

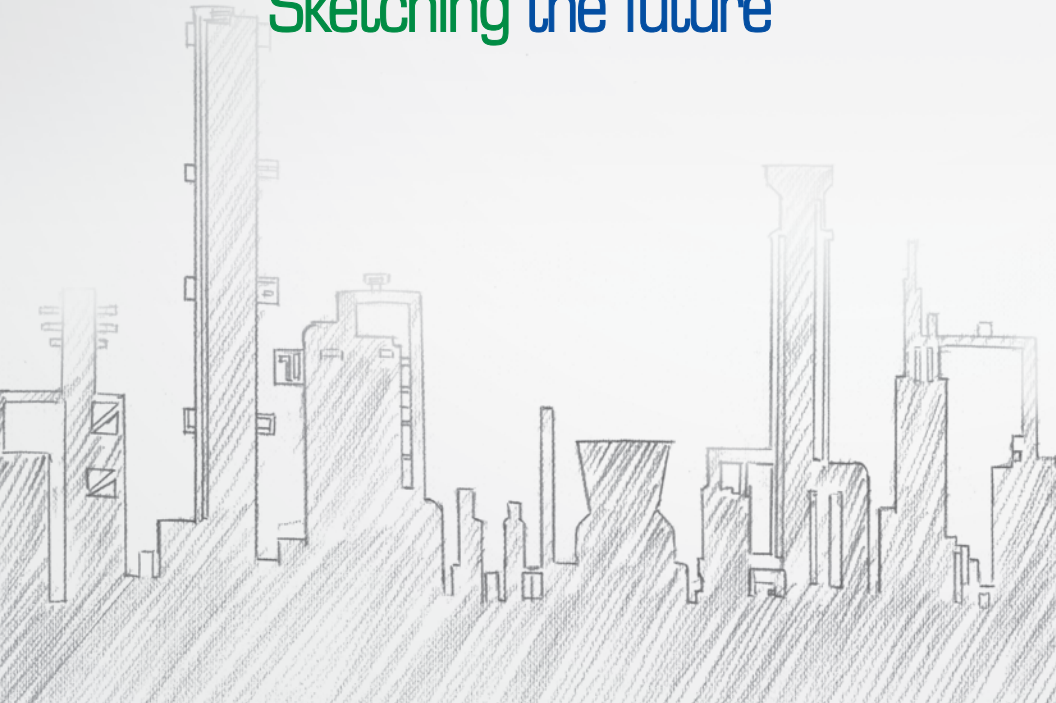
Nine Months Report

March 2016



THATTA CEMENT
COMPANY LIMITED

Sketching the future



CONTENTS

Vision & Mission	01
Company Information	02
Directors' Review	03
Condensed Interim Unconsolidated Balance Sheet	08
Condensed Interim Unconsolidated Profit and Loss Account	09
Condensed Interim Unconsolidated Statement of Comprehensive Income	10
Condensed Interim Unconsolidated Cash Flow Statement	11
Condensed Interim Unconsolidated Statement of Changes in Equity	13
Notes to the Condensed Interim Unconsolidated Financial Statements	14
Condensed Interim Consolidated Balance Sheet	26
Condensed Interim Consolidated Profit and Loss Account	27
Condensed Interim Consolidated Statement of Comprehensive Income	28
Condensed Interim Consolidated Cash Flow Statement	29
Condensed Interim Consolidated Statement of Changes in Equity	31
Notes to the Condensed Interim Consolidated Financial Statements	32

Vision

To transform the Company into a modern and dynamic cement manufacturing unit fully equipped to play a meaningful role on sustainable basis in the economy of Pakistan.

Mission

- To provide quality products to customers at competitive prices; and
- To generate sufficient profit to add to the shareholders' value.

COMPANY INFORMATION

BOARD OF DIRECTORS

Mr. Khawaja Muhammad Salman Younis
Mr. Muhammad Fazlullah Shariff
Mr. Shahid Aziz Siddiqui
Mr. Agha Sher Shah
Mr. Wazir Ali Khoja
Mr. Saleem Zamindar
Mr. Attaullah A. Rasheed

Chairman
Chief Executive
Director
Director
Director
Director
Director

AUDIT COMMITTEE

Mr. Wazir Ali Khoja
Mr. Khawaja Muhammad Salman Younis
Mr. Shahid Aziz Siddiqui
Mr. Attaullah A. Rasheed

Chairman
Member
Member
Member

HR & REMUNERATION COMMITTEE

Mr. Saleem Zamindar
Mr. Shahid Aziz Siddiqui
Mr. Agha Sher Shah
Mr. Muhammad Fazlullah Shariff

Chairman
Member
Member
Member

CHIEF FINANCIAL OFFICER & COMPANY SECRETARY

Muhammad Taha Hamdani

REGISTERED OFFICE

Office No. 606-608A,
Continental Trade Center,
Block 8, Clifton, Karachi
UAN: 0092-21-111-842-882
Fax no: 0092-21-35303074-75
Website: www.thattacement.com
E-mail: info@thattacement.com

STATUTORY AUDITOR

M/s Grant Thornton Anjum Rahman, Chartered Accountants

COST AUDITOR

M/s Siddiqi & Co., Cost & Management Accountants

CORPORATE ADVISOR

M/s Shekha & Mufti, Chartered Accountants

FACTORY

Ghulamullah Road, Makli,
District Thatta, Sindh 73160

LEGAL ADVISOR

M/s Usmani & Iqbal

SHARE REGISTRAR

THK Associates (Pvt) Limited
2nd Floor, State Life Building No. 3,
Dr. Ziauddin Ahmed Road,
Karachi-75530
UAN 111-000-322, Fax: 35655595
Website: www.thk.com.pk

BANKERS

Sindh Bank Limited
National Bank of Pakistan
Summit Bank Limited
Silk Bank Limited

DIRECTORS' REVIEW

The Board of Directors of Thatta Cement Company Limited present herewith their review together with the un-audited financial statements for the nine months period ended March 31, 2016.

INDUSTRY OVERVIEW

The Cement industry witnessed an overall growth of 9.94% during the nine months period ended March 31, 2016 over the corresponding period of last year. The growth was led by domestic consumption which increased by a phenomenal 17.69% whereas the exports continued to decline by 19.04% during the same period as compared to the corresponding period of last year.

Falling coal prices in the international market, stable exchange and interest rate supported the bottom line profitability of the cement manufacturing companies during the period. The positive growth in cement sector resulted on the back of higher construction activity in the housing sector and also due to increased infrastructure activity under the public sector development plans.

BUSINESS PERFORMANCE

a. Production and Sales Volume Performance

The clinker production of the Company during the period under review was 247,436 tons which was higher by 46,489 MT i.e 23.13% over the corresponding period of previous year. The increased capacity utilization has been due to better off-take in domestic segment.

Following is the comparative of production and dispatch data for the nine months versus the same period last year:

	March 2016	March 2015	Variance	
	Metric Tons		%	
Plant capacity – Clinker	382,500	337,500	45,000	13.33
Production				
- Clinker	247,436	200,947	46,489	23.13
- Cement	263,079	200,459	62,620	31.24
- GGBFS	520	26,003	(25,483)	(98.00)
- Class G Cement	3,180	1,299	1,881	144.80
Dispatches				
Cement				
- Local	263,246	200,462	62,784	31.32
- Class G Cement	749	1,061	(312)	(29.41)
- Exports	1,400	1,710	(310)	(18.13)
	<u>265,395</u>	<u>203,233</u>	<u>62,162</u>	<u>30.58</u>
Clinker	20,500	-	20,500	100.00
GGBFS –Local	520	26,003	(25,483)	(98.00)
	<u>286,415</u>	<u>229,236</u>	<u>57,179</u>	<u>24.94</u>

The Company's local cement dispatches posted a healthy growth of 30.99% over the same period of last year due to increased capacity utilization after BMR and enhanced domestic demand, whereas exports reduced by a nominal 310 MT. Your Company is managing the sales mix diligently to improve overall margins by focusing more on the local sales which contribute more to the profitability as compared to exports and consequently add more to the stakeholder's value. Furthermore, 20,500 MT clinker was also sold in order to manage the inventory.

A comparative analysis of sales volume of the industry vis-à-vis the Company is as under:

	March 2016	March 2015	Variance	
----- Million Metric Tons -----				
<u>Cement Industry</u>				%
Local sales	23.941	20.342	3.599	17.69
Exports	4.406	5.442	(1.036)	(19.04)
	<u>28.347</u>	<u>25.784</u>	<u>2.563</u>	<u>9.94</u>
----- Metric Tons -----				
<u>Thatta Cement Company Limited</u>				%
Local sales - Cement	263,995	201,523	62,472	30.99
Local sales – Clinker	20,500	-	20,500	100.00
Exports	1,400	1,710	(310)	(18.13)
GGBFS - Local	520	26,003	(25,483)	(98.00)
	<u>286,415</u>	<u>229,236</u>	<u>57,179</u>	<u>24.94</u>

b. Financial Performance

A comparison of key financial results of the Company's performance for the nine months period ended March 31, 2016 with the same period of last year is as under:

	March 2016	March 2015
----- Rupees in thousands -----		
Turnover – net	1,984,108	1,674,275
Gross profit	596,264	538,526
Finance Cost	95,309	50,878
Profit before taxation	440,769	366,101
Profit after taxation	429,728	241,079
Earnings per share (Rupees)	4.31	2.42

The gross profit margin slightly declined to 30.05% during the nine months period ended March 31, 2016 as compared to 32.16% during the same period of last year. The Company earned a profit before tax of Rs. 440.769 million after providing depreciation of Rs. 74.888 million.

