands. The Group holds 50 percent ownership interest in LRHL.

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	(PKR in '000')	
The Group's interest in LRHL's assets and liabilities is as follows:		
Total assets	30,534,267	28,437,614
Total liabilities	(16,535,700)	(14,287,394)
Net assets (100%)	<u>13,998,567</u>	<u>14,150,220</u>
Group's share of net assets (50%)	<u>6,999,283</u>	<u>7,075,110</u>

The Group's share in LRHL's profit and loss account is as follows:

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	(PKR in '000')	
Revenue	291,327	-
Net loss during the period/year (100%)	(119,997)	(2,803)
Group's share of net loss during the period/year (50%)	<u>(59,999)</u>	<u>(1,402)</u>

### 5.4 NutriCo Pakistan (Pvt) Limited

Investment at cost	960,000	720,000
Investment made during the period/year	-	240,000
Share of profit opening balance	1,165	52,224
Share of profit for the period / year	321,669	407,316
Dividend received during the period / year	(280,000)	(458,375)
	<u>1,002,834</u>	<u>961,165</u>



## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

The Group has a 40% interest in NutriCo Pakistan (Private) Limited (the associate), which is involved in marketing and distribution of infant milk and nutritional products.

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
<b>(PKR in '000')</b>		
<b>5.5 Yunus Energy Limited</b>		
Investment at cost	611,365	204,365
Investment made during the period/year	-	407,000
Share of loss opening balance	(37,868)	-
Share of profit/(loss) for the period / year	10,030	(37,868)
	<u>583,527</u>	<u>573,497</u>

The Group has a 20% interest in Yunus Energy Limited (the associate), which is involved in establishment and operation of a wind power plant and the supply of the electric power to national grid.

### 6 OTHER RECEIVABLE

Further to the matter stated in note 15.2 to the Holding Company's annual financial statements for the year ended June 30, 2016, in relation to the balance receivable from Hyderabad Electric Supply Company amounting to PKR 1,176.723 million, during the period the Holding Company's appeal in the Supreme Court has been combined with other related appeals and the judgement has been reserved.

The Management is confident on the advise of its legal adviser that the ultimate outcome of the case would be in its favor and full amount would be recovered in due course, therefore no provision for the above receivable has been made in these condensed interim consolidated financial statements.

### 7 TAX REFUNDS DUE FROM THE GOVERNMENT

There is no significant change in the status of the case as reported in note 16 to the Holding Company's annual financial statements for the year ended June 30, 2016.

### 8 LONG TERM FINANCE

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
<b>(PKR in '000')</b>		
	10,204,554	10,291,138
Long-term finance	(1,571,580)	(1,549,183)
Less : Current portion of long term finance	8.1 <u>8,632,974</u>	<u>8,741,955</u>

**8.1** The terms and conditions of long-term finance are the same as disclosed in note 22 to the annual audited consolidated financial statements of the Holding Company for the year ended June 30, 2016.

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
<b>(PKR in '000')</b>		
<b>9 DEFERRED LIABILITIES</b>		
Staff gratuity and eligible retired employees' medical scheme	1,327,047	1,219,653
Deferred tax liability	9.1 <u>8,680,669</u>	<u>8,696,660</u>
	<u>10,007,716</u>	<u>9,916,313</u>

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
<b>9.1 Deferred tax liability</b>	<b>(PKR in '000')</b>	
This comprises of the following :		
- Difference in tax and accounting bases of fixed assets	9,360,681	9,329,052
- Provisions	(680,012)	(632,392)
	<u>8,680,669</u>	<u>8,696,660</u>

### 10 CONTINGENCIES AND COMMITMENTS

**10.1** There are no major changes in the status of contingencies and commitments as reported in the annual audited consolidated financial statements of the Holding Company for the year ended June 30, 2016, except as disclosed in note 10.2 and 10.3.

