



Shaping Tomorrow
Half Yearly Report
December 31, 2017



Shaping Tomorrow

The science of success has been mastered by Lucky Cement. Our passion for progress cannot be limited by geography and our commitment knows no boundaries. With an ever-watchful eye on expansion, diversification and growth, we are shaping the future for you today and tomorrow.

Contents

Company Information	02
Directors` Report	03
Auditors` 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	20
Condensed Interim Consolidated Profit and Loss Account	21
Condensed Interim Consolidated Cash Flow Statement	22
Condensed Interim Consolidated Statement of Changes in Equity	23
Notes to the Condensed Interim Consolidated Financial Statements	24
ڈائریکٹرز جا رپورٹ	41

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 Officer	Muhammad Ali Tabba
Executive Director	Noman Hasan
Director Finance & Chief Financial Officer	Irfan Chawala
Chief Operating Officer	Amin Ganny
Chief Strategy & Investment Officer	Sajid Feroze
Chief Operating Officer - International Businesses	Wajahat Athar
Company Secretary	Faisal Mahmood
BOARD COMMITTEES	
Audit Committee	Human Resource and Remuneration Committee
Tariq Iqbal Khan – Chairman	Mariam Tabba Khan – Chairperson
Muhammad Sohail Tabba	Muhammad Ali Tabba
Jawed Yunus Tabba	Muhammad Sohail Tabba
Mariam Tabba Khan	Jawed Yunus Tabba
Zulekha Tabba Maskatiya	Zulekha Tabba Maskatiya
Muhammad Abid Ganatra	
Budget Committee	Share Transfer Committee
Muhammad Sohail Tabba – Chairman	Jawed Yunus Tabba – Chairman
Muhammad Ali Tabba	Mariam Tabba Khan
Jawed Yunus Tabba	Muhammad Abid Ganatra
Muhammad Abid Ganatra	
BANKERS	
Allied Bank Limited	Habib Bank Limited – Islamic Banking
Allied Bank Limited – Islamic Banking	Habib Metropolitan Bank Limited
Askari Bank Limited	Habib Metropolitan Bank Limited – Islamic Banking
Askari Bank Limited – Islamic Banking	Industrial and Commercial Bank of China Limited
Bank Alfalah Limited – Islamic Banking	MCB Bank Limited
Bank AL-Habib Limited	MCB Islamic Bank Limited
Bank AL-Habib Limited – Islamic Banking	Meezan Bank Limited
Citibank N.A.	National Bank of Pakistan
Dubai Islamic Bank Pakistan Limited	UBL Ameen Islamic Banking
Faysal Bank Limited - Islamic Banking	Standard Chartered Bank (Pakistan) Limited
Habib Bank Limited	United Bank Limited
AUDITORS	
M/s, A.F. Ferguson & 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
<ol style="list-style-type: none"> Main Indus Highway, Pezu, District Lakki Marwat, Khyber Pakhtunkhwa, Pakistan 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 Shakra-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, 2017.

Overview:

Cement industry in Pakistan grew by 12.3% to 22.24 million tons during the half year ended December 31, 2017 compared to 19.81 million tons during the same period last year. While local sales volume registered a growth of 17.4% to 19.84 million tons during the half year compared to 16.90 million tons during the same period last year; export sales volume registered a decline of 17.3% to 2.41 million tons during the half year under review compared to 2.91 million tons last year.

Your Company achieved an overall growth of 0.6% with total sales volume of 3.76 million tons during the current half year compared to 3.73 million tons last year. While local cement sales volume registered a growth of 16.9% (North 15.6% and South 18.5%) to reach 3.21 million tons as compared to 2.75 million tons during the same period last year, whereas, local clinker sales volumes declined by 74.9% to 0.06 million tons during the current half year as compared to 0.24 million tons in the same period last year, resulting in the overall local sales growth of 9.7% to reach 3.27 million tons during the half year compared to 2.98 million tons during the same period last year; export sales volume declined by 35.1% to 0.49 million tons during the current half year compared to 0.75 million tons during the same period last year.

The EPS for the half year was recorded at PKR 20.25 which is 7.0% lower than the same period last year's EPS of PKR 21.76.

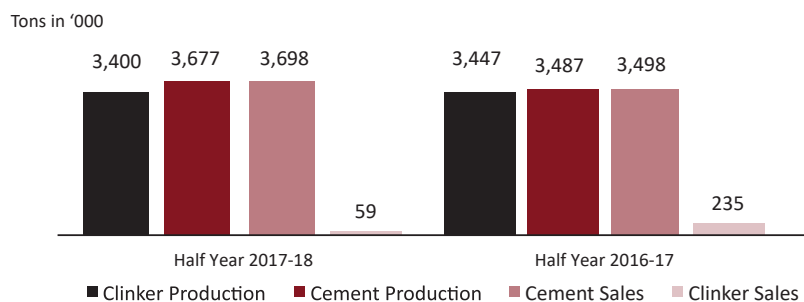
Business Performance

(a) Production & Sales Volume Performance

The production and sales statistics of your Company for the half year ended 2017-18 compared to the same period last year are as follows:

Particulars	Half Year 2017-18	Half Year 2016-17	Growth/ (Decline) %
	Tons in '000'		
Clinker Production	3,400	3,447	(1.4%)
Cement Production	3,677	3,487	5.4%
Cement Sales	3,698	3,498	5.7%
Clinker Sales	59	235	(74.9%)

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



Directors' Report

A comparison of the dispatches of the industry and your Company for the half year ended 2017-18 with the same period last year is presented below:

Particulars	Half Year	Half Year	Growth / (Decline)	
	2017-18	2016-17	(Tons in '000')	%
Cement Industry				
<u>Local Sales</u>	19,836	16,895	2,941	17.4%
<u>Export Sales</u>				
- Bagged	2,326	2,790	(464)	(16.6%)
- Loose	81	121	(40)	(33.1%)
Total Exports	2,407	2,911	(504)	(17.3%)
Grand Total	22,243	19,806	2,437	12.3%
Lucky Cement				
<u>Local Sales</u>				
- Cement	3,209	2,745	464	16.9%
- Clinker	59	235	(176)	(74.9%)
Total Local Sales	3,268	2,980	288	9.7%
<u>Export Sales</u>				
- Bagged	408	632	(224)	(35.4%)
- Loose	81	121	(40)	(33.1%)
Total Exports	489	753	(264)	(35.1%)
Grand Total	3,757	3,733	24	0.6%

Market Share	Half Year	Half Year	Growth /
	2017-18	2016-17	(Decline) %
<u>Local Sales</u>	16.5%	17.6%	(6.2%)
<u>Export Sales</u>			
- Bagged	17.5%	22.7%	(22.9%)
- Loose	100.0%	100.0%	-
Total Export	20.3%	25.9%	(21.6%)
Grand Total	16.9%	18.8%	(10.1%)

Industry Source: APCMA website

Directors' Report

b. Financial Performance

The financial performance of your Company for the half year ended 2017-18 compared to the same period last year is presented below:

Numbers in PKR million except EPS

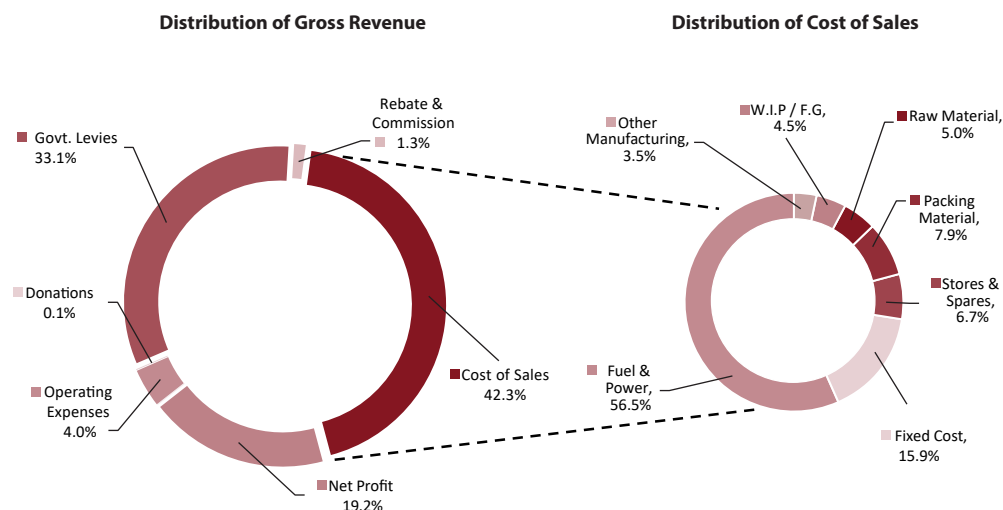
Particulars	Half Year 2017-18	Half Year 2016-17	% Change
Gross Revenue	32,852	31,243	5.2%
Net Revenue	23,254	23,442	(0.8%)
GP	8,886	11,666	(23.8%)
OP	7,516	10,114	(25.7%)
EBITDA	8,910	11,424	(22.0%)
NP	6,547	7,037	(7.0%)
EPS	20.25 / Share	21.76 / Share	(7.0%)

Revenue

During the half year 2017-18 under review, your Company achieved an overall gross sales revenue growth of 5.2% compared to the same period last year. This was mainly due to the impact of higher Federal Excise Duty and Sales Tax.

Cost of Sales

During the period under review, per ton cost of sales of your Company increased by 21.2% compared to the same period last year. The increase was mainly attributable to increase in coal and other fuel prices.



Directors' Report

Gross Profit

Your Company achieved gross profit margin of 38.2% for the half year under review compared to 49.8% reported during the same period last year.

Net Profit

Your Company achieved profit before tax of PKR 8,094.6 million during the half year under review compared to PKR 9,906.4 million reported last period. Similarly, after tax profit of PKR 6,547.1 million was achieved during the half year under review compared to PKR 7,037.4 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, 2017 was PKR 20.25 compared to PKR 21.76 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

The project was satisfactorily completed as per target in December, 2017 and commercial operations commenced. With the addition of this new line, Company's market share is anticipated to increase from January, 2018.