(i) Sales Performance

The sales of your Company during the nine months period ended March 31, 2016 increased by 18.50% in value terms whereas the sales volume increased by a healthy 24.94%. This has been made possible by diligent planning and careful execution of sales and marketing activities which enabled the Company to fetch its share of revenue from increased construction activity during the period under review.

(ii) Cost of Sales

The cost of sales ratio to sales nominally increased to 69.95% during the period as compared to 67.84% in the corresponding period.

(iii) Selling and Distribution Cost

Selling and Distribution cost has increased by 75.71% due to increase in commission to dealers on account of increased sales and local freight charges on account of cement dispatches to few customers on landed cost basis during the period as compared to the corresponding period of last year.

(iv) Finance Cost

Finance cost has increased by 87.33% during the nine months under review as compared to the corresponding period of last year due to increase in interest expense being charged to profit and loss account on long term financing obtained for Balancing, Modernization and Rehabilitation (BMR) project. Interest expense after the completion of BMR project in the month of July 2015 was charged to profit & loss account, as per the requirement of International Accounting Standards.

FUTURE OUTLOOK

Going forward the outlook for the remaining period of current financial year 2016 appears promising as domestic demand shall continue to appreciate due to construction activities at China Pakistan Economic Corridor project and Government's long term investment in infrastructure projects including energy generation projects and robust activity in the housing sector. Stability in interest rates and coal prices will continue to sustain growth in cement sector through enhanced margins for cement manufacturing companies. Selling price is expected to remain stable in the remaining period of the current financial year.

The Company is reaping benefits of the recent successful completion of the BMR in terms of efficiencies, improved productivity and lowering fuel & power costs which will be better reflected in the remaining period of the current financial year. The benefits of BMR will continue to provide opportunity for the Company to remain competitive while maintaining its market share.

Demand for cement is to pickup further in the backdrop of progress of work on the China Pakistan Economic Corridor (CPEC) and uplift of Gwadar City. The positive growth in cement is also expected to continue on the back of higher construction activity in summers and utilization of remaining funds of PSDP during the remaining period of the financial year 2016. The overall cement demand is expected to remain robust and the capacity utilization of the cement factories is expected to further improve which justifies expansion plans by the major players of the industry.

The economic outlook of the country in general is positive, however political stability and law & order improvement is essential to sustain the overall positivity of the economy.

PERFORMANCE OF THE GROUP

A brief of the financial position and performance of the Group for the nine months period ended March 31, 2016 is mentioned below:

	March 2016	June 2015
----- Rupees in thousands -----		
Balance Sheet		
Property, plant and equipment	3,431,798	3,396,003
Stock-in-trade	185,476	230,907
Trade debts	546,289	477,102
Paid-up Share Capital	997,181	997,181
Total equity	2,346,168	2,123,392
Trade and other payables	358,967	364,658
Short Term Borrowings	47,869	135,449

	March 2016	March 2015
----- Rupees in thousands -----		
Profit and loss		
Turnover – net	1,993,271	2,439,214
Gross profit	683,435	874,130
Profit before taxation	471,211	608,234
Profit after taxation	459,861	493,364
Earnings per share (Rupees)	4.50	4.00

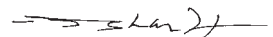
WASTE HEAT RECOVERY PROJECT

The financing arrangement for the project with syndicate of Banks is underway and expected to be completed soon.

ACKNOWLEDGEMENT

The Directors are grateful to the Company's shareholders, financial institutions and customers for their continued cooperation, support and patronage. The Directors acknowledge the relentless efforts and dedicated services, teamwork, loyalty and hard work of all the employees of the Company and hope their continued dedication shall further consolidate the Company and keep its growth abreast to face future developments and demands.

On behalf of the Board



Muhammad Fazlullah Shariff
Chief Executive

Karachi: April 25, 2016

CONDENSED INTERIM UNCONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2016

CONDENSED INTERIM UNCONSOLIDATED BALANCE SHEET

As at March 31, 2016

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in thousands -----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	2,192,333	2,149,869
Intangible assets		6,673	6,418
Long term investment in the Subsidiary		299,158	299,158
Long term investment - available for sale	6	125,971	279,341
Long term deposits		1,096	1,096
Total non - current assets		2,625,231	2,735,882
Current assets			
Stores, spare parts and loose tools	7	309,947	196,110
Stock - in - trade	8	187,299	240,225
Trade debts	9	246,353	187,888
Loan / advance to the Subsidiary	10	177,006	-
Loans and advances	11	11,817	19,043
Trade deposits and short term prepayments		6,830	19,051
Other receivables and accrued interest	12	66,112	43,087
Taxation - net		102,784	4,992
Cash and bank balances		98,124	112,837
Total current assets		1,206,272	823,233
TOTAL ASSETS		<u>3,831,503</u>	<u>3,559,115</u>
EQUITY & LIABILITIES			
Shareholders' equity			
Authorized capital 200,000,000 (June 30, 2015: 200,000,000) ordinary shares of Rs. 10/- each		<u>2,000,000</u>	<u>2,000,000</u>
Issued, subscribed and paid - up share capital	13	997,181	997,181
Share premium		99,718	99,718
Revaluation of available-for-sale investment		48,705	144,835
Unappropriated profit		731,860	431,766
Total shareholders' equity		1,877,464	1,673,500
Non-current liabilities			
Long term financing		1,177,586	1,215,380
Long term deposits		3,844	3,844
Long term employee benefit		14,855	15,093
Deferred taxation	14	144,470	133,455
Total non-current liabilities		1,340,755	1,367,772
Current liabilities			
Trade and other payables	15	307,547	300,649
Accrued mark-up		8,015	38,104
Current maturity of long term financing		249,853	69,398
Short term borrowings		47,869	109,692
Total current liabilities		613,284	517,843
TOTAL EQUITY AND LIABILITIES		<u>3,831,503</u>	<u>3,559,115</u>
CONTINGENCIES AND COMMITMENTS			
	16		

The annexed notes from 1 to 25 form an integral part of these condensed interim unconsolidated financial statements.


CHIEF EXECUTIVE

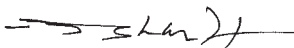

DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED PROFIT & LOSS ACCOUNT (UN-AUDITED)

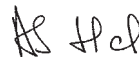
For the nine months period ended March 31, 2016

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
----- Rupees in thousands -----					
Sales - net	17	1,984,108	1,674,275	804,808	633,445
Cost of sales	18	(1,387,844)	(1,135,749)	(586,532)	(440,889)
Gross profit		<u>596,264</u>	<u>538,526</u>	<u>218,276</u>	<u>192,556</u>
Selling and distribution cost		(45,662)	(25,986)	(17,221)	(8,992)
Administrative expenses		(86,963)	(66,685)	(33,658)	(18,883)
		(132,625)	(92,671)	(50,879)	(27,875)
Operating profit		<u>463,639</u>	<u>445,855</u>	<u>167,397</u>	<u>164,681</u>
Other operating expenses		(35,170)	(52,299)	(10,067)	(10,928)
Finance cost		(95,309)	(50,878)	(33,723)	(13,664)
		(130,479)	(103,177)	(43,790)	(24,592)
Other income	19	107,609	23,423	12,227	5,485
Profit before taxation		<u>440,769</u>	<u>366,101</u>	<u>135,834</u>	<u>145,574</u>
Taxation	20	(11,041)	(125,022)	(5,929)	(38,557)
Profit after taxation		<u>429,728</u>	<u>241,079</u>	<u>129,905</u>	<u>107,017</u>
Earnings per share - basic and diluted - Rupees	21	<u>4.31</u>	<u>2.42</u>	<u>1.30</u>	<u>1.07</u>

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CHIEF EXECUTIVE



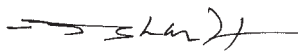
DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)


For the nine months period ended March 31, 2016

	Nine months ended March 31, 2016		Quarter ended March 31, 2016	
	2016	2015	2016	2015
	----- Rupees in thousands -----			
Profit after taxation	429,728	241,079	129,905	107,017
Other comprehensive (loss) / income				
Items that may be reclassified subsequently to profit or loss				
Unrealized (loss) / gain on remeasurement of available for sale investment	(34,494)	39,151	3,035	4,323
Total comprehensive income for the period	<u>395,234</u>	<u>280,230</u>	<u>132,940</u>	<u>111,340</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)

For the nine months period ended March 31, 2016

Nine months ended
March 31,
2016 2015

----- Rupees in thousands -----

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	440,769	366,101
Adjustment for:		
Depreciation	74,888	34,806
Amortization of intangible assets	564	378
Provision for slow moving and dead stores & spares	18,153	3,160
Finance cost	95,309	50,878
Impairment of property, plant and equipment	1,875	-
Impairment of receivable from TCCPL	-	15,907
Provision for gratuity	8,457	8,594
Provision for leave encashment	1,854	1,767
Gain on disposal of long term investment - available-for-sale	(68,186)	(1,185)
Gain on disposal of property, plant and equipment	(267)	(200)
	<u>132,647</u>	<u>114,105</u>
Operating cash flows before working capital changes	573,416	480,206

(Increase) / Decrease in current assets

Stores, spare parts and loose tools	(116,137)	239,595
Stock - in - trade	52,926	(84,853)
Trade debts	(58,465)	(7,223)
Loans and advances	7,226	(22,746)
Trade deposits and short term prepayments	12,221	13,016
Other receivable and accrued interest	(23,025)	11,311
	<u>(125,254)</u>	<u>149,100</u>

Increase / (Decrease) in current liabilities

Trade and other payables	9,544	(277,522)
--------------------------	-------	-----------

Cash generated from operations

	<u>457,706</u>	<u>351,784</u>
Finance cost paid	(129,011)	(93,469)
Gratuity paid	(11,262)	(14,749)
Leave encashment paid	(2,092)	(969)
Tax paid - net	(97,819)	(63,274)
	<u>(240,184)</u>	<u>(172,461)</u>