	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	<b>(PKR in '000')</b>	
<b>10.2</b> Plant and machinery under letters of credit	<u>5,493,954</u>	<u>3,264,345</u>
Stores, spares and packing material under letters of credit	<u>2,305,088</u>	<u>1,226,102</u>
Standby letters of credit	<u>3,247,955</u>	<u>110,000</u>
Bank guarantees issued on behalf of the Holding Company and its subsidiaries	<u>1,787,452</u>	<u>1,473,511</u>
Post dated cheques	<u>17,800</u>	<u>13,954</u>

**10.3** Commitments for rentals under operating lease / Ijarah agreements in respect of vehicles are as follows:

Year	(Un-audited) December 31, 2016	(Audited) June 30, 2016
	<b>(PKR in '000')</b>	
2016-17	36,327	64,050
2017-18	56,714	44,247
2018-19	44,146	28,227
2019-20	24,325	6,550
2020-21	4,266	-
	<u>165,778</u>	<u>143,074</u>
Payable not later than one year	36,327	64,050
Payable later than one year but not later than five years	<u>129,451</u>	<u>79,024</u>
	<u>165,778</u>	<u>143,074</u>

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

	(Un-audited)	
	For the half year ended	
	December 31, 2016	December 31, 2015
	(PKR in '000')	
<b>11 SEGMENT REPORTING</b>		
<b>TURNOVER</b>		
Cement	31,242,508	26,697,331
Polyester	7,156,885	6,954,682
Soda Ash	6,921,265	6,710,612
Life Sciences	6,312,323	5,081,689
Chemicals	2,233,766	2,122,272
Others (ICI PowerGen)	251,752	129,886
	<u>53,877,246</u>	<u>47,565,997</u>

	(Un-audited)	
	For the half year ended	
	December 31, 2016	December 31, 2015
	(PKR in '000')	
<b>11.1 OPERATING RESULT</b>		
Cement	10,121,052	8,565,461
Polyester	(208,069)	(534,975)
Soda Ash	1,357,929	1,455,073
Life Sciences	558,348	509,114
Chemicals	152,343	140,838
Others (LHL, LCLIHL, LCLHL, LEPCL & ICI PowerGen)	8,003	2,583
	<u>11,990,596</u>	<u>10,139,084</u>

**11.2** Inter-segment sales and purchases have been eliminated from the total.

**11.3** Transactions among the business segments are recorded at arm's length prices using admissible valuation methods.

	(Un-audited)	
	For the half year ended	
	December 31, 2016	December 31, 2015
	(PKR in '000')	
<b>11.4 GROSS SALES</b>		
Local	49,691,063	42,225,111
Export	4,186,183	5,340,886
	<u>53,877,246</u>	<u>47,565,997</u>

## 12 OTHER INCOME

It mainly includes interest income from bank deposits and share of gain in equity-accounted investments.

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

	Note	(Un-audited)	
		For the half year ended	
		December 31, 2016	December 31, 2015
		(PKR in '000')	
<b>13 CASH GENERATED FROM OPERATIONS</b>			
Profit before taxation		12,044,055	10,095,290
<b>Adjustments for non cash charges and other items</b>			
Depreciation	4.1	2,422,993	2,196,367
Amortization on intangible assets		211,144	209,305
Provision for slow moving spares		-	7,193
Provision for slow moving and obsolete stock-in-trade		29,320	(1,925)
Provision for doubtful debts		27,389	16,312
Gain on disposal of property, plant and equipment		(11,636)	(16,752)
Provision for staff retirement plan		156,206	154,649
Share of gain in equity-accounted investees		(406,793)	(414,319)
Interest on bank deposits		(5,563)	(380)
Unrealized gain on investments		-	(32,324)
Associate share of profits		(331,697)	(145,143)
Finance cost & loss on sale of short term investments		369,553	440,350
Profit before working capital changes		<u>14,504,971</u>	<u>12,508,623</u>
<b>(Increase) / decrease in current assets</b>			
Stores, spares and consumables		(190,765)	(613,055)
Stock in trade		(241,142)	312,088
Trade Debts		202,964	(579,878)
Loans and advances		(41,336)	(48,943)
Trade deposits and short term prepayments		(72,591)	(85,170)
Accrued mark-up on deposit accounts		(20,190)	58
Other receivables		(100,109)	(259,824)
		<u>(463,169)</u>	<u>(1,274,724)</u>
<b>Increase in current liabilities</b>			
Trade and other payables		1,102,560	620,853
Cash generated from operations		<u>15,144,362</u>	<u>11,854,752</u>