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

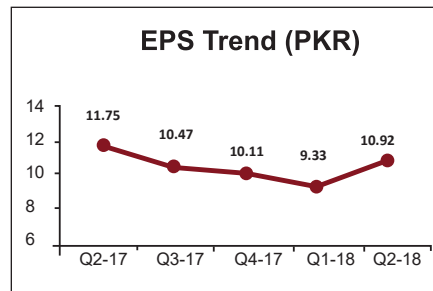
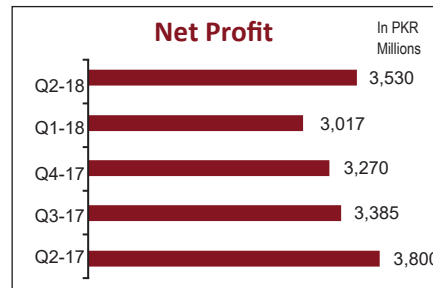
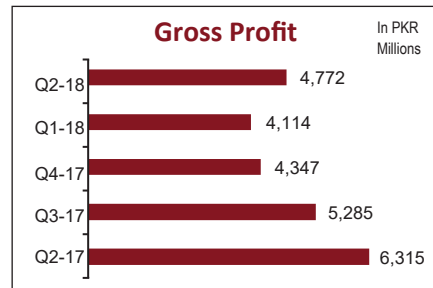
Your Company is still in the process of seeking necessary approvals from the Government of Punjab for commencement of this project. However, in view of the continued delay in expansion plans for North, the Company is evaluating for brownfield expansion of 2.3 million tons per annum at its existing plant location in Pezu, District Lakki Marwat in the KPK province.

Investments

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

Your Company has already executed EPC contract and finalized the draft of the Power Purchase Agreement, Implementation Agreement and Coal Supply Agreement. After the favorable resolution of the matter with respect to restrictive [time bound] use of imported coal and extension of Letter of Support issued to the Company by Private Power Infrastructure Board, the Company is moving swiftly towards financial close. The revised target for financial close and commercial operation is second quarter 2018 and second quarter 2021, respectively.

The consolidated unaudited financial statements of the Company for the half year ended December 31, 2017, include the net assets of the project company i.e. Lucky Electric Power Company Limited which is 100% indirectly owned subsidiary of the Company.



Directors' Report

Investment in automotive Manufacturing plant – Kia Lucky Motors Pakistan Limited [KLM]

KLM started construction of the project in November 2017 and has also signed a New Entrant Agreement with Ministry of Industries & Production under the Automotive Development Policy 2016-2021 in December 2017. The Project aims to start commercial production in 2019.

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

The project has been satisfactorily completed in December, 2017 and with the addition of the new capacity of 0.871 million tons per annum, the total capacity of the Cement Grinding Unit has now increased to 1.742 million tons per annum. The sales volumes are anticipated to increase from January, 2018.

Corporate Social Responsibility

Your Company remains fully committed to value creation for the society where it operates in. During the first half of the financial year under review, your Company extended a number of scholarships to students from various leading universities in Pakistan. Keeping in view the impact of women's empowerment in Pakistan, Lucky Cement continued its support for two leading Government girls' schools in Karachi in collaboration with Zindagi Trust. With the primary focus of social intervention in the development of women education in the Country, your Company hopes that its support for these schools can transform them into model educational institutions for the girls of Pakistan.

Your Company also continues to donate towards the cause of community development by supporting CPLC – an institution responsible for the safety and security of citizens in Sindh. Furthermore, contributions towards the community in connection with health-based initiatives and other welfare purposes were also made to highlight the true spirit of charity. Your Company is also an active supporter of Special Olympics Pakistan, and contributes towards the cause of those affected by various disabilities.

Outlook

Your Company continues to remain optimistic about volumetric growth for the remaining half of the current financial year. Domestic sales are expected to remain strong 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

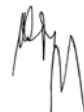
Directors of your Company take this opportunity to express their deep sense of gratitude for all the stakeholders for their encouragement and continued support.

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

On behalf of the Board



MUHAMMAD YUNUS TABBA
Chairman / Director



MUHAMMAD ALI TABBA
Chief Executive / Director

Karachi: January 26, 2018

**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, 2017, 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 thereto 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 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, 2017 and 2016 and the notes thereto have not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2017.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of 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.



Chartered Accountants
Engagement Partner: **Rashid A. Jafer**
Dated: January 26, 2018
Karachi

Unconsolidated Condensed Interim Balance Sheet

As at December 31, 2017

	Note	(Un-audited) December 31, 2017	(Audited) June 30, 2017
(PKR in '000')			
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	5	40,345,905	37,488,137
Intangible assets		59,117	79,657
		40,405,022	37,567,794
Long-term investments	6	14,726,094	13,313,520
Long-term loans and advances		87,213	84,951
Long-term deposits		3,175	3,175
		55,221,504	50,969,440
CURRENT ASSETS			
Stores and spares		7,228,441	5,894,079
Stock-in-trade		1,894,698	2,509,273
Trade debts		2,097,810	1,582,689
Loans and advances		556,654	619,161
Trade deposits and short term prepayments		72,362	39,774
Accrued return		170,526	165,289
Other receivables	7	1,564,282	1,235,019
Tax refunds due from the Government		538,812	538,812
Short term investment		39,647	45,452
Cash and bank balances		32,285,248	33,738,377
		46,448,480	46,367,925
TOTAL ASSETS		101,669,984	97,337,365
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized capital		5,000,000	5,000,000
Issued, subscribed and paid-up capital		3,233,750	3,233,750
Reserves		77,596,055	76,551,231
		80,829,805	79,784,981
NON-CURRENT LIABILITIES			
Long-term deposits	8	90,715	84,630
Deferred liabilities		7,293,910	7,124,127
		7,384,625	7,208,757
CURRENT LIABILITIES			
Trade and other payables		12,370,524	9,269,882
Taxation - net		1,085,030	1,073,745
		13,455,554	10,343,627
		20,840,179	17,552,384
CONTINGENCIES AND COMMITMENTS	9		
TOTAL EQUITY AND LIABILITIES		101,669,984	97,337,365

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Unconsolidated Condensed Interim Profit and Loss Account

For the half year ended December 31, 2017 (Un-audited)

Note	Half Year Ended		Quarter Ended		
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016	
	(PKR in '000')		(PKR in '000')		
Gross sales	10	32,852,077	31,242,508	17,156,894	17,193,514
Less: Sales tax and federal excise duty		9,149,825	7,460,182	4,857,234	4,123,836
Rebates and commission		448,424	340,652	249,613	194,819
		9,598,249	7,800,834	5,106,847	4,318,655
Net sales		23,253,828	23,441,674	12,050,047	12,874,859
Cost of sales		(14,368,087)	(11,775,513)	(7,277,550)	(6,559,451)
Gross profit		8,885,741	11,666,161	4,772,497	6,315,408
Distribution cost		(813,183)	(1,037,958)	(443,832)	(547,843)
Administrative expenses		(556,503)	(514,055)	(275,235)	(267,048)
Other expenses		(616,749)	(1,156,569)	(322,494)	(742,706)
Other income	11	1,195,338	948,857	662,942	497,512
Profit before taxation		8,094,644	9,906,436	4,393,878	5,255,323
Taxation					
-current		(1,486,683)	(2,773,574)	(553,578)	(1,465,115)
-deferred		(60,828)	(95,446)	(310,450)	10,047
		(1,547,511)	(2,869,020)	(864,028)	(1,455,068)
Profit after taxation		6,547,133	7,037,416	3,529,850	3,800,255
Other comprehensive income:					
Other comprehensive income / (loss) which may be reclassified to profit and loss account in subsequent periods					
Unrealized loss on remeasurement of available for sale investment		(5,805)	-	(690)	-
Deferred tax thereon		871	-	104	-
		(4,934)	-	(586)	-
Total comprehensive income for the period		6,542,199	7,037,416	3,529,264	3,800,255
			(PKR)		(PKR)
Earnings per share - basic and diluted		20.25	21.76	10.92	11.75

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Unconsolidated Condensed Interim Cash Flow Statement

For the half year ended December 31, 2017 (Un-audited)

	Note	December 31, 2017	December 31, 2016
(PKR in '000')			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	12	9,295,470	11,011,044
Income tax paid		(1,475,398)	(1,572,813)
Gratuity paid		(43,753)	(27,543)
Income from deposits with Islamic banks and other financial institutions		977,453	881,512
Increase in long-term loans and advances		(2,262)	(12,723)
Increase in long-term deposits (liabilities)		6,085	460
Net cash generated from operating activities		8,757,595	10,279,937
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(4,239,750)	(2,030,167)
Long term investments made		(1,412,574)	(150,000)
Proceeds from sale of short-term investments		-	396,626
Sale proceeds on disposal of property, plant and equipment		16,834	16,258
Dividend received from short term investments		301	-
Short term investments		-	(20,211,825)
Net cash used in investing activities		(5,635,189)	(21,979,108)
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid		(4,575,535)	(3,215,092)
Net decrease in cash and cash equivalents		(1,453,129)	(14,914,263)
Cash and cash equivalents at the beginning of the period		33,738,377	26,805,582
Cash and cash equivalents at the end of the period		32,285,248	11,891,319

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Unconsolidated Condensed Interim Statement of Changes in Equity

For the half year ended December 31, 2017 (Un-audited)

	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 01, 2016	3,233,750	7,343,422	45,771,223	12,974,443	66,089,088	69,322,838
Transfer to general reserves	-	-	9,740,693	(9,740,693)	-	-
<i>Transactions with owners in their capacity as owners</i>						
Final dividend at the rate of PKR 10/- per share each 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
Balance as at December 31, 2016	<u>3,233,750</u>	<u>7,343,422</u>	<u>55,511,916</u>	<u>7,037,416</u>	<u>69,892,754</u>	<u>73,126,504</u>
Balance as at July 01, 2017	3,233,750	7,343,422	55,511,916	13,695,893	76,551,231	79,784,981
Transfer to general reserves	-	-	8,198,518	(8,198,518)	-	-
<i>Transactions with owners in their capacity as owners</i>						
Final dividend at the rate of PKR 12/- per share each for the year ended June 30, 2017	-	-	-	(3,880,500)	(3,880,500)	(3,880,500)
Interim dividend at the rate of PKR 5/- per share each for the year ending June 30, 2018	-	-	-	(1,616,875)	(1,616,875)	(1,616,875)
	-	-	-	(5,497,375)	(5,497,375)	(5,497,375)
Total comprehensive income for the half year ended December 31, 2017	-	-	-	6,542,199	6,542,199	6,542,199
Balance as at December 31, 2017	<u>3,233,750</u>	<u>7,343,422</u>	<u>63,710,434</u>	<u>6,542,199</u>	<u>77,596,055</u>	<u>80,829,805</u>