Net cash generated from operating activities

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(131,619)	(534,965)
Purchase of intangible assets	(819)	(6,670)
Disposal of long term investment - available-for-sale	125,426	6,785
Proceeds from disposal of property, plant and equipment - net of taxes	419	1,238
Long term deposits - assets	-	(100)
Loan / advance granted to the Subsidiary	(177,006)	-
Net cash used in investing activities	<u>(183,599)</u>	<u>(533,712)</u>

CONDENSED INTERIM UNCONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)

For the nine months period ended March 31, 2016

Nine months ended
 March 31,
 2016 2015
 ----- Rupees in thousands -----

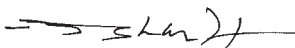
CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long term financing	(13,439)	(20,107)
Long term financing obtained	156,100	647,187
Dividend paid	(129,474)	(109,578)
Long term deposits - liabilities	-	(2,082)
Net cash generated from financing activities	<u>13,187</u>	<u>515,420</u>
Net increase in cash and cash equivalents	47,110	161,031
Cash and cash equivalents at beginning of the period	3,145	(390,813)
Cash and cash equivalents at end of the period	<u>50,255</u>	<u>(229,782)</u>

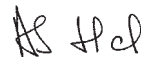
CASH AND CASH EQUIVALENTS

Cash and bank balances	98,124	89,417
Short term borrowings	(47,869)	(319,199)
	<u>50,255</u>	<u>(229,782)</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE



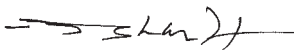
DIRECTOR

CONDENSED INTERIM UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

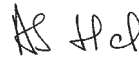
For the nine months period ended March 31, 2016

	Issued, subscribed and paid-up share capital	Share premium	Revaluation of available- for-sale investment	Unappropriated profit	Total Equity
----- Rupees in thousands -----					
Balance as at July 1, 2014 (audited)	997,181	99,718	-	252,358	1,349,257
Transactions with owners recognised directly in equity					
Final dividend @ Rs. 1.1 per share for the year ended June 30, 2014	-	-	-	(109,690)	(109,690)
Total comprehensive income for the period ended March 31, 2015					
Profit after taxation	-	-	-	241,079	241,079
Revaluation of available-for-sale investment	-	-	39,151	-	39,151
Balance as at March 31, 2015 (un-audited)	<u>997,181</u>	<u>99,718</u>	<u>39,151</u>	<u>383,747</u>	<u>1,519,797</u>
Balance as at July 1, 2015 (audited)	997,181	99,718	144,835	431,766	1,673,500
Transactions with owners recognised directly in equity					
Final dividend @ Rs. 1.3 per share for the year ended June 30, 2015	-	-	-	(129,634)	(129,634)
Total comprehensive income for the period ended March 31, 2016					
Profit after taxation	-	-	-	429,728	429,728
Reclassification of gain realized on disposal of investment classified as 'available-for-sale'	-	-	(61,636)	-	(61,636)
Revaluation of available-for-sale investment	-	-	(34,494)	-	(34,494)
Balance as at March 31, 2016 (un-audited)	<u>997,181</u>	<u>99,718</u>	<u>48,705</u>	<u>731,860</u>	<u>1,877,464</u>

The annexed notes from 1 to 25 form an integral part of these condensed interim unconsolidated financial statements.



CHIEF EXECUTIVE



DIRECTOR

NOTES TO THE CONDENSED INTERIM UNCONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the nine months period ended March 31, 2016

1 LEGAL STATUS AND NATURE OF BUSINESS

Thatta Cement Company Limited ('the Company') was incorporated in Pakistan in 1980 as a public limited company. The shares of the Company are quoted at the Pakistan Stock Exchange. The Company's main business activity is manufacturing and marketing of cement. The registered office of the Company is situated at Office No. 606, 607, 608 & 608A, Continental Trade Centre, Block 8, Clifton, Karachi - 75600. The production facility of the Company is located at Ghulamullah Road, Makli, District Thatta, Sindh.

2 BASIS OF PREPARATION

2.1 Statement of Compliance

These condensed interim unconsolidated financial statements for the nine months period ended March 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 and directives issued under the Companies Ordinance, 1984 have been followed. The disclosures in these condensed interim unconsolidated financial statements do not include all of the information required in the annual audited unconsolidated financial statements and should be read in conjunction with the annual audited unconsolidated financial statements of the Company as at and for the year ended June 30, 2015.

These condensed interim unconsolidated financial statements are unaudited and are being submitted to the shareholders as required under section 245 of the Companies Ordinance, 1984 and the Pakistan Stock Exchange Regulations.

These condensed interim unconsolidated financial statements comprise of the Condensed Interim Unconsolidated Balance Sheet as at March 31, 2016 and Condensed Interim Unconsolidated Profit and Loss Account, Condensed Interim Unconsolidated Statement of Comprehensive Income, Condensed Interim Unconsolidated Cash Flow Statement and Condensed Interim Unconsolidated Statement of Changes in Equity for the nine months period then ended.

2.2 Significant accounting estimates and judgments

The preparation of these condensed interim unconsolidated financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing these condensed interim unconsolidated financial statements, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the annual audited unconsolidated financial statements as at and for the year ended June 30, 2015.

2.3 Basis of measurement

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention except for recognition of staff retirement benefits at present value based on actuarial valuation and foreign currency liabilities which are stated at the exchange rate on the balance sheet date.

These condensed interim unconsolidated financial statements have been prepared following accrual basis of accounting except for cash flow statement.

2.4 Presentation and functional currency

These condensed interim unconsolidated financial statements have been presented in Pakistani Rupee which is the Company's functional and presentation currency.

2.5 General

The figures have been rounded off to the nearest thousand of Rupee except as stated otherwise.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim unconsolidated financial statements are the same as those applied in preparation of the annual audited unconsolidated financial statements as at and for the year ended June 30, 2015.

4 FINANCIAL RISK MANAGEMENT

The Company's financial risk management objectives and policies are consistent with those disclosed in the annual audited unconsolidated financial statements as at and for the year ended June 30, 2015.

5 PROPERTY, PLANT AND EQUIPMENT

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
Operating fixed assets	5.1	2,116,293	848,829
Capital work - in - progress	5.2	-	1,232,546
Major stores and spares		76,040	68,494
		<u>2,192,333</u>	<u>2,149,869</u>

----- Rupees in thousands -----

5.1 Operating fixed assets

Opening Written Down Value (WDV)	848,829	817,460
----------------------------------	---------	---------

Additions during the period / year - at cost

- Factory building on freehold land	1,841	1,328
- Housing colonies	-	384
- Plant and machinery	1,321,395	50,698
- Quarry equipment	-	1,103
- Vehicles	10,418	10,030
- Office equipment	5,360	2,233
- Laboratory equipment	4,781	3,773
- Computers	584	6,166
	<u>1,344,379</u>	<u>75,715</u>

	(Un-audited) March 31, 2016	(Audited) June 30, 2015
	----- Rupees in thousands -----	
WDV of deletions during the period / year	(152)	(1,040)
Transfer / Adjustment	(1,875)	-
Depreciation charge for the period / year	(74,888)	(43,306)
	<u>(76,915)</u>	<u>(44,346)</u>
	<u>2,116,293</u>	<u>848,829</u>

5.2 Capital work - in - progress

Opening balance	1,232,546	503,987
Additions	102,120	732,510
Transferred to operating fixed assets and stores & spares	(1,334,666)	(3,951)
	<u>-</u>	<u>1,232,546</u>

6 LONG TERM INVESTMENT - AVAILABLE-FOR-SALE

Long term investment - available-for-sale represents investment in 13.798 million shares (June 30, 2015: 24.019 million shares) of Power Cement Limited (PCL). The market value per share of PCL was Rs. 9.13 per share as on March 31, 2016 (June 30, 2015: Rs. 11.63 per share). Decrease in the value of investment amounting to Rs. 34.494 million is recorded in 'Other Comprehensive Income' for the nine months period ended March 31, 2016.

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
		----- Rupees in thousands -----	
7 STORES, SPARE PARTS AND LOOSE TOOLS			
Stores	7.1	253,049	140,892
Spare parts		89,222	85,364
Loose tools		401	279
		<u>342,672</u>	<u>226,535</u>
Provision for dead stores and spares		(6,929)	(6,787)
Provision for slow moving stores and spares		(25,796)	(23,638)
		<u>(32,725)</u>	<u>(30,425)</u>
		<u>309,947</u>	<u>196,110</u>

7.1 This includes stores in transit of Rs. 38.398 million (June 30, 2015: Rs. 35.456 million) as at the balance sheet date.

(Un-audited) March 31, 2016	(Audited) June 30 2015
-----------------------------------	------------------------------

----- Rupees in thousands -----

8 STOCK-IN-TRADE

Raw material	31,926	38,241
Packing material	22,229	25,933
Work-in-process	99,577	143,626
Finished goods	33,567	32,425
	<u>187,299</u>	<u>240,225</u>

9 TRADE DEBTS

Considered good

Local - unsecured	246,353	187,888
-------------------	---------	---------

Considered doubtful

Cement stockiest	60,801	60,801
Excessive rebate allowed	6,101	6,101
Controller military accounts	5,126	5,126
	<u>72,028</u>	<u>72,028</u>

Provision for doubtful debts	(72,028)	(72,028)
------------------------------	----------	----------

	<u>246,353</u>	<u>187,888</u>
--	----------------	----------------

10 LOAN / ADVANCE TO THE SUBSIDIARY

On October 16, 2015 the shareholders of the Company has approved a loan / advance facility for an aggregate amount of Rs. 300 million to Thatta Power (Private) Limited (the Subsidiary). The loan / advance is extended to the Subsidiary for meeting its financial obligations including working capital requirements which will ensure uninterrupted power supply to the Company and hence maintaining sustainable cement production. The loan / advance facility carries markup at the rate of 3 month KIBOR plus 2.62% p.a. payable on quarterly basis.