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

### 14 TRANSACTIONS WITH RELATED PARTIES

Related parties comprise associated entities, entities with common directorship, directors and key management personnel. Details of transactions with related parties during the period, other than remuneration and benefits to key management personnel under the terms of their employment, are as follows:

	(Un-audited)	
	For the half year ended	
	December 31, 2016	December 31, 2015
	(PKR in '000')	
<b>Investment in subsidiary</b>		
Cirin Pharmaceuticals Private Limited	981,300	-
<b>Transactions with Directors</b>		
Sales	280	778
Meeting fee	2,769	2,041
Dividend payments	611,307	546,721
<b>Transactions with Associated Undertakings</b>		
Sales	957,933	936,524
Purchase of goods, materials and services	33,493	52,637
Reimbursement of expenses to Company	42,378	31,990
Reimbursement of expenses from Company	319	40
Donation	150,000	40,000
Services	12,252	13,585
Purchase of fixed assets	35,100	-
Sale of fixed assets	11,700	-
Investment	-	302,000
Dividend payments	501,577	433,725
<b>Transactions with key management personnel</b>		
Salaries and benefits	240,379	213,440
Post employment benefits	27,600	35,746
Dividend payments	10	9
<b>Staff retirement benefit plan</b>		
Contribution	87,844	89,375

## Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2016

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### 15 DATE OF AUTHORISATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on January 26, 2017 by the Board of Directors of the Holding Company.

### 16 GENERAL

**16.1** Certain prior period figures have been reclassified for the purpose of better presentation, however there are no major reclassifications to report.

**16.2** Figures have been rounded off to the nearest thousand of PKR, unless otherwise stated.



Muhammad Yunus Tabba  
Chairman / Director



Muhammad Ali Tabba  
Chief Executive

## اظہار تشکر

آپ کی کمپنی کے ڈائریکٹرز اس موقع سے فائدہ اٹھاتے ہوئے تمام شراکت داروں کا تہہ دل سے شکر یہ ادا کرنا چاہتے ہیں کہ انکی حمایت اور حوصلہ افزائی ہمیشہ ہمارے شامل حال رہی۔

ہم اس بات کو بھی ریکارڈ کا حصہ بناتے ہوئے لکھی فیملی کے ممبران اخلاص، لگن اور انتھک محنت کا بھی تہہ دل سے شکر یہ ادا کرنا چاہتے ہیں۔ اس کے علاوہ ہم تمام حصص داران کے بھی بے حد مشکور ہیں کہ انھوں ہمیشہ کمپنی پر اپنے اعتماد کا اظہار کیا۔

منجانب بورڈ



محمد یونس ٹیہ

چئیرمین ڈائریکٹرز

بمقام کراچی، 26 جنوری 2017

کمپنی کی مختصر جامع غیر آڈٹ شدہ مالیاتی دستاویزات برائے ششماہی اختتامیہ 31 دسمبر 2016 میں ایل ای پی سی ایل کے کل اثاثوں کو بھی ظاہر کیا گیا ہے جو کہ 100% بالواسطہ کمپنی کا ایک ذیلی ادارہ ہے۔