The annexed notes from 1 to 15 form an integral part of these unconsolidated condensed interim financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2017 (Un-audited)

1 THE COMPANY AND ITS OPERATIONS

- 1.1** Lucky Cement Limited (the Company) was incorporated in Pakistan on September 18, 1993 under the Companies Ordinance, 1984 (the Ordinance) and is listed 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 two 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 have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Company has prepared these financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Accordingly, approved accounting standards for interim financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail.
- 2.2** These unconsolidated condensed interim financial statements do not include all the information and disclosures required in the unconsolidated annual audited financial statements, and should be read in conjunction with the Company's unconsolidated annual audited financial statements for the year ended June 30, 2017.
- 2.3** The figures included in the unconsolidated condensed interim profit and loss account for the quarters ended December 31, 2017 and 2016 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, 2017 and 2016.

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 unconsolidated annual audited financial statements for the year ended June 30, 2017.
- 3.2 Change in accounting standards, interpretations and amendments to published approved accounting standards**
- a) Amendments to published approved accounting standards which are effective during the half year ended December 31, 2017**

There are certain amendments to approved accounting standards which are mandatory for the Company's annual accounting period which began on July 1, 2017. 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, 2017

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, 2018. 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. During the current period the SECP has adopted IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Customers', the impacts of which on the Company's future financial statements are being assessed. Further, certain new standards are yet to be adopted by the Securities and Exchange Commission of Pakistan.

In addition to the foregoing, the Companies Act, 2017 which is not effective on these unconsolidated condensed interim financial statements has added certain disclosure requirements which will be applicable in the future.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial statements 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 audited financial statements for the year ended June 30, 2017.

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, 2017.

5 PROPERTY, PLANT AND EQUIPMENT

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

		(Un-audited) December 31, 2017	(Audited) June 30, 2017
	Note	(PKR in '000')	
Operating fixed assets (WDV) - opening balance		33,086,307	33,261,489
Add: Additions during the period/year	5.2	6,375,255	2,422,806
		39,461,562	35,684,295
Less: Disposals during the period/year (WDV)		8,081	17,376
Depreciation charge for the period/year		1,372,163	2,580,612
Operating fixed assets (WDV) - closing balance		38,081,318	33,086,307
Add: Capital work-in-progress	5.3	2,264,587	4,401,830
		40,345,905	37,488,137

Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2017

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

	Additions (Cost)	Deletions (Cost)
	(PKR in '000')	
Operating fixed assets		
Buildings on freehold land	36,651	-
Buildings on leasehold land	939,828	-
Plant and machinery	4,575,434	-
Generators	196,108	-
Quarry equipment	311,622	-
Vehicles including cement bulkers	267,955	24,535
Furniture and fixtures	12,381	-
Office equipment	16,394	-
Computers and accessories	8,189	796
Other assets (Laboratory equipment, etc.)	10,693	525
	6,375,255	25,856

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

	(Un-audited) December 31, 2017	(Audited) June 30, 2017
Note	(PKR in '000')	
Opening balance	4,401,830	625,886
Add: Additions during the period/year	4,239,750	6,152,076
	8,641,580	6,777,962
Less: Transferred to operating fixed assets	6,375,255	2,374,292
Transferred to intangible assets	1,738	1,840
Closing balance	2,264,587	4,401,830

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	1,961,155	1,861,155
Kia Lucky Motors Pakistan Limited	6.4	1,954,074	641,500
Yunus Energy Limited	6.5	611,365	611,365
		14,726,094	13,313,520

6.1 As of the balance sheet date, the Company owns 75 percent shares of Lucky Holdings Limited (LHL). LHL owns 74.16 percent shares of ICI Pakistan Limited.

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. LCLIHL holds 50 percent ownership interest in the aforesaid Joint Ventures.

Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2017

6.3 Represents equity investment in LCL Holdings Limited (LCLHL), a wholly owned subsidiary of the Company, incorporated in Pakistan. As of the balance sheet date, LCLHL owns 100 percent shares in Lucky Electric Power Company Limited. The amount includes advance against issuance of shares amounting to PKR 50 million.

6.4 Represents equity investment in Kia Lucky Motors Pakistan Limited (KLM), a public unlisted company incorporated in Pakistan. The Company will hold 70 percent shares of KLM at its commercial operations date.

6.5 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

These include balance receivable from Hyderabad Electric Supply Company (HESCO). As per the interim agreement, the Company continues to supply electricity to HESCO and during the period received PKR 110.86 million against old outstanding receivables which has been netted off against other receivables.

Apart from the above, the status of the matter pertaining to the amount receivable from HESCO remains the same as explained in note 15.2 to the annual audited financial statements for the year ended June 30, 2017.

		(Un-audited)	(Audited)
		December 31,	June 30,
		2017	2017
	Note	(PKR in '000')	
8 DEFERRED LIABILITIES			
Staff gratuity		1,407,540	1,297,714
Deferred tax liability	8.1	5,886,370	5,826,413
		7,293,910	7,124,127
8.1 Deferred tax liability			
This comprises of the following :			
- Taxable temporary differences arising due to accelerated tax depreciation allowance		6,326,976	6,232,587
- Deductible temporary differences arising in respect of provisions		(440,606)	(406,174)
		5,886,370	5,826,413

9 CONTINGENCIES AND COMMITMENTS

9.1 CONTINGENCIES

There are no significant changes in the status of contingencies as reported in note 24 to the annual audited unconsolidated financial statements of the Company for the year ended June 30, 2017.

Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2017

9.2 COMMITMENTS	(Un-audited) December 31, 2017	(Audited) June 30, 2017
	(PKR in '000')	
Plant and machinery under letters of credit	918,444	2,279,669
Stores, spares and packing material under letters of credit	2,339,935	2,463,123
Stand by Letter of Credit issued by the Company on behalf of the associated company	110,000	110,000
Bank guarantees issued on behalf of the Company	1,861,486	1,585,774
Bank guarantees issued by the Company on behalf of the subsidiary company	761,879	712,950
Post dated cheques	615	5,675
	(Un-audited) For the half year ended	
	December 31, 2017	December 31, 2016
	(PKR in '000')	
10 GROSS SALES		
Local	30,397,777	27,409,931
Export	2,454,300	3,832,577
	32,852,077	31,242,508
11 OTHER INCOME		
It mainly includes income from deposits with islamic banks and other financial institutions and net income from supply of surplus electricity to HESCO.		
	(Un-audited) For the half year ended	
	December 31, 2017	December 31, 2016
	(PKR in '000')	
12 CASH GENERATED FROM OPERATIONS	Note	
Profit before taxation		9,906,436
Adjustments for non cash charges and other items		
Depreciation	5.1	1,275,047
Amortization of intangible assets		27,948
Gain on disposal of fixed assets		(8,591)
Provision for gratuity		126,742
Loss on sale of short term investments		3,374
Dividend income from short term investments		-
Dividend income from associated company		-
Income from deposits with islamic banks and other financial institutions		(901,637)
Profit before working capital changes		10,429,319
Balance carried forward		10,429,319

Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2017 (Un-audited)

	For the half year ended	
	December 31, 2017	December 31, 2016
	(PKR in '000')	
Balance brought forward	8,513,363	10,429,319
(Increase) / decrease in current assets		
Stores and spares	(1,334,362)	(120,013)
Stock in trade	614,575	(52,251)
Trade debts	(515,122)	477,698
Loans and advances	62,507	(8,341)
Trade deposits and short term prepayments	(32,588)	(36,237)
Other receivables	(191,706)	14,033
	(1,396,696)	274,889
Increase in current liabilities		
Trade and other payables	2,178,803	306,836
	9,295,470	11,011,044

13 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:

	For the half year ended	
	December 31, 2017	December 31, 2016
	(PKR in '000')	
Transactions with subsidiary companies:		
Reimbursement of expenses to the Company	4,198	1,715
Sales	23,410	19,419
Purchases	437	3,341
Sale of fixed assets	5,586	-
Investment made during the period	1,412,564	150,000
Transactions with directors:		
Sales	-	280
Meeting fee	750	1,094
Dividends	1,039,248	611,307
Transactions with associated undertakings:		
Sales	275,848	189,372
Reimbursement of expenses to the Company	4,520	505
Reimbursement of expenses from the Company	459	319
Donation	-	150,000
Services	13,978	12,252
Purchase of fixed assets	-	35,100
Sale of fixed assets	-	11,700
Dividends	684,839	402,053
Purchase of shares of subsidiary company	10	-

Notes to the Unconsolidated Condensed Interim Financial Statements

For the half year ended December 31, 2017 (Un-audited)

	For the half year ended	
	December 31, 2017	December 31, 2016
	(PKR in '000')	
Transactions with key management personnel		
Salaries and benefits	92,231	88,525
Post employment benefits	14,626	12,575
Dividends	68	20

14 GENERAL

14.1 For better presentation certain prior period's figures have been reclassified consequent to certain changes in the current period's presentation, the impact of which is not considered material.