(Un-audited) March 31, 2016	(Audited) June 30, 2015
-----------------------------------	-------------------------------

----- Rupees in thousands -----

11 LOANS AND ADVANCES

Considered good

To employees	10	64
--------------	----	----

Advances

- against letter of credit	-	172
- advance to vendors	11,220	18,653
- others	587	154
	<u>11,807</u>	<u>18,979</u>

	<u>11,817</u>	<u>19,043</u>
--	---------------	---------------

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in thousands -----			
12	OTHER RECEIVABLES AND ACCRUED INTEREST		
	Interest receivable from banks	1,459	2,842
	Interest receivable from the Subsidiary	3,335	-
	Deposit with Commissioner Workmen's Compensation	14,915	14,915
	Refund against Fuel Price Adjustment	12,924	19,137
	Others	33,479	6,193
		66,112	43,087

13 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

Ordinary shares of Rs. 10/- each			
89,418,125 (June 30, 2015: 89,418,125) shares allotted for consideration paid in cash		894,181	894,181
10,300,000 (June 30, 2015: 10,300,000) shares allotted for consideration other than cash		103,000	103,000
		997,181	997,181

Number of Shares		Percentage of holding	
March 31, 2016	June 30, 2015	March 31, 2016	June 30, 2015
----- Shares in thousands -----		----- Shares in % -----	

13.1 Name Of Major Shareholders

M/s Sky Pak Holding (Private) Limited	20,444	20,444	20.50	20.50
M/s Al-Miftah Holding (Private) Limited	9,147	9,147	9.17	9.17
M/s Rising Star Holding (Private) Limited	6,309	6,309	6.33	6.33
M/s Golden Globe Holding (Private) Limited	8,479	8,479	8.50	8.50

14 DEFERRED TAXATION

Deferred tax liability comprises of temporary differences as follows:

Taxable temporary differences

- accelerated tax depreciation	271,040	173,309
--------------------------------	---------	---------

Deductible temporary differences

- provision for gratuity	-	(3,379)
- other provisions - for doubtful debts and stores	(41,922)	(36,475)
- excess of Alternate tax over corporate tax	(43,428)	-
- tax credit under section 65 B	(35,933)	-
- excess of minimum tax over normal tax	(5,287)	-
	(126,570)	(39,854)

	144,470	133,455
--	---------	---------

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in thousands -----			
15	TRADE AND OTHER PAYABLES		
		24,481	51,842
		138,819	103,562
		29,681	36,485
		37,482	25,464
		165	10,726
		31,539	28,358
		8,457	11,262
		23,672	22,377
		10,191	9,349
		382	222
		2,678	1,002
		<u>307,547</u>	<u>300,649</u>

15.1 It includes Rs. 73.283 million (June 30, 2015: Rs. 24.009 million) payable to Thatta Power (Private) Limited, the Subsidiary, in respect of purchase of electricity.

16 CONTINGENCIES AND COMMITMENTS

16.1 Contingencies

The status of contingencies is same except for the matter disclosed in note 24.1.4 in the last annual audited unconsolidated financial statements. The status of the said matter is mentioned hereunder:

16.1.1 During the period, the Commissioner Inland Revenue - Appeals (CIR-A) has passed appellate orders aggregating to Rs. 5.91 million in favour of the Company. The Tax department has filed appeals against the said orders before Appellate Tribunal Inland Revenue (ATIR) which are pending for hearing.

16.2 Commitments

Commitments in respect of capital expenditure	2,959	42,065
Commitments in respect of revenue expenditure	65,480	-
Guarantees given by banks on behalf of the Company	83,908	97,488
	<u>152,347</u>	<u>139,553</u>

Nine Months ended March 31, 2016		Quarter ended March 31, 2015	
--	--	------------------------------------	--

(Un-audited)

Rupees in thousands

17 SALES - NET

Local	2,487,606	2,069,943	1,009,222	779,168
Export	9,733	11,408	3,176	5,157
	<u>2,497,339</u>	<u>2,081,351</u>	<u>1,012,398</u>	<u>784,325</u>
Less - Federal excise duty	(115,544)	(84,266)	(46,973)	(30,074)
- Sales tax	(397,687)	(322,810)	(160,617)	(120,806)
	<u>(513,231)</u>	<u>(407,076)</u>	<u>(207,590)</u>	<u>(150,880)</u>
	<u>1,984,108</u>	<u>1,674,275</u>	<u>804,808</u>	<u>633,445</u>

18 COST OF SALES

Raw material consumed	96,824	104,278	28,551	42,094
Manufacturing expenses				
Packing material consumed	92,788	74,045	36,600	28,475
Stores, spare parts and loose tools consumed	41,761	74,623	16,218	26,034
Fuel and power	749,475	724,627	201,488	258,398
Salaries, wages and other benefits	214,474	176,110	79,854	57,802
Insurance	13,865	15,584	4,625	5,177
Repairs and maintenance	27,196	4,532	7,536	1,854
Depreciation	70,709	31,551	20,628	12,802
Provision for slow moving and dead stores & spares	18,153	3,160	18,153	-
Other production overheads	19,692	16,351	5,442	5,954
	<u>1,248,113</u>	<u>1,120,583</u>	<u>390,544</u>	<u>396,496</u>
Cost of production	<u>1,344,937</u>	<u>1,224,861</u>	<u>419,095</u>	<u>438,590</u>
Work-in-process				
Opening balance	143,626	329,667	263,887	424,275
Closing balance	(99,577)	(421,710)	(99,577)	(421,710)
	<u>44,049</u>	<u>(92,043)</u>	<u>164,310</u>	<u>2,565</u>
Cost of goods manufactured	<u>1,388,986</u>	<u>1,132,818</u>	<u>583,405</u>	<u>441,155</u>
Finished goods				
Opening balance	32,425	35,355	36,694	32,158
Closing balance	(33,567)	(32,424)	(33,567)	(32,424)
	<u>(1,142)</u>	<u>2,931</u>	<u>3,127</u>	<u>(266)</u>
	<u>1,387,844</u>	<u>1,135,749</u>	<u>586,532</u>	<u>440,889</u>

Nine Months ended March 31, 2016		Quarter ended March 31, 2015	
(Un-audited)			
Rupees in thousands			

19 OTHER INCOME

Income from financial assets				
Income on bank deposit accounts	3,311	195	1,156	102
Gain on disposal of operating fixed assets	267	200	(38)	30
Markup earned on loan / advance to the Subsidiary	5,071	-	3,335	-
Gain on disposal of available-for-sale investment	68,186	1,185	-	(34)
	<u>76,835</u>	<u>1,580</u>	<u>4,453</u>	<u>98</u>

Others

Management fee	10,890	9,900	3,630	3,300
Scrap sales	11,544	435	1,988	338
Rental income	5,417	5,842	1,739	2,058
Others	2,923	5,666	417	(309)
	<u>30,774</u>	<u>21,843</u>	<u>7,774</u>	<u>5,387</u>
	<u>107,609</u>	<u>23,423</u>	<u>12,227</u>	<u>5,485</u>

20 TAXATION

Current tax	-	116,571	-	41,608
Prior year charge	27	669	-	-
Deferred tax charge/reversal	11,014	7,782	5,929	(3,051)
	<u>11,041</u>	<u>125,022</u>	<u>5,929</u>	<u>38,557</u>

20.1 Workers' Profit Participation Fund, Workers' Welfare Fund and Taxation

Allocation to the Workers' Profit Participation Fund, Workers' Welfare Fund and charge for taxation are provisional. Final liability would be determined on the basis of annual results.

21 EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation attributable to ordinary shareholders	<u>429,728</u>	<u>241,079</u>	<u>129,905</u>	<u>107,017</u>
Weighted average number of ordinary shares	<u>99,718,125</u>	<u>99,718,125</u>	<u>99,718,125</u>	<u>99,718,125</u>
Earnings per share (Rupees)	<u>4.31</u>	<u>2.42</u>	<u>1.30</u>	<u>1.07</u>

22 RELATED PARTY TRANSACTIONS

Related parties include major shareholders, associated undertakings, related group companies, key management personnel, companies in which directors are common or director hold office and staff retirement funds. The Company continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions except for Service Level Agreement for Business

Support Services with the Subsidiary for which pricing is approved by the Board of Directors. Further, contribution to defined contribution plan (provident fund) is made as per the terms of employment and trust deed and contribution to the defined benefit plan (gratuity scheme) is in accordance with the actuarial advice. Details of transactions during the nine months period ended / outstanding balances as at March 31, 2016 with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim unconsolidated financial statements are as follows:

Nine Months ended
 March 31,
 ---(Un-audited)---
 2016 2015
 ---- Rupees in thousands ----

Transactions with related parties

Thatta Power (Private) Limited

- Common shared expenses	2,384	2,210
- Purchase of store items (inclusive of GST) - net	152	185
- Purchase of electric power (inclusive of GST)	441,065	407,736
- Payment on account of electric power (inclusive of GST)	391,791	432,721
- Management fee charged (inclusive of SST)	12,415	11,385
- Management fee received (inclusive of SST)	-	11,280
- Receipt on account of common shared expenses	-	2,275
- Payment on account of purchase of store items - net	144	192
- Loan / advance to the Subsidiary	177,006	-
- Interest accrued on loan / advance to the Subsidiary	5,071	-
- Receipt on account of interest on loan / advance to the Subsidiary	1,736	-