### برقمان ڈی آر کا گلوبل سمنٹ پلانٹ میں بذریعہ مشترکہ سرمایہ کاری -- 1.18 بلین ٹن سالانہ

اس پلانٹ نے دسمبر 2016 کمرشل بنیادوں پر آپریشنز کا آغاز کیا۔

کمپنی کی مختصر جامع مالیاتی دستاویزات بابت ششماہی اختتامیہ 31 دسمبر 2016 میں ڈی آر کا گلوبل پلانٹ کے آپریشنز کے نتائج کے 50% اثرات اور پلانٹ کل اثاثوں سے برآمد ہونے والے نتائج کو بھی شامل کیا گیا ہے۔

### عراق میں سیمنٹ گرائینڈنگ پونٹ میں براؤن فیلڈ توسیع -- 0.871 بلین ٹن سالانہ

امید کی جاسکتی ہے کہ عراق گرائینڈنگ پونٹ میں توسیعی کام کے بعد استعداد میں اضافے کے نتائج اگست 2017 تک سامنے آنا شروع ہو جائیں گے۔

### کارپوریٹ معاشرتی ذمہ داری

آپ کی کمپنی کو اپنی اس ذمہ داری کا مکمل احساس ہے کہ جس معاشرے میں یہ کام کرتی ہے اس معاشرے کی قدر اضافہ کرنا اس کی اہم ذمہ داری ہے۔ زیر نظر ششماہی کے دوران آپ کی کمپنی کی جانب سے پاکستان کی معروف جامعات میں تعلیم کے حصول کیلئے بہت سے وظائف جاری کئے گئے جس میں سولہ (16) طلباء کیلئے ایک اسکالرشپ فنڈ بھی شامل ہے جن کا تعلق دی سیٹیزن فاؤنڈیشن (ٹی سی ایف) کے تحت چلنے والے اسکولوں سے ہے، یہ طلباء ٹی سی ایف کے اسکولوں سے فراغت کے بعد اعلیٰ تعلیم کے حصول میں کوشاں ہیں۔ وطن عزیز میں خواتین کو مختار بنانے کے عزم کو پورا کرنے کی غرض سے لکی سمنٹ کی جانب سے حال ہی میں زندگی ٹرسٹ کے تعاون سے دو معروف سرکاری گرلز اسکولوں کو اپنایا گیا ہے۔ آپ کی کمپنی اس بات کیلئے پرعزم ہے کہ ان سرکاری اسکولوں کو وطن عزیز میں مثالی تعلیمی ادارے بنا کر پیش کیا جائے۔ اس کے علاوہ آپ کی کمپنی نے دی حب اسکول اور ایس چلڈرنز ولج آف پاکستان کو مؤثر انداز سے چلانے کی غرض سے بھی عطیات کی مدد میں خطیر رقم دی ہیں۔

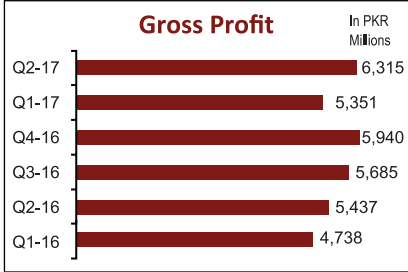
اس بات کا عزم لئے ہوئے کہ وطن عزیز میں صحت کے اعلیٰ معیار کے پراجیکٹس کی امداد کی جائے، آپ کی کمپنی کی جانب سے عزیز فیہ فاؤنڈیشن کی امداد کو بھی جاری رکھا گیا جو کہ پاکستان میں انسان دوستی کی بنیاد پر قائم کئے جانے والے اہم ترین اداروں میں سے ایک ہے۔ اس ادارے کے تحت ملک میں صحت کی سہولیات سے متعلق دو انتہائی اہم ادارے چلائے جا رہے ہیں جن میں ٹی بی ہارٹ انسٹیٹیوٹ اور فیہ کڈنی انسٹیٹیوٹ شامل ہیں۔

لکی سمنٹ کی جانب سے کمیونٹی کی تعمیر و ترقی کیلئے بھی عطیات دئے گئے ہیں، اس سلسلے میں کمپنی کی جانب سے شہریوں کی حفاظت اور تحفظ کی خدمات پر ماموری پی ایل سی کو فنڈز مہیا کئے گئے ہیں۔