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

15 DATE OF AUTHORISATION FOR ISSUE

These unconsolidated condensed interim financial statements were authorized for issue on January 26, 2018 by the Board of Directors of the Company.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Condensed Interim Consolidated Balance Sheet

As at December 31, 2017

		(Un-audited) December 31, 2017	(Audited) June 30, 2017
ASSETS			
NON-CURRENT ASSETS			
Fixed assets			
Property, plant and equipment	6	65,228,726	59,601,233
Intangible assets		8,070,585	7,388,387
		73,299,311	66,989,620
Long-term investments	7	12,219,452	11,098,870
Long-term loans and advances		517,056	467,373
Long-term deposits and prepayments		65,382	44,972
		86,101,201	78,600,835
CURRENT ASSETS			
Stores, spares and consumables		8,366,901	7,041,171
Stock-in-trade		8,504,262	8,423,173
Trade debts		4,375,318	4,172,567
Loans and advances		1,223,797	1,061,146
Trade deposits and short-term prepayments		799,726	675,814
Other receivables	8	3,185,862	2,881,844
Tax refunds due from the Government		538,812	538,812
Taxation - receivable		1,339,156	1,093,972
Accrued return		177,577	181,355
Short term investments		39,647	45,452
Cash and bank balances		35,425,269	36,273,319
		63,976,327	62,388,625
TOTAL ASSETS		150,077,528	140,989,460
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Issued, subscribed and paid-up capital		3,233,750	3,233,750
Reserves		86,512,723	83,736,475
Attributable to the owners of the Holding Company		89,746,473	86,970,225
Non-controlling interests		10,503,020	9,235,325
Total equity		100,249,493	96,205,550
NON-CURRENT LIABILITIES			
Long-term finances	9	10,268,416	8,825,140
Long-term deposits		90,715	84,630
Liabilities against assets subject to finance lease		73	798
Deferred liabilities	10	9,836,107	9,864,932
Other long term liabilities		2,996,911	2,752,510
		23,192,222	21,528,010
CURRENT LIABILITIES			
Trade and other payables		21,787,672	19,225,920
Provision for taxation		1,129,971	1,073,745
Accrued return		197,265	177,654
Short-term borrowings and running finance		2,246,987	2,128,905
Current portion of liabilities against assets subject to finance lease		1,652	2,009
Current portion of long-term finance	9	1,272,266	647,667
		26,635,813	23,255,900
CONTINGENCIES AND COMMITMENTS	11		
TOTAL EQUITY AND LIABILITIES		150,077,528	140,989,460

The annexed notes from 1 to 17 form an integral part of these condensed interim consolidated financial statements.


Muhammad Yunus Tabba
Chairman / Director


Muhammad Ali Tabba
Chief Executive


Irfan Chawala
Chief Financial Officer

Condensed Interim Consolidated Profit and Loss Account

For the half year ended December 31, 2017 (Un-audited)

	Note	Half Year Ended		Quarter Ended	
		December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
		(PKR in '000')		(PKR in '000')	
Turnover	12	59,766,088	53,877,246	31,082,652	29,245,212
Less: Sales tax and excise duty		10,554,415	8,764,985	5,592,056	4,831,489
Rebates and commission		2,457,306	2,055,827	1,319,084	1,172,703
		13,011,721	10,820,812	6,911,140	6,004,192
Net sales		46,754,367	43,056,434	24,171,512	23,241,020
Cost of turnover		(33,587,614)	(27,895,931)	(17,093,671)	(15,052,169)
Gross profit		13,166,753	15,160,503	7,077,841	8,188,851
Distribution cost		(2,152,288)	(2,131,651)	(1,140,194)	(1,118,560)
Administrative expenses		(1,442,077)	(1,038,256)	(821,054)	(533,053)
Finance costs		(314,595)	(364,151)	(149,498)	(170,908)
Other expenses		(1,111,190)	(1,323,374)	(712,471)	(837,143)
Other income	13	2,196,681	1,740,984	972,943	867,068
Profit before taxation		10,343,284	12,044,055	5,227,567	6,396,255
Taxation					
- current		(1,916,509)	(3,319,875)	(654,580)	(1,720,365)
- deferred		150,104	15,991	(163,839)	22,145
		(1,766,405)	(3,303,884)	(818,419)	(1,698,220)
Profit after taxation		8,576,879	8,740,171	4,409,149	4,698,035
Attributable to:					
Owners of the Holding Company		7,914,236	8,122,743	4,067,067	4,342,348
Non-controlling interests		662,643	617,428	342,082	355,687
		8,576,879	8,740,171	4,409,149	4,698,035
Other comprehensive income for the period					
Items to be reclassified to profit and loss account in subsequent periods :					
Foreign exchange differences on translation of foreign operations		363,078	(13,339)	327,092	(1,563)
Unrealised loss on remeasurement of available-for-sale investment		(5,805)	-	(690)	-
Deferred tax thereon		871	-	104	-
		(4,934)	-	(586)	-
Total comprehensive income for the period		8,935,023	8,726,832	4,735,654	4,696,472
Attributable to:					
Owners of the Holding Company		8,272,380	8,109,404	4,393,572	4,340,785
Non-controlling interests		662,643	617,428	342,082	355,687
		8,935,023	8,726,832	4,735,654	4,696,472
		(PKR)	(PKR)	(PKR)	(PKR)
Earnings per share - basic and diluted		24.47	25.12	12.58	13.43

The annexed notes from 1 to 17 form an integral part of these condensed interim consolidated financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Condensed Interim Consolidated Cash Flow Statement

For the half year ended December 31, 2017 (Un-audited)

	Note	December 31, 2017	December 31, 2016
(PKR in '000')			
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from operations	14	11,873,788	14,262,850
Finance costs paid		(290,735)	(384,091)
Income tax paid		(1,962,309)	(1,262,589)
Staff retirement benefits paid		(81,225)	(63,665)
Income from deposits with islamic banks and and other financial institutions		1,027,121	881,512
Long-term loans and advances		(49,684)	(25,758)
Long-term deposits and prepayments		(14,326)	1,231
Net cash generated from operating activities		10,502,630	13,409,490
CASH FLOWS FROM INVESTING ACTIVITIES			
Fixed capital expenditure		(7,880,787)	(3,465,849)
Investment in associate		-	(981,300)
Business acquisition	5	(1,935,700)	-
Short term investments made		-	(20,211,825)
Dividend from associate		312,015	277,140
Dividend received from short term investments		301	-
Proceeds from sale of short-term investments		-	529,991
Sale proceeds on disposal of property, plant and equipment		17,189	17,318
Net cash used in investing activities		(9,486,982)	(23,834,525)
CASH FLOWS FROM FINANCING ACTIVITIES			
Long-term finance - net		1,988,319	(82,337)
Payment against finance lease liability		(1,733)	-
Issuance of shares to non controlling interest		844,926	-
Dividends paid		(4,813,292)	(3,417,896)
Net cash used in financing activities		(1,981,780)	(3,500,233)
Net decrease in cash and cash equivalents		(966,132)	(13,925,268)
Cash and cash equivalents at the beginning of the period		34,144,414	26,511,287
Cash and cash equivalents at the end of the period		33,178,282	12,586,019
Cash and cash equivalents at December 31 comprise of:			
Cash and bank balances		35,425,269	13,872,956
Short-term borrowings and running finance		(2,246,987)	(1,286,937)
		33,178,282	12,586,019

The annexed notes from 1 to 17 form an integral part of these condensed interim consolidated financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Condensed Interim Consolidated Statement of Changes in Equity

For the half year ended December 31, 2017 (Un-audited)

	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, 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 reserves	-	-	9,740,693	-	(9,740,693)	-	-	-
Final dividend at the rate of PKR 10/- per share each 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 half year ended December 31, 2016	-	-	-	(13,339)	8,122,743	8,109,404	617,428	8,726,832
Balance as at December 31, 2016	<u>3,233,750</u>	<u>7,343,422</u>	<u>55,511,916</u>	<u>137,382</u>	<u>12,319,212</u>	<u>75,311,932</u>	<u>8,329,810</u>	<u>86,875,492</u>
Balance as at July 01, 2017	3,233,750	7,343,422	55,511,916	152,106	20,729,031	83,736,475	9,235,325	96,205,550
Transfer to general reserves	-	-	8,198,518	-	(8,198,518)	-	-	-
Final dividend at the rate of PKR 12/- per share each for the year ended June 30, 2017	-	-	-	-	(3,880,500)	(3,880,500)	-	(3,880,500)
Interim dividend at the rate of PKR 5/- per share each for the year ending June 30, 2018	-	-	-	-	(1,616,875)	(1,616,875)	-	(1,616,875)
Dividends paid to non-controlling interests of ICI	-	-	-	-	-	-	(238,631)	(238,631)
Share of non-controlling interests of KLM	-	-	-	-	1,243	1,243	843,683	844,926
Profit after taxation	-	-	-	-	7,914,236	7,914,236	662,643	8,576,879
Other comprehensive income	-	-	-	363,078	(4,934)	358,144	-	358,144
Total comprehensive income for the half year ended December 31, 2017	-	-	-	363,078	7,909,302	8,272,380	662,643	8,935,023
Balance as at December 31, 2017	<u>3,233,750</u>	<u>7,343,422</u>	<u>63,710,434</u>	<u>515,184</u>	<u>14,943,682</u>	<u>86,512,723</u>	<u>10,503,020</u>	<u>100,249,493</u>

The annexed notes from 1 to 17 form an integral part of these condensed interim consolidated financial statements.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017 (Un-audited)

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, LCL Holdings Limited and KIA Lucky Motors Pakistan Limited. Brief profiles of the Holding company, its subsidiary companies and associate 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 the 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), incorporated and domiciled in Mauritius. LCLIHL has entered into a joint venture agreement, i.e. Lucky Al Shamookh Holdings Limited (LASHL) with Al Shamookh Group. LASHL is a company with limited liability in Jebel Ali Free Zone, United Arab Emirates. LCLIHL holds 50 percent ownership interest in LASHL.

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

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 situated at Room No 5, 6 and 7, Third Floor, Syed Towers, University Road, Opp: Custom House, Peshawar, Khyber Pakhtunkhwa.

Details of the investments of LHL are as follows:

1.3.1 ICI Pakistan Limited

ICI Pakistan Limited (ICI) was incorporated in Pakistan and is listed on the Pakistan Stock Exchange. ICI 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.