Bandhi Sugar Mills (Private) Limited

- Sale of cement	1,728	-
- Receipt against sale of cement	1,728	-

Sui Southern Gas Company Limited

- Purchase of gas excluding GST	12,818	6,061
- Payment against purchase of gas excluding GST	11,712	6,276

Pak Suzuki Motor Company Limited

- Payment against purchase of vehicles	3,625	2,988
--	-------	-------

Summit Bank Limited

- Mark-up on Running Finance (RF)	1,612	8,904
- Mark-up on Syndicate Term Finance Facility(STFF)	11,163	7,563
- Guarantee obtained / cancelled	13,579	1,500
- Guarantee commission	281	180
- Income on bank deposit accounts	2	72

Key management personnel

- Salaries and benefits	88,989	68,053
- Sale of vehicle	400	1,158

Other related parties

- Contribution to employees' Gratuity Fund	11,262	14,749
- Contribution to employees' Provident Fund	6,244	5,544

Balances with related parties

----- Rupees in thousands -----

Thatta Power (Private) Limited

- Payable against purchase of electric power (inclusive of GST)	73,283	24,009
- Receivable against management fee (inclusive of SST)	13,680	1,265
- Receivable against common shared expenses	2,686	302
- Payable against sale / purchase of store items - net	8	-
- Loan / advance to the Subsidiary	177,006	-
- Interest receivable on loan / advance to the Subsidiary	3,335	-

Sui Southern Gas Company Limited

- Payable against purchase of gas excluding GST	1,251	145
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Habib Bank Limited

- Current account balance	37	4
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Summit Bank Limited

- Running Finance	26,823	6,017
- Share in Syndicate Term Finance Facility	149,597	132,816
- Accrued mark-up	1,213	4,567
- Current account balance	382	222
- PLS account balance	1,545	1,543
- Guarantee on behalf of the Company as per normal banking terms	48,000	61,579

22.1 There are no transactions with key management personnel other than under their terms of employment.

22.2 All transactions with related parties have been carried out on commercial terms and conditions.

23 OPERATING SEGMENTS

23.1 These condensed interim unconsolidated financial statements have been prepared on the basis of single reportable segment.

23.2 Revenue from sale of cement represents 100% (March 31, 2015: 100%) of the total revenue of the Company.

23.3 100% (March 31, 2015: 100%) sales of the Company relates to customers in Pakistan.

23.4 All non-current assets of the Company as at March 31, 2016 are located in Pakistan.

24 CORRESPONDING FIGURES

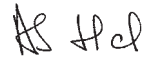
In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim unconsolidated balance sheet has been compared with the balances of annual audited unconsolidated financial statements of preceding financial year, whereas, the condensed interim unconsolidated profit and loss account, condensed interim unconsolidated statement of comprehensive income, condensed interim unconsolidated cash flow statement and condensed interim unconsolidated statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

25 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim unconsolidated financial statements were authorized for issue on April 25, 2016 by the Board of Directors of the Company.



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM CONSOLIDATED
FINANCIAL STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED
MARCH 31, 2016

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

As at March 31, 2016

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
---- Rupees in thousands ----			
ASSETS			
Non-current assets			
Property, plant and equipment	5	3,431,798	3,396,003
Intangible assets		6,673	6,418
Long term investment - available-for-sale	6	125,971	279,341
Long term deposits		1,096	1,096
Total non-current assets		3,565,538	3,682,858
Current assets			
Stores, spare parts and loose tools	7	336,851	225,502
Stock-in-trade	8	185,476	230,907
Trade debts	9	546,289	477,102
Short term investment - held to maturity		306,000	306,000
Loans and advances	10	26,349	19,066
Trade deposits and short term prepayments		14,293	25,640
Other receivables and accrued interest	11	71,390	57,676
Taxation - net		123,114	21,454
Cash and bank balances		101,154	172,853
Total current assets		1,710,916	1,536,200
TOTAL ASSETS		5,276,454	5,219,058
EQUITY AND LIABILITIES			
Shareholders' equity			
Authorized capital 200,000,000 (June 30, 2015: 200,000,000) ordinary shares of Rs. 10/- each		2,000,000	2,000,000
Issued, subscribed and paid-up share capital	12	997,181	997,181
Share premium		99,718	99,718
Revaluation of available-for-sale investment		48,705	144,835
Unappropriated profit		1,200,564	881,658
Total shareholders' equity		2,346,168	2,123,392
Non-controlling interest		463,410	452,089
		2,809,578	2,575,481
Non-current liabilities			
Long term financing		1,532,925	1,646,862
Long term deposits		3,844	3,844
Long term employee benefit		14,855	15,093
Deferred taxation	13	144,470	133,455
Total non-current liabilities		1,696,094	1,799,254
Current liabilities			
Trade and other payables	14	358,967	364,658
Accrued mark-up		12,569	46,039
Current maturity of long term financing		351,377	298,177
Short term borrowings		47,869	135,449
Total current liabilities		770,782	844,323
TOTAL EQUITY AND LIABILITIES		5,276,454	5,219,058
CONTINGENCIES AND COMMITMENTS			
	15		

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE




DIRECTOR

CONDENSED INTERIM CONSOLIDATED PROFIT & LOSS ACCOUNT (UN-AUDITED)

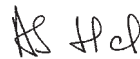
For the nine months period ended March 31, 2016

	Note	Nine months ended March 31,		Quarter ended March 31,	
		2016	2015	2016	2015
----- Rupees in thousands -----					
Sales - net	16	1,993,271	2,439,214	806,240	874,111
Cost of sales	17	(1,309,836)	(1,565,084)	(559,967)	(563,617)
Gross profit		683,435	874,130	246,273	310,494
Selling and distribution cost		(45,662)	(25,986)	(17,221)	(8,992)
Administrative expenses		(93,016)	(70,512)	(36,160)	(20,801)
		(138,678)	(96,498)	(53,381)	(29,793)
Operating profit		544,757	777,632	192,892	280,701
Other operating expenses		(40,624)	(83,366)	(10,450)	(20,672)
Finance cost		(142,383)	(133,622)	(46,845)	(35,737)
		(183,007)	(216,988)	(57,295)	(56,409)
Other income	18	109,461	47,590	7,910	14,018
Profit before taxation		471,211	608,234	143,507	238,310
Taxation	19	(11,350)	(114,870)	(5,311)	(40,215)
Profit after taxation		459,861	493,364	138,196	198,095
Profit after taxation for the period attributable to:					
- Equity holders of the Holding Company		448,540	398,581	135,081	163,877
- Non-controlling interest		11,321	94,783	3,115	34,218
		459,861	493,364	138,196	198,095
Earnings per share - basic and diluted					
- Rupees	20	4.50	4.00	1.35	1.64

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE



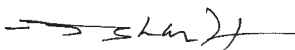
DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UN-AUDITED)

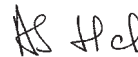
For the nine months period ended March 31, 2016

	Nine months ended March 31,		Quarter ended March 31,	
	2016	2015	2016	2015
	----- Rupees in thousands -----			
Profit after taxation	459,861	493,364	138,196	198,095
Other comprehensive (loss)/income				
Items that may be reclassified subsequently to profit or loss				
Unrealized (loss) / gain on remeasurement of available for sale investment	(34,494)	39,151	3,035	4,323
Total comprehensive income for the period	<u>425,367</u>	<u>532,515</u>	<u>141,231</u>	<u>202,418</u>
Total comprehensive income for the period attributable to:				
- Equity holders of the Holding Company	414,046	437,732	138,116	168,200
- Non-controlling interest	11,321	94,783	3,115	34,218
	<u>425,367</u>	<u>532,515</u>	<u>141,231</u>	<u>202,418</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)

For the nine months period ended March 31, 2016

Nine months ended
March 31,
2016 2015

----- Rupees in thousands -----

CASH FLOWS FROM OPERATING ACTIVITIES

Profit before taxation	471,211	608,234
Adjustment for:		
Depreciation	96,631	68,766
Amortization of intangible assets	564	409
Provision for slow moving and dead stores & spares	18,153	3,160
Finance cost	142,383	133,622
Impairment of property, plant and equipment	1,875	-
Impairment of receivable from TCCPL	-	15,907
Provision for gratuity	8,457	8,594
Provision for leave encashment	1,854	1,767
Gain on disposal of long term investment - available-for-sale	(68,186)	(1,185)
Gain on disposal of property, plant and equipment	(267)	(200)
Revaluation loss on outstanding balance of deferred payment letter of credit	-	7,255
	<u>201,464</u>	<u>238,095</u>
Operating cash flows before working capital changes	672,675	846,329

(Increase) / decrease in current assets

Stores, spare parts and loose tools	(113,649)	244,783
Stock-in-trade	45,431	(84,853)
Trade debts	(69,187)	(37,063)
Loans and advances	(7,283)	(17,407)
Trade deposits and short term prepayments	11,347	14,690
Other receivable and accrued interest	(13,714)	34,543
	<u>(147,055)</u>	<u>154,693</u>

Decrease in current liabilities

Trade and other payables	(3,045)	(210,630)
Cash generated from operations	<u>522,575</u>	<u>790,392</u>

Finance cost paid	(179,466)	(175,687)
Gratuity paid	(11,262)	(14,749)
Leave encashment paid	(2,092)	(969)
Tax paid - net	(101,996)	(71,420)
	<u>(294,816)</u>	<u>(262,825)</u>
Net cash generated from operating activities	<u>227,759</u>	<u>527,567</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Purchase of property, plant and equipment	(146,693)	(536,690)
Purchase of intangible assets	(819)	(6,670)
Disposal of long term investment - available-for-sale	125,426	6,785
Proceeds from disposal of property, plant & equipment - net of taxes	419	1,238
Long term deposits - assets	-	(100)
Net cash used in investing activities	<u>(21,667)</u>	<u>(535,437)</u>