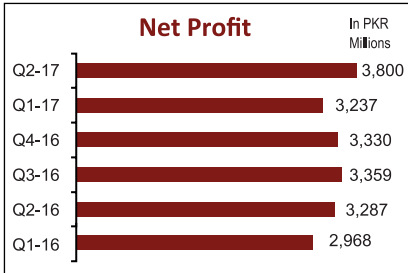
### مستقبل پر نظر

آپ کی کمپنی کو اس بات کی قوی امید ہے کہ سال رواں کے دوران کمپنی اسی طرح زبردست انداز سے ترقی حاصل کرے گی۔ امید ہے کہ سرکاری اور نجی تعمیراتی منصوبوں اور پاکستان چین راہداری منصوبے (سی پیک) کے ضمن میں لئے جانے والے اقدامات کے نتیجے میں کہ مقامی سطح پر فروختگی اسی شرح فیصد سے پورے سال بڑھتی رہے گی جیسا کہ رواں سال زیر نظر ششماہی میں دیکھا گیا ہے۔ آپ کی کمپنی کی قرضوں سے پاک مالیاتی پوزیشن اور ذمہ داریوں کی ادائیگیوں کے بعد بچ جانے والی بقایا رقم وافر مقدار میں پیدا کرنے کی صلاحیت کمپنی کو اس قابل بناتی رہے گی کہ کمپنی اس قسم کے پراجیکٹس میں سرمایہ کاری کو جاری رکھے اور سرمایہ کاری کیلئے نئی راہیں تلاش کرے جس سے کمپنی کے منافع کمائے کی صلاحیت میں مزید اضافہ پیدا ہوگا اور حصص داران کے اثاثوں کی قدر میں اضافہ کرنے میں بھی مدد ملے گی۔

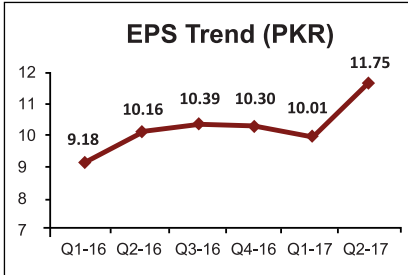




**خام منافع**  
زیر نظر ششماہی کے دوران آپ کی کمپنی منافع کی حد کو 49.8% تک لے جانے میں کامیاب رہی، جبکہ گزشتہ سال اسی عرصے کے دوران منافع کی یہ حد 46.7% ریکارڈ کی گئی تھی۔



**کل منافع**  
زیر نظر ششماہی کے دوران آپ کی کمپنی نے 9,906.4 ملین روپے کا منافع قبل از ٹیکس حاصل کیا جبکہ گزشتہ سال اسی عرصے کے دوران منافع قبل از ٹیکس 8,501.9 ملین روپے ریکارڈ کیا گیا تھا۔ اسی طرح زیر نظر ششماہی کے دوران منافع بعد از ٹیکس 7,037.4 ملین روپے رہا جبکہ گزشتہ سال اسی عرصے کے دوران منافع بعد از ٹیکس 6,254.9 ملین روپے ریکارڈ کیا گیا تھا۔



**آمدنی فی حصص**  
سال 2016 اختتامیہ 31 دسمبر 2016 کی زیر نظر ششماہی کے دوران آپ کی کمپنی کی جانب سے آمدنی فی حصص 21.76 روپے رہی جبکہ گزشتہ سال اسی عرصے کے دوران آمدنی فی حصص 19.34 روپے ریکارڈ کی گئی تھی۔

**پراجیکٹس: نئے و جاری**  
براؤن فیلڈ توسیع (1.25 ملین ٹن سالانہ کی اضافی لائن کی تعصیب) بمقام کراچی پلانٹ آپ کی کمپنی کی جانب سے امید کی جاتی ہے کہ یہ لائن کلینڈر سال 2017 کے آخر تک فعال کر دی جائے گی۔