1.3.2 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 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, 2017 (Un-audited)

1.3.3 Cirin Pharmaceutical (Private) Limited

Cirin Pharmaceuticals (Private) Limited (Cirin) was incorporated in Pakistan as an unlisted public company and is a wholly owned subsidiary of ICI. Cirin is engaged in manufacturing and sale of pharmaceutical products. The registered office of Cirin is situated at ICI House, 5 West Wharf, Karachi.

1.3.4 NutriCo Morinaga (Private) Limited

NutriCo Morinaga (Private) Limited (NutriCo) is a private limited company incorporated in Pakistan. ICI has 51% ownership in NutriCo. NutriCo is engaged in manufacturing of infant milk powder. The registered office of NutriCo is situated at ICI House, 5 West Wharf, Karachi.

1.4 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.

Details of investments of LCLHL are as follows

1.4.1 Lucky Electric Power Company Limited

Lucky Electric Power Company Limited (LEPCL) was incorporated in Pakistan on June 13, 2014, 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.

1.5 KIA Lucky Motors Pakistan Limited

KIA Lucky Motors Pakistan Limited (KLM) was incorporated in Pakistan as a public unlisted company. The principal line of business of KLM is to carry on the manufacturing, assembling, distribution, marketing, sale, after-sale-service, import and export of all types of KIA motor vehicles, parts and accessories under license from KIA Motors Corporation.

2 STATEMENT OF COMPLIANCE

2.1 These consolidated condensed interim financial statements have been prepared in accordance with approved accounting standards as applicable in Pakistan for interim financial reporting. As per the requirements of circular No. CLD/CCD/PR(11)/2017 dated July 20, 2017 and circular No. 23 of 2017 dated October 4, 2017 issued by the Securities & Exchange Commission of Pakistan (SECP), the Holding Company has prepared these financial statements in accordance with the provisions of the repealed Companies Ordinance, 1984 (the Ordinance). Accordingly, approved accounting standards for interim financial reporting comprise of International Accounting Standard 34, 'Interim Financial Reporting' and provisions of and directives issued under the Ordinance. In case requirements differ, the provisions of or directives issued under the Ordinance prevail.

2.2 These consolidated condensed interim financial statements do not include all the information and disclosures required in the consolidated annual audited financial statements, and should be read in conjunction with the Holding Company's consolidated annual audited financial statements for the year ended June 30, 2017.

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017 (Un-audited)

3 SIGNIFICANT ACCOUNTING POLICIES

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, 2017.

3.1 Change in accounting standards, interpretations and amendments to published approved accounting standards

a) Amendments to published approved accounting standards which are effective during the half year ended December 31, 2017

There are certain amendments to approved accounting standards which are mandatory for the Holding Company's annual accounting period which began on July 1, 2017. However, these do not have any significant impact on the Holding Company's financial reporting and, therefore, have not been detailed in these consolidated condensed interim 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 will be mandatory for the Holding Company's annual accounting period beginning on or after July 1, 2018. However, these amendments will not have any significant impact on the financial reporting of the Holding Company and, therefore, have not been disclosed in these consolidated condensed interim financial statements. During the current period the SECP has adopted IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Customers', the impacts of which on the Holding Company's future financial statements are being assessed. Further, certain new standards are yet to be adopted by the Securities and Exchange Commission of Pakistan.

In addition to the foregoing, the Companies Act, 2017 which is not effective on these consolidated condensed interim financial statements has added certain disclosure requirements which will be applicable in the future.

4 ACCOUNTING ESTIMATES, JUDGEMENTS AND FINANCIAL RISK MANAGEMENT

The preparation of interim financial statements 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 consolidated condensed interim financial statements.

Judgements and estimates made by the management in the preparation of these consolidated condensed interim financial statements are the same as those applied in the Holding Company's annual audited consolidated financial statements for the year ended June 30, 2017.

The Holding Company's financial risk management objectives and policies are consistent with those disclosed in the Holding Company's annual audited financial statements for the year ended June 30, 2017.

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017 (Un-audited)

5 BUSINESS ACQUISITION

On 11th August 2017, ICI acquired certain assets of Wyeth Pakistan Limited and Pfizer Pakistan Limited which constitutes a business combination as per IFRS 3 'Business Combinations'. These assets include land, building, plant and machinery and certain other assets of Wyeth Pakistan Limited alongwith certain brands and registrations of Wyeth Pakistan Limited and Pfizer Pakistan Limited. The following table summarizes the estimated fair values of net assets acquired:

	Fair value recognized on acquisition (PKR in '000')
Indicative value of tangible net assets	
Land	175,000
Building and civil works	203,000
Plant and machinery	493,400
Vehicles	5,100
Computer equipment	1,300
Furniture and fixtures	45,400
Total non-current assets	923,200
Current assets	132,530
	<u>1,055,730</u>
Indicative value of intangibles:	
Brands	753,460
Goodwill	126,510
	<u>879,970</u>
Consideration paid	<u><u>1,935,700</u></u>

Revenue and the profit before tax from the acquired business during the period ended 31 December, 2017 are as follows:

	(PKR in '000')
Net turnover	692,478
Profit before tax	73,382

The aforementioned results have been reported under the Life Sciences division of the Group based on the accounting policies of the Group as disclosed in the annual financial statements for the year ended 30 June 2017.

The management has decided to finalize the determination of valuation of assets acquired within one year from the acquisition date, which is allowed under IFRS 3 'Business Combinations' as measurement period, therefore provisional figures based on latest available information have been considered for the acquisition accounting.

The goodwill recognized is primarily attributed to the expected synergies and other benefits from combining the assets of Wyeth Pakistan Limited and Pfizer Pakistan Limited. The goodwill is not deductible for income tax purposes.

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017

6 PROPERTY, PLANT AND EQUIPMENT

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

	(Un-audited) December 31, 2017	(Audited) June 30, 2017
Note	(PKR in '000')	
Operating fixed assets (WDV) - opening balance	49,689,176	50,300,082
Add: Acquisition through business combination	923,200	217,395
Additions during the period/year	6,569,074	4,055,383
	7,492,274	4,272,778
	57,181,450	54,572,860
Less: Disposals during the period/year (WDV)	8,393	22,165
Depreciation charge for the period/year	2,491,276	4,861,519
Operating fixed assets (WDV) - closing balance	54,681,781	49,689,176
Add: Capital work-in-progress	10,546,945	9,912,057
	65,228,726	59,601,233

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

	Additions (Cost)	Deletions (Cost)
	(PKR in '000')	
Operating fixed assets		
Land	200,062	-
Buildings	1,195,807	-
Plant and machinery	5,120,643	10,750
Generators	196,108	-
Quarry equipments	311,622	-
Vehicles	316,630	24,535
Furniture and fixtures	100,827	38,690
Office equipments	17,378	59,499
Computer & accessories	9,259	796
Other assets	23,938	525
	7,492,274	134,795

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

	(Un-audited) December 31, 2017	(Audited) June 30, 2017
	(PKR in '000')	
Opening balance	9,912,057	2,057,564
Add: Additions during the period/year	7,161,325	11,754,804
	17,073,382	13,812,368
Less: Transferred to operating fixed assets / intangibles	6,526,437	3,900,311
Closing balance	10,546,945	9,912,057

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017

7 LONG TERM INVESTMENT

		<u>(Un-audited)</u> December 31, 2017	<u>(Audited)</u> June 30, 2017
Equity accounted investment			
Joint ventures			
	Note	(PKR in '000')	
Lucky Al Shumookh Holdings Limited	7.1	2,990,965	2,566,188
LuckyRawji Holdings Limited	7.2	7,384,976	6,846,311
		10,375,941	9,412,499
Associates			
NutriCo Pakistan (Pvt) Limited	7.3	1,143,074	964,034
Yunus Energy Limited	7.4	697,937	719,837
		1,841,011	1,683,871
		12,216,952	11,096,370
Unquoted - at cost			
Equity security available-for-sale			
Arabian Sea Country Club Limited (250,000 ordinary shares of PKR 10 each)		2,500	2,500
		12,219,452	11,098,870

7.1 Lucky Al Shumookh Holdings Limited

Investment at cost	1,912,283	1,912,283
Share of profit opening balance	653,903	13,082
Share of profit during the period/year	489,114	994,923
Dividend income	(212,015)	(471,621)
Foreign currency translation reserve	147,680	117,521
	2,990,965	2,566,188

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:

	<u>(Un-audited)</u> December 31, 2017	<u>(Audited)</u> June 30, 2017
(PKR in '000')		
Total assets	6,894,814	5,401,195
Total liabilities	(912,883)	(268,820)
Net assets (100%)	5,981,931	5,132,375
Group's share of net assets (50%)	2,990,965	2,566,188

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017

(Un-audited) December 31, 2017	(Audited) June 30, 2017
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(PKR in '000')

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

Revenue	3,802,268	7,003,458
Net profit (100%)	978,228	1,989,845
Group's share of net profit (50%)	489,114	994,923

7.2 LuckyRawji Holdings Limited

Investment at cost	6,870,050	6,870,050
Share of loss opening balance	(23,739)	(1,213)
Share of profit / (loss) during the period/year	168,415	(230,013)
Foreign currency translation reserve	370,250	207,487
	7,384,976	6,846,311

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.

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

(Un-audited) December 31, 2017	(Audited) June 30, 2017
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(PKR in '000')

Total assets	31,220,276	29,708,379
Total liabilities	(16,450,325)	(16,015,757)
Net assets (100%)	14,769,951	13,692,622
Group's share of net assets (50%)	7,384,976	6,846,311

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

Revenue	4,125,414	4,065,036
Net profit / (loss) (100%)	336,830	(460,027)
Group's share of net profit / (loss) (50%)	168,415	(230,013)

7.3 NutriCo Pakistan (Pvt) Limited

Investment at cost	960,000	960,000
Share of profit opening balance	4,036	1,165
Share of profit during the period/year	279,038	670,869
Dividend received during the period / year	(100,000)	(668,000)
	1,143,074	964,034

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017

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.