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT (UN-AUDITED)

For the nine months period ended March 31, 2016

Nine months ended
 March 31,
 2016 2015
 ----- Rupees in thousands -----

CASH FLOWS FROM FINANCING ACTIVITIES

Repayment of long term financing	(216,837)	(211,323)
Long term financing obtained	156,100	647,187
Dividend paid	(129,474)	(109,578)
Long term deposits - liabilities	-	(2,082)
Net cash (used in) / generated from financing activities	<u>(190,211)</u>	<u>324,204</u>
Net increase in cash and cash equivalents	15,881	316,334
Cash and cash equivalents at beginning of the period	37,404	(249,113)
Cash and cash equivalents at end of the period	<u>53,285</u>	<u>67,221</u>

CASH AND CASH EQUIVALENTS

Cash and bank balances	101,154	386,420
Short term borrowings	(47,869)	(319,199)
	<u>53,285</u>	<u>67,221</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE



DIRECTOR

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UN-AUDITED)

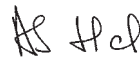
For the nine months period ended March 31, 2016

	Equity attributable to owners of Holding Company				Non-controlling interest	Total	
	Issued, subscribed and paid-up share capital	Share premium	Revaluation of available-for-sale investment	Unappropriated profit			Total Equity
----- Rupees in thousands -----							
Balance as at July 1, 2014 (audited)	997,181	99,718	-	517,496	1,614,395	340,905	1,955,300
Transactions with owners recognised directly in equity							
Final dividend @ Rs. 1.1 per share for the year ended June 30, 2014	-	-	-	(109,690)	(109,690)	-	(109,690)
Total comprehensive income for the period ended March 31, 2015							
Profit after taxation	-	-	-	398,581	398,581	94,783	493,364
Revaluation of available-for-sale investment	-	-	39,151	-	39,151	-	39,151
Balance as at March 31, 2015 (un-audited)	<u>997,181</u>	<u>99,718</u>	<u>39,151</u>	<u>806,387</u>	<u>1,942,437</u>	<u>435,688</u>	<u>2,378,125</u>
Balance as at July 1, 2015 (audited)	997,181	99,718	144,835	881,658	2,123,392	452,089	2,575,481
Transactions with owners recognised directly in equity							
Final dividend @ Rs. 1.3 per share for the year ended June 30, 2015	-	-	-	(129,634)	(129,634)	-	(129,634)
Total comprehensive income for the period ended March 31, 2016							
Profit after taxation	-	-	-	448,540	448,540	11,321	459,861
Reclassification of gain realized on disposal of investment classified as 'available-for-sale'	-	-	(61,636)	-	(61,636)	-	(61,636)
Revaluation of available-for-sale investment	-	-	(34,494)	-	(34,494)	-	(34,494)
Balance as at March 31, 2016 (un-audited)	<u>997,181</u>	<u>99,718</u>	<u>48,705</u>	<u>1,200,564</u>	<u>2,346,168</u>	<u>463,410</u>	<u>2,809,578</u>

The annexed notes from 1 to 24 form an integral part of these condensed interim consolidated financial statements.



CHIEF EXECUTIVE



DIRECTOR

NOTES TO THE CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UN-AUDITED)

For the nine months period ended March 31, 2016

1 THE GROUP AND ITS OPERATIONS

- 1.1 The Group consists of Thatta Cement Company Limited (TCCL), the Holding Company and Thatta Power (Private) Limited (TPPL), the Subsidiary (together referred to as "the Group").
- 1.2 Thatta Cement Company Limited (the Holding Company) was incorporated in Pakistan in 1980 as a public limited company. The shares of the Holding Company are quoted at the Pakistan Stock Exchange. The Holding Company's main business activity is manufacturing and marketing of cement. The registered office of the Holding Company is situated at Office No. 606, 607, 608 & 608A, Continental Trade Centre, Block 8, Clifton, Karachi - 75600. The production facility of the Holding Company is located at Ghulamullah Road, Makli, District Thatta, Sindh.
- 1.3 Thatta Power (Private) Limited (the Subsidiary) is a 62.43% owned subsidiary of the Holding Company as at March 31, 2016 (June 30, 2015: 62.43%). The principal business of the Subsidiary is generation, supply and transmission of electrical power. As at March 31, 2016 TPPL has authorized and issued share capital of Rs. 500 million and Rs. 479.16 million divided into 50,000,000 (June 30, 2015: 50,000,000) ordinary shares and 47,915,830 (June 30, 2015: 47,915,830) ordinary shares respectively.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These condensed interim consolidated financial statements for the nine months period ended March 31, 2016 have been prepared in accordance with the requirement 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 and directives issued under the Companies Ordinance, 1984 have been followed. The disclosures in these condensed interim consolidated financial statements do not include all of the information required in the annual audited consolidated financial statements and should be read in conjunction with the annual audited consolidated financial statements of the Group as at and for the year ended June 30, 2015.

These condensed interim consolidated financial statements are unaudited and are being submitted to the shareholders as required under section 237 and 245 of the Companies Ordinance, 1984 and the Pakistan Stock Exchange Regulations.

These condensed interim consolidated financial statements comprise of the Condensed Interim Consolidated Balance Sheet as at March 31, 2016 and Condensed Interim Consolidated Profit and Loss Account, Condensed Interim Consolidated Statement of Comprehensive Income, Condensed Interim Consolidated Cash Flow Statement and Condensed Interim Consolidated Statement of Changes in Equity for the nine months period then ended.

2.2 Basis of consolidation

These condensed interim consolidated financial statements includes the condensed interim financial statements of the Holding Company and the Subsidiary.

The condensed interim financial statements of the Subsidiary are included in these condensed interim consolidated financial statements from the date on which more than 50% voting rights are transferred to the Holding Company or power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Upon loss of control, the Holding Company derecognises the assets and liabilities of the Subsidiary, any non-controlling interest and other components of equity related to the Subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit and loss account.

The financial statements of the Subsidiary are prepared for the same reporting period as of the Holding Company.

The assets and liabilities of the Subsidiary have been consolidated on a line-by-line basis. The carrying value of investment held by the Holding Company is eliminated against the Subsidiary's shareholders' equity in the condensed interim consolidated financial statements. Intra-group balances and transactions are eliminated.

2.3 Significant accounting estimates and judgments

The preparation of these condensed interim consolidated financial statements in conformity with approved accounting standards requires management to make estimates, assumptions and use judgments that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Estimates, assumptions and judgments are continually evaluated and are based on historical experience and other factors, including reasonable expectations of future events. Revisions to accounting estimates are recognized prospectively commencing from the period of revision. In preparing these condensed interim consolidated financial statements, the significant judgments made by the management in applying the Group's accounting policies and the key sources of estimation and uncertainty were the same as those that were applied to the annual audited consolidated financial statements as at and for the year ended June 30, 2015.

2.4 Basis of measurement

These condensed interim unconsolidated financial statements have been prepared under the historical cost convention except for recognition of staff retirement benefits at present value based on actuarial valuation and foreign currency liabilities which are stated at the exchange rate on the balance sheet date.

These condensed interim consolidated financial statements have been prepared following accrual basis of accounting except for cash flow statement.

2.5 Presentation and functional currency

These condensed interim consolidated financial statements have been presented in Pakistani Rupee which is the Group's functional and presentation currency.

2.6 General

The figures have been rounded off to the nearest thousand of Rupee except as stated otherwise.

3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and methods of computation adopted in the preparation of these condensed interim consolidated financial statements are the same as those applied in preparation of the annual audited consolidated financial statements as at and for the year ended June 30, 2015.

4 FINANCIAL RISK MANAGEMENT

The Group's financial risk management objectives and policies are consistent with those disclosed in the annual audited consolidated financial statements as at and for the year ended June 30, 2015.

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in thousands -----			
5	PROPERTY, PLANT AND EQUIPMENT		
	Operating fixed assets	3,337,034	2,091,313
	Capital work-in-progress	16,999	1,234,471
	Major stores and spares	77,765	70,219
		<u>3,431,798</u>	<u>3,396,003</u>
5.1	Operating fixed assets		
	Opening Written Down Value (WDV)	2,091,313	2,101,747
	Additions during the period / year - at cost		
	- Factory building on freehold land	1,841	1,328
	- Housing colonies	-	384
	- Plant and machinery	1,321,395	50,698
	- Quarry equipment	-	1,103
	- Vehicles	10,418	10,030
	- Office equipment	5,360	2,233
	- Laboratory equipment	4,781	3,773
	- Computers	584	6,166
		<u>1,344,379</u>	<u>75,715</u>
	WDV of deletions during the period / year	(152)	(1,040)
	Transfer / Adjustment	(1,875)	-
	Depreciation charge for the period / year	<u>(96,631)</u>	<u>(85,109)</u>
		<u>(98,658)</u>	<u>(86,149)</u>
		<u>3,337,034</u>	<u>2,091,313</u>
5.2	Capital work-in-progress		
	Opening balance	1,234,471	503,987
	Additions	117,194	734,435
	Transferred to operating fixed assets and store & spares	(1,334,666)	(3,951)
		<u>16,999</u>	<u>1,234,471</u>

6 LONG TERM INVESTMENT - AVAILABLE-FOR-SALE

Long term investment - available-for-sale represents investment in 13.798 million shares (June 30, 2015: 24.019 million shares) of Power Cement Limited (PCL). The market value per share of PCL was Rs. 9.13 per share as on March 31, 2016 (June 30, 2015: Rs. 11.63 per share). Decrease in the value of investment amounting to Rs. 34.494 million is recorded in 'Other Comprehensive Income' for the nine months period ended March 31, 2016.