### پاکستان کے صوبہ پنجاب میں کئی طور پر مرموٹ گرین فیلڈ سینٹ پلانٹ -- 2.3 ملین ٹن سالانہ

آپ کی کمپنی اب تک اس پراجیکٹ کیلئے حکومت پنجاب کی جانب سے منظوری دیے جانے اور دیگر لوازمات کی منتظر ہے۔ امید کی جاتی ہے کہ اس سلسلے میں تعمیرات کا آغاز 2017 میں جون کے مہینے کے اختتام تک کر دیا جائے گا۔

### 10 میگا واٹ ڈبلیو ایچ آر بمقام بیہڑ پلانٹ -- بھٹی

یہ پراجیکٹ اس وقت جانچ پڑتال کے مرحلے میں ہے۔ امید کی جاتی ہے کہ یہ پلانٹ جنوری 2017 کے آخر تک فعال کر دیا جائے گا۔

### سرمایہ کاری

### 660x1 میگا واٹ، سپر کرٹیکل، کوئلے پر مبنی پاور پراجیکٹ میں سرمایہ کاری

توانائی کی خریداری کے سلسلے میں آپ کی کمپنی ای پی سی کا معاہدہ کر چکی ہے اور اس سلسلے میں ڈرافٹ پاور پر چیز معاہدہ (PPA) کو بھی حتمی شکل دی جا چکی ہے۔ کمپنی اس وقت اس معاہدے کو حتمی شکل دینے اور معاہدے پر عمل درآمد کے عمل سے گزر رہی ہے اور اس کے ساتھ ساتھ کوئلے کی طویل المیعاد سپلائی کیلئے سندھ اینگریڈول مائنگ کمپنی (ایس ای سی ایم سی) کے ساتھ بھی شرائط طے کی جا رہی ہیں۔ اس سلسلے میں مالی معاملات کو طے کرنے کیلئے مئی 2017 کی تاریخ کا ہدف مقرر کیا گیا ہے اور منصوبے کی کمرشل بنیادوں پر فعالیت کیلئے جون 2020 کا ہدف مقرر کیا گیا ہے۔

## ب۔ مالیاتی کارکردگی

آپ کی کمپنی کی مالیاتی کارکردگی بابت ششماہی سال 2016-17 کا جائزہ بلحاظ تقابل بابت ششماہی گزشتہ سال زیل میں پیش کیا جا رہا ہے:

اعداد بلین روپے میں ماسوائے آمدن فی حصص کے

تبدیلی فیصد میں	ششماہی 2015-16	ششماہی 2016-17	تفصیلات
7.5%	21,808	23,442	آمدن
14.6%	10,176	11,666	خام منافع
18.2%	8,565	10,121	آپریٹنگ منافع
16.4%	9,819	11,424	آمدن قبل از سود، ٹیکس و فرسودگی
12.5%	6,255	7,037	کل منافع
12.5%	19.34 روپے فی حصص	21.76 روپے فی حصص	آمدن فی حصص

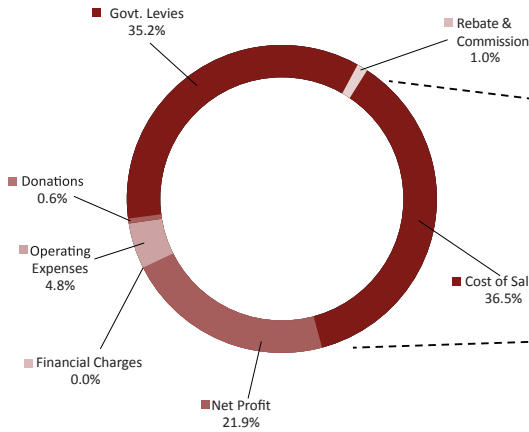
## لاگت برائے فروختگی

زیر نظر ششماہی کے دوران گزشتہ اسی عرصے کے دوران کے مقابلے میں نیٹن لاگت برائے فروختگی میں 10.0% کی کمی واقع ہوئی ہے۔ لاگت میں اس کمی کی بنیادی وجہ ایندھن کا موثر امتزاج تھا۔