<u>(Un-audited)</u> December 31, 2017	<u>(Audited)</u> June 30, 2017
(PKR in '000')	

7.4 Yunus Energy Limited

Investment at cost	611,365	611,365
Share of profit / (loss) opening balance	108,472	(37,868)
Share of profit during the period/year	115,657	146,340
Dividend income	(137,557)	-
	697,937	719,837

Represents 20% equity investment of 61,136,500 shares @ PKR 10/- each in Yunus Energy Limited.

8 OTHER RECEIVABLE

These include balance receivable from Hyderabad Electric Supply Company (HESCO). As per the interim agreement, the Holding Company continues to supply electricity to HESCO and during the period received PKR 110.86 million against old outstanding receivables which has been netted off against other receivables.

Apart from above, the status on the matter pertaining to the amount receivable from HESCO remains the same as explained in note 17.3 to the annual audited consolidated financial statements for the year ended June 30, 2017.

<u>(Un-audited)</u> December 31, 2017	<u>(Audited)</u> June 30, 2017
(PKR in '000')	

9 LONG TERM FINANCE

Long-term finance	11,540,682	9,472,807
Current portion of long term finance	(1,272,266)	(647,667)
9.1	10,268,416	8,825,140

9.1 There is no change in the terms and conditions of long-term loans as disclosed in note 23 to the annual audited consolidated financial statements, except that during the period, ICI availed further long term loans based on reducing balance method amounting to PKR 1,431 million from UBL, PKR 500 Million from HBL and PKR 700 million from ABL @ 6MKIBOR + 0.05%. Loan from ABL and HBL are secured against fixed assets of Soda Ash Business and Loan from UBL is secured against overall Company's assets. The markup on these loans is payable on semi annual basis. In addition to this, ICI availed a further Long Term Financing Facility (LTFF) on reducing balance method amounting to PKR 700 million from MCB Bank @ SBP rate plus 0.3%. LTFF is secured against fixed assets of Soda Ash Business. The markup on LTFF is payable on quarterly basis.

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017

		(Un-audited) December 31, 2017	(Audited) June 30, 2017
	Note	(PKR in '000')	
10 DEFERRED LIABILITIES			
Staff gratuity and eligible retired employees' medical scheme		1,542,570	1,420,420
Deferred tax liability	10.1	8,293,537	8,444,512
		9,836,107	9,864,932
10.1 Deferred tax liability			
This comprises of the following :			
- Taxable temporary differences arising due to accelerated tax depreciation allowance		9,121,860	9,162,122
- Deductible temporary differences arising in respect of provisions		(828,323)	(717,610)
		8,293,537	8,444,512
11 CONTINGENCIES AND COMMITMENTS			
11.1 There are no significant changes in the status of contingencies and commitments as reported in the annual audited consolidated financial statements for the year ended June 30, 2017, except as disclosed in notes 11.2 & 11.3.			
(Un-audited) December 31, 2017			
(Audited) June 30, 2017			
(PKR in '000')			
11.2 CONTINGENCIES			
Claims against the Group not acknowledged as debts are as follows:			
Local bodies		1,400	1,400
Others		15,843	15,302
		17,243	16,702
11.3 COMMENTMENTS			
Plant and machinery under letters of credit		2,711,075	4,143,699
Stores, spares and packing material under letters of credit		2,339,935	2,463,123
Stand by Letter of Credit issued by the Holding Company on behalf of the associated company		110,000	110,000
Bank guarantees issued on behalf of the Holding Company		1,861,486	1,585,774
Bank guarantees issued by the Company on behalf of the subsidiary company		761,879	712,950
Standby letters of credit		3,312,517	3,145,620
Post dated cheques		615	5,675

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017

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

Year	(Un-audited) December 31, 2017	(Audited) June 30, 2017
	(PKR in '000')	
2017-18	39,886	72,921
2018-19	69,935	60,110
2019-20	50,548	39,393
2020-21	29,953	18,186
2021-22	3,553	-
	193,875	190,610
Payable not later than one year	39,886	72,921
Payable later than one year but not later than five years	153,989	117,689
	193,875	190,610

For the half year ended

(Un-audited) December 31, 2017	(Un-audited) December 31, 2016
--------------------------------------	--------------------------------------

(PKR in '000')

12 SEGMENT REPORTING

TURNOVER

Cement	32,852,077	31,242,508
Polyester	8,815,185	7,156,885
Soda Ash	7,147,495	6,921,265
Life Sciences	6,824,805	4,767,826
Chemicals and Agri Sciences	4,109,283	3,778,262
Others (ICI PowerGen)	292,812	251,752
	59,766,088	53,877,246

12.1 OPERATING RESULT

Cement	7,515,738	10,121,052
Polyester	41,553	(208,069)
Soda Ash	1,351,466	1,357,929
Life Sciences	705,233	498,317
Chemicals and Agri Sciences	1,495	212,374
Others (LHL,LCLIHL,LCLHL, KLM, LEPL & ICI PowerGen)	(44,087)	8,003
	9,572,388	11,990,596

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

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

12.4 During the period, Life Sciences Business and Chemicals Business underwent a restructuring which resulted in the shift of Agri Division from Life Sciences Business to Chemicals Business. Consequently, the Chemicals Business was renamed as Chemicals and Agri Sciences Business. Comparative figures of both Businesses have been restated accordingly.

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017 (Un-audited)

	For the half year ended	
	December 31, 2017	December 31, 2016
(PKR in '000')		
12.5 GROSS SALES		
Local	57,179,663	49,691,063
Export	2,586,425	4,186,183
	<u>59,766,088</u>	<u>53,877,246</u>
13 OTHER INCOME		
It mainly includes return from deposits with Islamic banks and other financial institutions and share of gain in equity-accounted investments.		
For the half year ended		
December 31,		
2017		
December 31,		
2016		
(PKR in '000')		
14 CASH GENERATED FROM OPERATIONS	Note	
Profit before taxation		12,044,055
Adjustments for non cash charges and other items		
Depreciation	6.1	2,422,993
Amortization on intangible assets		211,144
Provision for slow moving spares		-
Provision for slow moving and obsolete stock-in-trade		29,320
Provision for doubtful debts		27,389
Provisions and accruals no longer required written back		-
Gain on disposal of property, plant and equipment		(11,636)
Provision for staff retirement benefits		156,206
Share of gain in equity-accounted investees		(738,490)
Dividend income		-
Return from deposits with islamic banks and and other financial institutions		(907,265)
Finance cost & loss on sale of short term investments		369,553
Profit before working capital changes		13,603,269
(Increase) / decrease in current assets		
Stores, spares and consumables		(190,765)
Stock in trade		(241,142)
Trade debts		202,964
Loans and advances		(41,336)
Trade deposits and short term prepayments		(72,591)
Other receivables		(100,109)
		(442,979)
Increase in current liabilities		
Trade and other payables		1,102,560
Cash generated from operations		<u>14,262,850</u>
		<u>11,873,788</u>

Notes to the Condensed Interim Consolidated Financial Statements

For the half year ended December 31, 2017 (Un-audited)

15 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 are as follows:

	For the half year ended	
	December 31, 2017	December 31, 2016
	(PKR in '000')	
Transactions with Directors		
Sales	-	280
Meeting fee	750	2,769
Dividends	1,039,248	611,307
Transactions with Associated Undertakings		
Sales	1,142,804	957,933
Purchase of goods, materials and services	33,443	33,493
Reimbursement of expenses to Company	41,477	42,378
Reimbursement of expenses from Company	459	319
Donation	5,000	150,000
Dividends received	312,020	437,140
Dividends payment	795,420	501,577
Purchase of fixed assets	-	35,100
Sale of fixed assets	-	11,700
Services	13,978	12,252
Purchase of shares of subsidiary Company	10	-
Transactions with key management personnel		
Salaries and benefits	282,481	240,379
Post employment benefits	31,369	27,600
Dividends payment	68	10
Staff retirement benefit plan		
Contribution	123,472	87,844

16 GENERAL

16.1 For better presentation certain prior period's figures have been reclassified consequent to certain changes in the current period's presentation, the impact of which is not considered material.

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

17 DATE OF AUTHORISATION FOR ISSUE

These consolidated condensed interim financial statements were authorized for issue on January 26, 2018 by the Board of Directors of the Holding Company.



Muhammad Yunus Tabba
Chairman / Director



Muhammad Ali Tabba
Chief Executive



Irfan Chawala
Chief Financial Officer

ڈائریکٹرز جائزہ

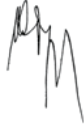
اظہار تشکر

اس موقع سے فائدہ اٹھاتے ہوئے آپ کے ڈائریکٹرز تمام شراکت داروں کی جانب سے بھرپور حمایت اور حوصلہ افزائی کیلئے تہہ دل سے ان کے مشکور ہیں۔ ہم اس بات کو ریکارڈ کا حصہ بناتے ہوئے لکھی فیملی کے اخلاص، انکی انتھک محنت کو دل کی گہرائیوں سے سراہتے ہیں۔ اور حصص داران کے بھی بے حد مشکور ہیں جن کی جانب سے ہمیشہ کمپنی پر اعتماد اور یقین کا اظہار کیا جاتا رہا۔

منجانب بورڈ



محمد یونس ٹیہ
چیرمین / ڈائریکٹر



محمد علی ٹیہ
چیف ایگزیکٹو

کراچی، 26 جنوری 2018

ڈائریکٹرز جائزہ

کمپنی کی مجموعی غیر آڈٹ شدہ مالیاتی دستاویزات برائے سش ماہی 31 دسمبر 2017 مزکورہ بالا پروجیکٹ کے کل اثاثوں کو بھی شامل کیا گیا ہے یعنی لکی ایکسٹراکٹ پاور کمپنی لمیٹڈ جو کہ بالواسطہ سو فیصد کمپنی کی ملکیت میں ایک ذیلی ادارہ ہے۔

آٹوموٹیو ٹیکسٹائل پلانٹ میں سرمایہ کاری۔ کیا لکی موٹرز پاکستان لمیٹڈ (کے ایل ایم)