	Note	(Un-audited) March 31, 2016	(Audited) June 30, 2015
7 STORES, SPARE PARTS AND LOOSE TOOLS		----- Rupees in thousands -----	
Stores	7.1	257,838	148,108
Spare parts		111,325	107,518
Loose tools		413	301
		<u>369,576</u>	<u>255,927</u>
Provision for dead stores and spares		(6,929)	(6,787)
Provision for slow moving stores and spares		(25,796)	(23,638)
		<u>(32,725)</u>	<u>(30,425)</u>
		<u><u>336,851</u></u>	<u><u>225,502</u></u>

7.1 This includes stores in transit of Rs. 38.398 million (June 30, 2015: Rs. 35.456 million) as at the balance sheet date.

8 STOCK-IN-TRADE

Raw material		31,926	38,241
Packing material		22,229	25,933
Work-in-process		98,024	135,351
Finished goods		33,297	31,382
		<u>185,476</u>	<u>230,907</u>

9 TRADE DEBTS

Considered good

Local - unsecured	9.1	546,289	477,102
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Considered doubtful

Cement stockiest		60,801	60,801
Excessive rebate allowed		6,101	6,101
Controller military accounts		5,126	5,126
		<u>72,028</u>	<u>72,028</u>

Provision for doubtful debts		(72,028)	(72,028)
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		<u><u>546,289</u></u>	<u><u>477,102</u></u>
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9.1 This includes balance outstanding from Hyderabad Electric Supply Company Limited (HESCO). HESCO has not paid the monthly bills against supply of electric power since February 2015 (Rs. 12.86 million, representing 17% of the bill amount of February 2015 is outstanding whereas the bills for March 2015 - February 2016 are overdue amounting to Rs. 286.418 million. Further, Rs. 0.658 million is outstanding against the bill of March 2016 which was not due as on March 31, 2016). As disclosed in detail in the annual audited consolidated financial statements for the year ended June 30, 2015, subsequently the Honorable High Court of Sindh disposed the petition filed by the Subsidiary with the direction to HESCO to pay TPPL against purchase of electricity as per the rates stipulated in PPA until 01-02-2012 and thereafter on the rates determined by NEPRA. In view of the adverse order and according to the advice of the legal counsel the Subsidiary has filed an appeal before the Supreme Court of Pakistan against the order passed by the High Court of Sindh. Consequently, HESCO has also filed an appeal before the Supreme Court of Pakistan against the same order. The appeals are pending for adjudication .

9.1.1 Receivable from HESCO is secured against Standby Letter of Credit (SBLC) issued by National Bank of Pakistan to the extent of Rs. 286.71 million.

(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in thousands -----	

10 LOANS AND ADVANCES

Considered good

To employees	10	64
Advances		
- against letter of credit	-	172
- advance to vendors	25,752	18,676
- others	587	154
	26,339	19,002
	<u>26,349</u>	<u>19,066</u>

11 OTHER RECEIVABLES AND ACCRUED INTEREST

Interest receivable from banks	6,408	16,231
Deposit with Commissioner Workmen's Compensation	14,915	14,915
Refund against Fuel Price Adjustment	12,924	19,137
Others	37,143	7,393
	<u>71,390</u>	<u>57,676</u>

12 ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL

Ordinary shares of Rs. 10/- each		
89,418,125 (June 30, 2015: 89,418,125)		
shares allotted for consideration paid in cash	894,181	894,181
10,300,000 (June 30, 2015: 10,300,000)		
shares allotted for consideration other than cash	103,000	103,000
	<u>997,181</u>	<u>997,181</u>

Number of Shares		Percentage of holding	
March 31, 2016	June 30, 2015	March 31, 2016	June 30, 2015
----- Shares in thousands -----		----- Shares in % -----	

12.1 Name Of Major Shareholders

M/s Sky Pak Holding (Private) Limited	20,444	20,444	20.50	20.50
M/s Al-Miftah Holding (Private) Limited	9,147	9,147	9.17	9.17
M/s Rising Star Holding (Private) Limited	6,309	6,309	6.33	6.33
M/s Golden Globe Holding (Private) Limited	8,479	8,479	8.50	8.50

13 DEFERRED TAXATION

Deferred tax liability comprises of temporary differences as follows:

Taxable temporary differences

- accelerated tax depreciation	271,040	173,309
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Deductible temporary differences

- provision for gratuity	-	(3,379)
- other provisions - for doubtful debts and stores	(41,922)	(36,475)
- excess of Alternate tax over corporate tax	(43,428)	-
- tax credit u/s 65 B	(35,933)	-
- excess of minimum tax over normal tax	(5,287)	-
	(126,570)	(39,854)
	<u>144,470</u>	<u>133,455</u>

14 TRADE AND OTHER PAYABLES

Trade creditors	24,579	52,034
Accrued liabilities	124,459	110,272
Bills payable	29,681	36,485
Advances from customers	37,482	25,464
Contractors retention money	165	10,726
Excise duty and sales tax payable	36,873	27,913
Payable to Gratuity Fund	8,457	11,262
Workers' Profit Participation Fund	64,560	62,033
Workers' Welfare Fund	25,728	24,418
Unclaimed dividend	382	222
Other liabilities	6,601	3,829
	<u>358,967</u>	<u>364,658</u>

15 CONTINGENCIES AND COMMITMENTS

15.1 Contingencies

There is no change in the status of contingencies as disclosed in the annual audited consolidated financial statements for the year ended June 30, 2015 except for matters disclosed in note 24.1.4, 24.1.8 & 24.1.10 in the last annual audited consolidated financial statements. The status of these matters is mentioned hereunder respectively:

15.1.1 During the period, the Commissioner Inland Revenue - Appeals (CIR-A) has passed appellate orders aggregating to Rs. 5.91 million in favour of the Holding Company. The Tax department has filed appeals against the said orders before Appellate Tribunal Inland Revenue (ATIR) which are pending for hearing.

15.1.2 The status of this matter as at March 31, 2016 is explained in note 9.1 of these condensed interim consolidated financial statements.

15.1.3 The Subsidiary has filed an appeal against the impugned order with CIR-A, hearing of the case was held on October 3, 2015 and a favorable order has been passed by CIR-A on December 7, 2015, thereby allowing input sales tax claimed by the Subsidiary to the extent of Rs. 10.513 million. Subsequently, FBR has filed an appeal with the Appellate Tribunal Inland Revenue (ATIR) against the order passed by CIR-A, which is pending for adjudication.

(Un-audited) March 31, 2016	(Audited) June 30, 2015
----- Rupees in thousands -----	

15.2 Commitments

Commitments in respect of capital expenditure	2,959	42,065
Commitments in respect of revenue expenditure	65,480	-
Guarantees given by banks on behalf of the Group	389,908	403,488
Commitment in respect of mark-up on liability against DPLC	-	2,922
	<u>458,347</u>	<u>448,475</u>

Nine months ended March 31,		Quarter ended March 31,	
2016	2015	2016	2015
----- (Un-audited) -----			
----- Rupees in thousands -----			

16 SALES - NET

Local	2,498,327	2,964,921	1,010,898	1,060,747
Export	9,733	11,408	3,176	5,157
	<u>2,508,060</u>	<u>2,976,329</u>	<u>1,014,074</u>	<u>1,065,904</u>
Less - Federal excise duty	(115,544)	(84,266)	(46,973)	(30,074)
- Sales tax	(399,245)	(452,849)	(160,861)	(161,719)
	<u>(514,789)</u>	<u>(537,115)</u>	<u>(207,834)</u>	<u>(191,793)</u>
	<u>1,993,271</u>	<u>2,439,214</u>	<u>806,240</u>	<u>874,111</u>

17 COST OF SALES

Raw material consumed	96,824	104,278	28,551	42,094
Manufacturing expenses				
Packing material consumed	92,788	74,045	36,600	28,475
Stores, spare parts and loose tools consumed	59,244	93,534	21,413	34,120
Fuel and power	616,214	1,035,578	157,308	345,296
Salaries, wages and other benefits	214,474	176,110	79,854	57,802
Insurance	21,661	24,900	6,590	8,798
Repairs, operations and maintenance	42,839	58,580	13,525	13,358
Depreciation	92,441	65,491	27,560	23,987
Provision for slow moving and dead stores & spares	18,153	3,160	18,153	-
Other production overheads	19,786	18,520	5,468	7,388
	<u>1,177,600</u>	<u>1,549,918</u>	<u>366,471</u>	<u>519,224</u>
Cost of production	<u>1,274,424</u>	<u>1,654,196</u>	<u>395,022</u>	<u>561,318</u>

Nine months ended March 31, 2016		Quarter ended March 31, 2015	
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----- (Un-audited) -----
----- Rupees in thousands -----

Work-in-process				
Opening balance	135,351	317,003	259,878	411,611
Closing balance	(98,024)	(409,046)	(98,024)	(409,046)
	37,327	(92,043)	161,854	2,565
Cost of goods manufactured	<u>1,311,751</u>	<u>1,562,153</u>	<u>556,876</u>	<u>563,883</u>
Finished goods				
Opening balance	31,382	34,456	36,388	31,259
Closing balance	(33,297)	(31,525)	(33,297)	(31,525)
	(1,915)	2,931	3,091	(266)
	<u>1,309,836</u>	<u>1,565,084</u>	<u>559,967</u>	<u>563,617</u>

18 OTHER INCOME

Income from financial assets				
Income on bank deposit accounts	20,939	34,540	3,825	12,016
Gain on disposal of operating fixed assets	267	200	(38)	30
Gain on disposal of available-for-sale investment	68,186	1,185	-	(34)
	89,392	35,925	3,787	12,012
Others				
Scrap sales	12,219	603	2,130	406
Rental income	4,927	5,396	1,576	1,909
Others	2,923	5,666	417	(309)
	20,069	11,665	4,123	2,006
	<u>109,461</u>	<u>47,590</u>	<u>7,910</u>	<u>14,018</u>

19 TAXATION

Current tax charge/(reversal)	841	119,756	(618)	43,266
Prior year reversal	(505)	(12,668)	-	-
Deferred tax charge/(reversal)	11,014	7,782	5,929	(3,051)
	<u>11,350</u>	<u>114,870</u>	<u>5,311</u>	<u>40,215</u>

19.1 Workers' Profit Participation Fund, Workers' Welfare Fund and Taxation

Allocation to the Workers' Profit Participation Fund, Workers' Welfare Fund and charge for taxation are provisional. Final liability would be determined on the basis of annual results.