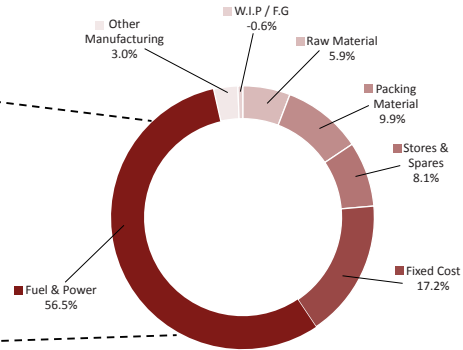
## آمدن

زیر نظر سال 2016-17 کی ششماہی کے دوران آپ کی کمپنی نے کل منافع پر مبنی فروختگی میں گزشتہ سال کے مقابلے میں 7.5% کا اضافہ حاصل کیا ہے۔ منافع میں اس اضافے کی بنیادی وجہ فروختگی کے حجم میں اضافہ ہے۔

Distribution of Gross Revenue



Distribution of Cost of Sales



ششماہی 2016-17 کے دوران مال کی روانگی سے متعلق آپکی کمپنی اور سیمنٹ کی صنعت کا تقابلی جائزہ بلحاظ تقابل ششماہی بابت گزشتہ سال ذیل میں پیش کیا جا رہا ہے:

تفصیلات	ششماہی 2016-17 ٹن ہزاروں میں	ششماہی 2015-16 ٹن ہزاروں میں	اضافہ / (کمی)	%
<b>سیمنٹ کی صنعت</b>				
مقامی فروختگی	16,895	15,210	1,685	11.1%
فروختگی برقی برآمدات				
بوری بند	2,790	2,976	(186)	(6.3%)
کھلا سیمنٹ	121	42	79	188.1%
کل برآمدات	2,911	3,018	(107)	(3.5%)
<b>مجموعی کل</b>	<b>19,806</b>	<b>18,228</b>	<b>1,578</b>	<b>8.7%</b>
<b>لکی سیمنٹ</b>				
مقامی فروختگی				
سیمنٹ	2,745	2,418	327	13.5%
کلنکر	235	-	235	100%
کل مقامی فروختگی	2,980	2,418	562	23.2%
فروختگی برقی برآمدات				
بوری بند سیمنٹ	632	858	(226)	(26.3%)
کھلا سیمنٹ	121	42	79	188.1%
کل برآمدات	753	900	(147)	(16.3%)
<b>مجموعی کل</b>	<b>3,733</b>	<b>3,318</b>	<b>415</b>	<b>12.5%</b>
<b>مارکیٹ میں حصہ</b>				
مقامی فروختگی	17.6%	15.9%	10.7%	
فروختگی برقی برآمدات				
بوری بند سیمنٹ	22.7%	28.8%	(21.2%)	
کھلا سیمنٹ	100.0%	100.0%	0.0%	
کل برآمدات	25.9%	29.8%	(13.1%)	
<b>مجموعی کل</b>	<b>18.8%</b>	<b>18.2%</b>	<b>3.3%</b>	

## ڈائریکٹرز رپورٹ

آپ کی کمپنی کے ڈائریکٹرز انتہائی مسرت کے ساتھ آپ کی کمپنی کے مالیاتی نتائج بشمول انفرادی (آڈیٹرز کی جانب سے باقاعدہ نظر ثانی شدہ) اور مختصر جامع غیر آڈٹ شدہ مالیاتی دستاویزات بابت ششماہی بتاریخ 31 دسمبر 2016 آپ کی خدمت میں پیش کر رہے ہیں۔