کے ایل ایم (KLM) کی جانب سے پروجیکٹ پر تعمیراتی کام کا آغاز نومبر 2017 سے شروع کیا جا چکا ہے اور وزارت صنعت و پیداوار کے ساتھ آٹوموٹیو ڈیولپمنٹ پالیسی 2016-2021 کے تحت دسمبر 2017 میں نیواٹریٹمنٹ اگرینٹ پروجیکٹ بھی کر دیئے گئے ہیں۔ اس پروجیکٹ کے کمرشل بنیادوں پر کام کے آغاز کیلئے 2019 کا ہدف مقرر کیا گیا ہے۔

سینٹ گرائیڈنگ پونٹ عراق میں براؤن فیلڈ توسیع - 0.871 ملین ٹن سالانہ

پروجیکٹ ہذا کو اطمینان بخش انداز سے دسمبر 2017 میں پایہ تکمیل تک پہنچایا جا چکا ہے اور اب 0.871 ملین ٹن سالانہ اضافے کے ساتھ سینٹ گرائیڈنگ پونٹ کی پیداواری صلاحیت بڑھ کر 1.742 ملین ٹن سالانہ ہو چکی ہے۔ فروختگی کے حجم میں جنوری 2018 تک اضافے کے امکانات ہیں۔

کارپوریٹ معاشرتی ذمہ داری

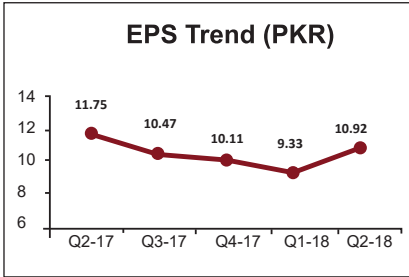
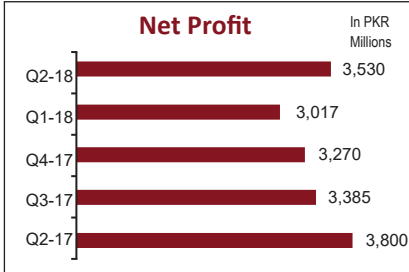
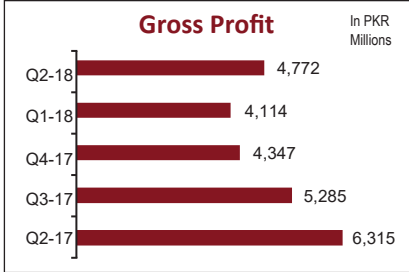
آپ کی کمپنی اس بات کا عزم کئے ہوئے ہے کہ جس معاشرے میں یہ اپنے افعال سرانجام دے رہی ہے اس معاشرے کی قدر میں اضافے کیلئے اسے اخلاص نیت سے کام کرنا ہے۔ آپ کی کمپنی کی جانب سے زیر نظر شش ماہی کے دوران تعلیم کے شعبے میں ان مستحق طلباء کو وظائف دیئے گئے جو کہ وطن عزیز کی نامور جامعات میں زیر تعلیم ہیں۔ اسی طرح آپ کی کمپنی خواتین کو خود مختار بنانے کے لئے بھی اپنا بھرپور کردار ادا کر رہی ہے اور اس سلسلے میں زندگی ٹرسٹ کے ساتھ مل کر دو معروف سرکاری گزرا اسکولوں کی امداد جاری رکھے ہوئے ہے۔ وطن عزیز میں خواتین کی تعلیم کے سلسلے میں معاشرے کے کردار کو بنیاد بناتے ہوئے آپ کی کمپنی اس بات کی امید کرتی ہے کہ کمپنی کی جانب سے اس سلسلے میں کی جانے والی کوششیں ان گزرا اسکولوں کو پاکستان میں ماڈل گزرا اسکولوں کے بطور سامنے پیش کرنے میں معاون ثابت ہوگی۔

آپ کی کمپنی کی جانب سے کمیونٹی ڈیولپمنٹ کی غرض سے سی پی ایل سی کو بھی عطیات دیئے جا رہے ہیں۔ یہ ایک ایسا ادارہ ہے جو کہ صوبہ سندھ میں شہریوں کے حفظ و امان کی ذمہ داریاں سنبھالے ہوئے ہے۔ نیز کمیونٹی ڈیولپمنٹ کے سلسلے میں صحت کے معیار کو بلند کرنے کیلئے اور اور دیگر فلاح و بہبود کے کاموں کیلئے بھی کمپنی کی جانب سے عطیات دیئے گئے ہیں تاکہ عطیات کے بھرپور اثرات ابھر کر سامنے آئیں۔ آپ کی کمپنی پاکستان میں خصوصی افراد کیلئے منعقد کئے جانے والے اولمپکس گیمز کی بھی بھرپور حمایت کرتی ہے اور کمپنی کی جانب سے ان افراد کی امداد کیلئے بھی خطیر رقم عطیہ کی جاتی ہیں جو مختلف معزوری کا شکار ہیں۔

مستقبل

آپ کی کمپنی کو اس بات کی قوی امید ہے کہ سال ابقیہ دورانے میں بھی فروختگی میں احافے کار حجان برقرار رہے گا۔ نجی اور پبلک سیکٹر کے پروجیکٹس اور بالخصوص سی پیک کے تحت بڑے پیمانے پر شروع کئے جانے والے دیگر پروجیکٹس کو مد نظر رکھتے ہوئے اس بات کی امید کی جاسکتی ہے مقامی سطح پر سینٹ کی فروخت کار حجان بہت تیز رہے گا۔ آپ کی کمپنی کی قرضوں سے پاک منظیوں مالیاتی پوزیشن اور واجبات سے پاک نقد رقم کی وجہ سے نا صرف اس قسم کے پروجیکٹس میں سرمایہ کاری میں مدد ملے گی بلکہ دیگر نئے پروجیکٹس میں بھی سرمایہ کاری کے مواقع حاصل ہوتے رہیں گے جس کی وجہ سے کمپنی کی کاروباری سرگرمیوں میں بہتری لانے میں اور حصص داران کی سرمایہ کاری کو مزید باآدر کرنے میں مدد ملے گی۔

ڈائریکٹرز جائزہ



کے اضافے کے بعد اب امید کی جاتی ہے کہ جنوری 2018 سے کمپنی کے مارکیٹ میں موجود حصے میں اضافہ ہونا شروع ہو جائے گا۔

پاکستان صوبہ پنجاب میں مکمل طور پر مریٹ ٹریڈنگ سٹاک ایکسچینج پلانٹ - 2.3 ملین ٹن سالانہ

اس پروجیکٹ کے سلسلے میں ابھی تک آپ کی کمپنی حکومت پنجاب سے ضروری منظوری حاصل کرنے کے مراحل میں ہے۔ تاہم شمال کے ریجن میں توسیعی منصوبے میں مسلسل تاخیر کو مد نظر رکھتے ہوئے کمپنی کی جانب سے اپنے موجودہ پلانٹ مقام بیڑو، ڈسٹرکٹ لکی مروت صوبہ خیبر پختونخواہ میں 2.3 ملین ٹن سالانہ کے براؤن فییلڈ توسیعی منصوبے کا جائزہ (Evaluation) لیا جا رہا ہے۔

سرمایہ کاری

1×600 میگا واٹ کے سپر کریٹیکل کوئلے پر مبنی پاور پروجیکٹ میں سرمایہ کاری

آپ کی کمپنی پہلے ہی ای پی پی سی معاہدے طے کر چکی ہے اور پاور کی خریداری کے معاہدے عمل درآمد کے معاہدے اور کوئلے کی سپلائی کے معاہدے کے ڈرافٹ کو حتمی شکل دی جا چکی ہے۔ ایک خاص مدت تک درآمد شدہ کوئلے کی خریداری کے معاملے کو باحسن و خوبی نمٹانے کے بعد اور کمپنی کے حق میں لیٹر آف سپورٹ از پرائیویٹ پاور انفراسٹرکچر بورڈ جاری کئے جانے کے بعد، اب کمپنی اس سلسلے میں تیزی کے ساتھ مالی معاملات کو نمٹانے جاری ہے۔ اس سلسلے میں مالیاتی معاملات کو حتمی شکل دیئے جانے اور منصوبے پر کمرشل بنیادوں پر کام کا آغاز کئے جانے کیلئے نظر ثانی شدہ اہداف بالترتیب 2018 کی دوسری سہ ماہی اور 2021 کی دوسری سہ ماہی ہیں۔

خام منافع

آپ کی کمپنی زیر نظر ششماہی کے دوران %38.2 خام منافع حاصل کر پائی جبکہ گزشتہ سال اسی عرصے کے دوران خام منافع کی شرح %49.8 تھی۔

صافی منافع

آپ کی کمپنی نے زیر نظر ششماہی کے دوران 8,094.6 ملین روپے کا منافع قبل از ٹیکس حاصل کیا جبکہ گزشتہ سال اسی عرصے کے دوران یہ منافع 9,906.4 ملین روپے تھا۔ اسی طرح اس سال منافع بعد از ٹیکس 6,547.1 ملین روپے ریکارڈ کیا گیا جبکہ گزشتہ سال اسی عرصے کے دوران منافع بعد از ٹیکس 7,037.4 ملین روپے ریکارڈ کیا گیا تھا۔

آمدنی فی حصص

آپ کی کمپنی کی جانب سے شش ماہی 31 دسمبر 2017 کے دوران آمدنی فی حصص 20.25 روپے رہی جبکہ گزشتہ سال اسی عرصے کے دوران آمدنی فی حصص 21.76 روپے تھی۔

پروجیکٹس - نئے و جاری

براؤن فییلڈ توسیعی (1.25 ملین ٹن سالانہ کی اضافی لائن کی تعصیب) بمقام کراچی

اس پروجیکٹ کو طے شدہ وقت یعنی دسمبر 2017 کے مطابق اطمینان بخش انداز سے پایہ تکمیل تک پہنچایا جا چکا ہے اور اس نے کمرشل بنیادوں پر کام کا آغاز کر دیا ہے۔ اس نئی لائن

ڈائریکٹرز جائزہ

ب۔ مالیاتی کارکردگی

آپ کی کمپنی کی مالیاتی کارکردگی برائے سش ماہی 2017-18 گزشتہ سال کی سش ماہی سے تقابلی جائزہ ذیل میں پیش کیا جا رہا ہے:

ماسوائے فی حصص آمدن بقیہ ہندسے ملین روپوں میں ہیں

تفصیلات	سش ماہی 2017-18	سش ماہی 2016-17	فرق فیصد میں
خام آمدن	32,852	31,243	5.2%
صافی آمدن	23,254	23,442	(0.8%)
خام منافع	8,886	11,666	(23.8%)
کاروباری منافع	7,516	10,114	(25.7%)
آمدن قبل از سود، انکم ٹیکس، فرسودگی	8,910	11,424	(22.0%)
صافی منافع	6,547	7,037	(7.0%)
فی حصص آمدن	20.25 فی حصص	21.76 فی حصص	(7.0%)

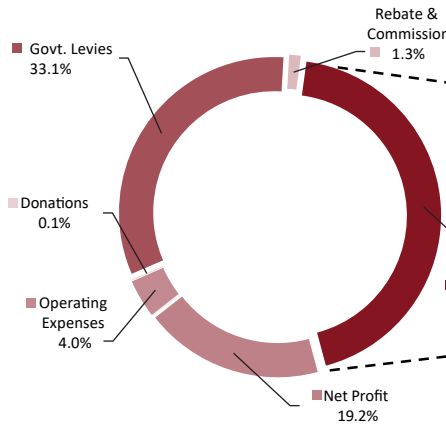
لاگت برائے فروختگی

گزشتہ سال کے مقابلے میں زیر نظر شہاہی کے دوران آپ کی کمپنی کی فی ٹن لاگت برائے فروختگی میں 21.2% کا اضافہ ہوا۔ اس اضافے کی بنیادی وجہ کوئلے اور دیگر ایندھن کے نرخوں میں اضافہ تھا۔

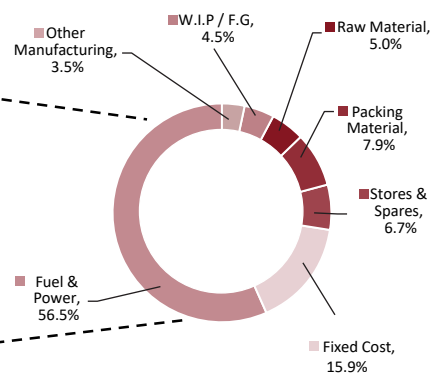
آمدن

زیر نظر شہاہی کے دوران آپ کی کمپنی نے گزشتہ سال اسی عرصے کے مقابلے میں 5.2% کی مجموعی فروختگی میں اضافہ حاصل کیا۔ اس کی اصل وجہ بلند فیڈرل ایکسائز ڈیوٹی اور سیلز ٹیکس تھے۔

Distribution of Gross Revenue



Distribution of Cost of Sales



ڈائریکٹرز جائزہ

مال کی ترسیل سے متعلق آچی کی کمپنی اور سیمنٹ کی صنعت کا تقابلی جائزہ برائے ششماہی 2017-18، بمقابلہ گزشتہ سال ذیل میں پیش کیا جا رہا ہے:

تفصیلات		ششماہی		ششماہی	
		2016-17		2017-18	
		اضافہ / کمی فیصد میں		ہزاروں ٹن میں	
سیمنٹ کی صنعت					
مقامی فروختگی					
17.4%	2,941	16,895	19,836		
برآمدات					
(16.6%)	(464)	2,790	2,326		
(33.1%)	(40)	121	81		
(17.3%)	(504)	2,911	2,407		
12.3%	2,437	19,806	22,243		
مجموعی کل					
مقامی فروختگی					
16.9%	464	2,745	3,209		
(74.9%)	(176)	235	59		
9.7%	288	2,980	3,268		
برآمدات					
(35.4%)	(244)	632	408		
(33.1%)	(40)	121	81		
(35.1%)	(264)	753	489		
0.6%	24	3,733	3,757		
مجموعی کل					
مارکیٹ میں حصہ		ششماہی		ششماہی	
		2016-17		2017-18	
		اضافہ / کمی فیصد میں			
مقامی فروختگی					
	(6.2%)	17.6%	16.5%		
برآمدات					
	(22.9%)	22.7%	17.5%		
	-	100.0%	100.0%		
	(21.6%)	25.9%	20.3%		
	(10.1%)	18.8%	16.9%		

بحوالہ: APCMA ویب سائٹ

ڈائریکٹرز جائزہ

آپ کی کمپنی کے ڈائریکٹرز کیلئے یہ بات باعث مسرت ہے کہ ان کی جانب سے کمپنی کے مالیاتی نتائج بشمول منفرد (آڈیٹرز سے باقاعدہ نظر ثانی شدہ) اور مجموعی غیر آڈٹ شدہ شش ماہی مالیاتی دستاویزات بابت مالی سال 31 دسمبر 2017 آپ کی خدمت میں پیش کئے جا رہے ہیں۔

جائزہ

مالی سال 31 دسمبر 2017 کی شش ماہی کے دوران پاکستان میں سینٹ کی صنعت کی شرح نمو 12.3% کے ساتھ 22.24 ملین ٹن رہی جبکہ گزشتہ سال اسی عرصے کے دوران سینٹ کی صنعت کا کل پیداوری حجم 19.81 ملین ٹن تھا۔ ایک جانب مقامی سطح پر فروختگی میں 17.4% کی شرح نمو کے ساتھ فروختگی کا حجم 19.84 ملین ٹن رہا جو کہ گزشتہ سال اسی عرصے کے دوران 16.90 ملین ٹن تھا تو دوسری جانب برآمدات میں 17.3% کی کمی کے ساتھ برآمدات کا کل حجم 2.41 ملین ٹن رہا۔ جو کہ گزشتہ سال اسی عرصے کے دوران 2.91 ملین ٹن تھا۔

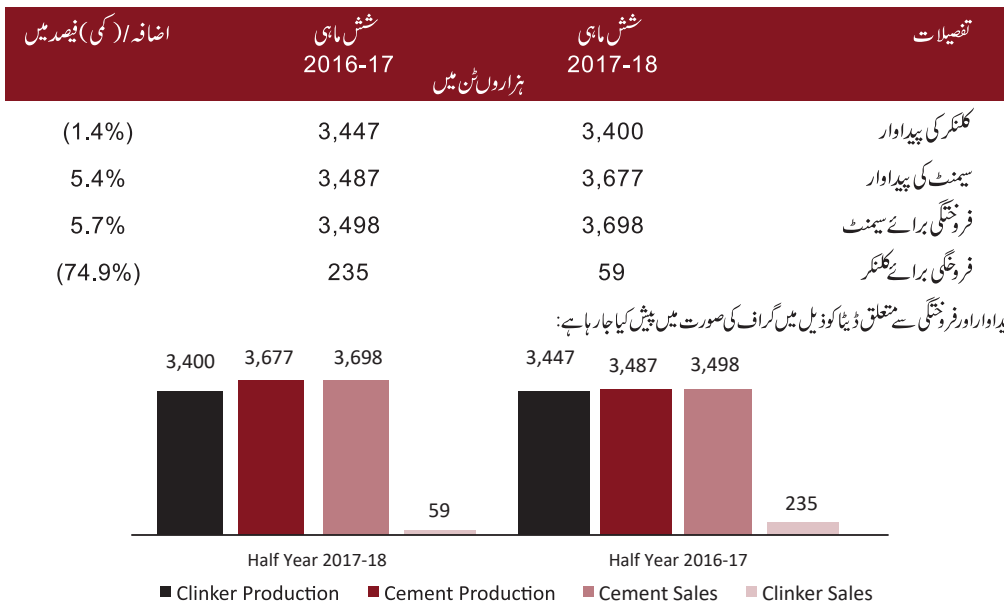
آپ کی کمپنی کی جانب سے مجموعی طور پر فروختگی کی مد میں 0.6% کی شرح نمو کا ہدف حاصل کیا گیا ہے جس کے تحت فروختگی کا کل حجم اس شش ماہی کے دوران 3.76 ملین ٹن رہا جبکہ گزشتہ سال اسی عرصے کے دوران یہ حجم 3.73 ملین ٹن تھا۔ جبکہ مقامی سطح پر آپ کی کمپنی کی جانب سے فروختگی کی شرح نمو 16.9% رہی (شمال میں 15.6% اور جنوب میں 18.5%) جس کے تحت مقامی فروختگی کا حجم رواں شش ماہی کے دوران 3.21 ملین ٹن رہا جو گزشتہ مالی سال اسی عرصے کے دوران 2.75 ملین ٹن تھا؛ جبکہ دوسری جانب رواں شش ماہی کے دوران مقامی سطح پر کلنکر کی فروخت میں 74.9% کی کمی واقع ہوئی ہے اور اس کمی کے ساتھ کلنکر کی فروختگی کا حجم 0.06 ملین ٹن رہا جو کہ گزشتہ سال اسی عرصے کے دوران 0.24 ملین ٹن تھا۔ اس کے نتیجے میں کمپنی کی مجموعی مقامی فروختگی 9.7% کے اضافے کے ساتھ 3.27 ملین ٹن رہا جو کہ گزشتہ سال شش ماہی کے دوران 2.98 ملین ٹن تھا۔ شش ماہی ہذا کے دوران برآمدات میں 35.1% کی کمی واقع ہوئی ہے اور برآمدات کا حجم 0.49 ملین ٹن رہا جو کہ گزشتہ سال اسی عرصے کے دوران 0.75 ملین ٹن تھا۔

رواں شش ماہی کے اختتام پر فی حصص آمدن 20.25 روپے ریکارڈ کی گئی جو کہ گزشتہ سال اسی عرصے کے دوران کی فی حصص آمدن 21.76 روپے کے مقابلے میں 7.0% کم ہے۔

کاروباری جائزہ

الف۔ کارکردگی برائے پیداوار و حجم برائے فروختگی

آپ کی کمپنی کی جانب سے شش ماہی 2017-2018 کی بابت پیداوار اور فروختگی کا جائزہ بمعہ تقابل برائے شش ماہی بابت گزشتہ سال ذیل میں پیش کیا جا رہا ہے:



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Plants

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