### جائزہ

پاکستان میں سیمینٹ کی صنعت کی نشوونما میں ششماہی اختتامیہ 31 دسمبر 2016 کے دوران 8.7% کے لحاظ سے اضافہ ہوا ہے اور اس اعتبار سے اس کا حجم 19.81 ملین ٹن رہا جو گزشتہ سال اسی عرصے کے دوران 18.23 ملین ٹن تھا۔ اس ششماہی کے دوران نئے میں مقامی سطح پر فروختگی کے حجم میں 11.1% کے اضافے کے ساتھ کل حجم 16.90 ملین ٹن رہا جبکہ گزشتہ سال اسی عرصے کے دوران یہ حجم 15.21 ملین ٹن تھا۔ دوسری جانب اس ششماہی کے دوران برآمدات کی مد میں 3.5% کمی کے ساتھ کل حجم 2.91 ملین ٹن رہا جو گزشتہ سال اسی عرصے کے دوران 3.02 ملین ٹن تھا۔

آپ کی کمپنی نے مجموعی طور اس ششماہی کے دوران 12.5% کے ساتھ 3.73 ملین ٹن کا ہدف حاصل کیا جبکہ گزشتہ سال اسی عرصے کے دوران فروختگی کا حجم 3.32 ملین ٹن تھا۔ ایک جانب تو اس ششماہی کے دوران آپ کی کمپنی کا مقامی فروختگی کا حجم 23.2% کے اضافے کے ساتھ 2.98 ملین ٹن رہا جو گزشتہ سال اسی ششماہی کے دوران 2.42 ملین ٹن تھا جبکہ دوسری جانب برآمدات کی مد میں اس ششماہی کے دوران 16.3% کمی کے ساتھ فروختگی کا حجم 0.75 ملین ٹن رہا جو گزشتہ سال اسی عرصے کے دوران 0.90 ملین ٹن تھا۔

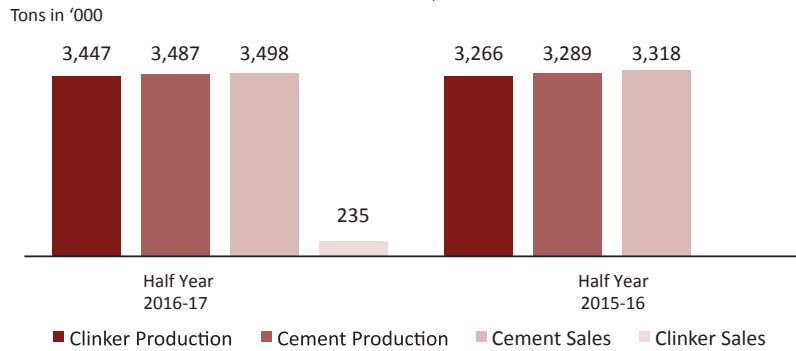
اس ششماہی کے دوران آمدن فی حصص 21.76 روپے ریکارڈ کی گئی جو گزشتہ سال کے اسی عرصے کے دوران آمدن فی حصص کے مقابلے میں 12.5% زائد ہے جو کہ 19.34 روپے ریکارڈ کی گئی تھی۔

### کاروباری کارکردگی

الف۔ آپ کی کمپنی کی پیداوار اور فروختگی بابت ششماہی 2016-17 کا جائزہ بالمقابل ششماہی بابت گزشتہ سال ذیل میں پیش کیا جا رہا ہے:

تفصیلات	ششماہی 2016-17	ششماہی 2015-16	اضافہ / (کمی) %
کلنکر کی پیداوار	3,447	3,266	5.5%
سیمینٹ کی پیداوار	3,487	3,289	6.0%
فروختگی برائے سیمینٹ	3,498	3,318	5.4%
فروختگی برائے کلنکر	235	-	100%

پیداوار اور فروختگی سے متعلق ڈیٹا کو گرافس کی صورت میں ذیل میں پیش کیا جا رہا ہے:



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