Nine months ended March 31, 2016		Quarter ended March 31, 2015	
----- (Un-audited) -----			
----- Rupees in thousands -----			

20 EARNINGS PER SHARE - BASIC AND DILUTED

Profit after taxation attributable to ordinary shareholders	<u>448,540</u>	<u>398,581</u>	<u>135,081</u>	<u>163,877</u>
Weighted average number of ordinary shares	<u>99,718,125</u>	<u>99,718,125</u>	<u>99,718,125</u>	<u>99,718,125</u>
Earnings per share (Rupees)	<u>4.50</u>	<u>4.00</u>	<u>1.35</u>	<u>1.64</u>

21 RELATED PARTY TRANSACTIONS

Related parties include major shareholders, associated undertakings, related group companies, key management personnel, companies in which directors are common or directors hold office and staff retirement funds. The Group continues to have a policy whereby all transactions with related parties are entered into at commercial terms and conditions. Further, contribution to defined contribution plan (provident fund) is made as per the terms of employment and trust deed and contribution to the defined benefit plan (gratuity scheme) is in accordance with the actuarial advice. Details of transactions during the nine months ended / outstanding balances as at March 31, 2016 with related parties, other than those which have been specifically disclosed elsewhere in these condensed interim consolidated financial statements are as follows:

Nine months ended March 31, 2016		2015	
----- (Un-audited) -----			
----- Rupees in thousands -----			

Transactions with related parties

Bandhi Sugar Mills (Private) Limited

- Sale of cement	1,728	-
- Receipt against sale of cement	1,728	-

Sui Southern Gas Company Limited

- Purchase of gas excluding GST	256,238	665,560
- Payment against purchase of gas excluding GST	239,721	651,793

Pak Suzuki Motor Company Limited

- Payment against purchase of vehicles	3,625	2,988
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Summit Bank Limited

- Mark-up on Running Finance (RF)	1,612	8,904
- Mark-up on Syndicate Term Finance Facility(STFF)	13,945	12,314
- Guarantee obtained / cancelled	13,579	1,500
- Guarantee commission	281	180
- Income on bank deposit accounts	2	72

	Nine months ended March 31,	
	2016	2015
	(Un-audited)	
	----- Rupees in thousands -----	
Key management personnel		
- Salaries and benefits	88,989	68,053
- Sale of vehicle	400	1,158
Other related parties		
- Contribution to employees' Gratuity Fund	11,262	14,749
- Contribution to employees' Provident Fund	6,244	5,544
	(Un-audited)	(Audited)
	March 31,	June 30,
	2016	2015
	----- Rupees in thousands -----	
Balances with related parties		
Sui Southern Gas Company Limited		
- Payable against purchase of gas excluding GST	39,743	23,226
Habib Bank Limited		
- Current account balance	37	4
Summit Bank Limited		
- Running Finance	26,823	6,017
- Share in Syndicate Term Finance Facility	187,565	179,223
- Accrued mark-up	1,602	5,135
- Current account balance	384	222
- PLS account balance	1,546	1,638
- Guarantee on behalf of the Company as per normal banking terms	48,000	61,579

21.1 There are no transactions with key management personnel other than under their terms of employment.

21.2 All transactions with related parties have been carried out on commercial terms and conditions.

22 OPERATING SEGMENTS

For management purposes the Group is organized into following major business segments.

Cement Engaged in manufacturing and marketing of cement.

Power Engaged in generation, supply and transmission of electrical power.

22.1 Revenues

	Cement		Power		Intra group adjustment		Consolidated	
	March 2016	March 2015	March 2016	March 2015	March 2016	March 2015	March 2016	March 2015
----- Un-audited ----- ----- Rupees in thousands -----								
Revenue	1,984,108	1,674,275	386,142	1,113,487	(376,979)	(348,548)	1,993,271	2,439,214
Cost of sales	(1,387,844)	(1,135,749)	(306,956)	(778,329)	384,964	348,994	(1,309,836)	(1,565,084)
Gross profit	596,264	538,526	79,186	335,158	7,985	446	683,435	874,130
Selling and distribution cost	(45,662)	(25,986)	-	-	-	-	(45,662)	(25,986)
Administrative expenses	(86,963)	(66,685)	(16,943)	(13,727)	10,890	9,900	(93,016)	(70,512)
	(132,625)	(92,671)	(16,943)	(13,727)	10,890	9,900	(138,678)	(96,498)
Operating profit	463,639	445,855	62,243	321,431	18,875	10,346	544,757	777,632
Other operating expenses	(35,170)	(52,299)	(5,454)	(31,067)	-	-	(40,624)	(83,366)
Finance cost	(95,309)	(50,878)	(52,145)	(82,744)	5,071	-	(142,383)	(133,622)
	(130,479)	(103,177)	(57,599)	(113,811)	5,071	-	(183,007)	(216,988)
Other income	107,609	23,423	18,303	34,513	(16,451)	(10,346)	109,461	47,590
Segment results	440,769	366,101	22,947	242,133	7,495	-	471,211	608,234
Unallocated expenditures	-	-	-	-	-	-	-	-
Profit before tax	440,769	366,101	22,947	242,133	7,495	-	471,211	608,234
Tax	(11,041)	(125,022)	(309)	10,152	-	-	(11,350)	(114,870)
Profit after tax	429,728	241,079	22,638	252,285	7,495	-	459,861	493,364

22.2 Other information

	Cement		Power		Intra group adjustment		Consolidated	
	March 2016	June 2015	March 2016	June 2015	March 2016	June 2015	March 2016	June 2015
	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)	(Un-audited)	(Audited)
----- Rupees in thousands -----								
Segment assets	3,831,503	3,559,115	2,001,159	1,994,476	(556,208)	(334,533)	5,276,454	5,219,058
Unallocated corporate assets	-	-	-	-	-	-	-	-
Total assets	3,831,503	3,559,115	2,001,159	1,994,476	(556,208)	(334,533)	5,276,454	5,219,058
Segment liabilities	1,954,039	1,885,615	766,461	782,416	(253,624)	(24,454)	2,466,876	2,643,577
Unallocated corporate liabilities	-	-	-	-	-	-	-	-
Total liabilities	1,954,039	1,885,615	766,461	782,416	(253,624)	(24,454)	2,466,876	2,643,577
Capital expenditure	131,619	687,774	15,074	3,650	-	-	146,693	691,424
Depreciation	74,888	43,306	21,743	41,803	-	-	96,631	85,109
Non-cash expenses other than depreciation	20,592	108,886	-	104,145	-	42,628	20,592	255,659

22.3 Reconciliation of reportable segment revenues, profit and loss, assets and liabilities:

Consolidated March 31, 2016 ----(Un-audited)----		2015
---- Rupees in thousands ----		

22.3.1 Operating revenues

Total revenue of reportable segments	2,370,250	2,787,762
Elimination of intra group revenue	(376,979)	(348,548)
Consolidated revenue	<u>1,993,271</u>	<u>2,439,214</u>

22.3.2 Profit and loss

Total profit before tax of reportable segments	463,716	608,234
Adjustment of unrealized profit and intra group transactions	7,495	-
Consolidated profit before tax	<u>471,211</u>	<u>608,234</u>

Consolidated March 31, 2016 (Un-audited)		June 30, 2015 (Audited)
---- Rupees in thousands ----		

22.3.3 Assets

Total assets of reportable segments	5,832,662	5,553,591
Elimination of intra group balances and unrealised profit	(554,605)	(332,485)
Reclassifications for consolidation purposes	(1,603)	(2,048)
Consolidated assets	<u>5,276,454</u>	<u>5,219,058</u>

22.3.4 Liabilities

Total liabilities of reportable segments	2,720,500	2,668,031
Elimination of intra group balances	(253,624)	(24,009)
Reclassifications for consolidation purposes	-	(445)
Consolidated liabilities	<u>2,466,876</u>	<u>2,643,577</u>

22.4 Geographical segment analysis

	Revenue		Total Assets		Net Assets	
	March 2016 (Un-audited)	March 2015 (Un-audited)	March 2016 (Un-audited)	June 2015 (Audited)	March 2016 (Un-audited)	June 2015 (Audited)
----- Rupees in thousands -----						
Pakistan	1,983,538	2,427,806	5,276,454	5,219,058	2,809,578	2,575,481
Export Processing Zone - Karachi	9,733	11,408	-	-	-	-
	<u>1,993,271</u>	<u>2,439,214</u>	<u>5,276,454</u>	<u>5,219,058</u>	<u>2,809,578</u>	<u>2,575,481</u>

22.5 Information about major customers

Major customers for cement segment are various individual dealers & builders whereas major customer for power segment is Hyderabad Electric Supply Company Limited.

23 CORRESPONDING FIGURES

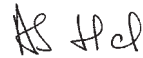
In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim consolidated balance sheet has been compared with the balances of annual audited consolidated financial statements of preceding financial year; whereas, the condensed interim consolidated profit and loss account, condensed interim consolidated statement of comprehensive income, condensed interim consolidated cash flow statement and condensed interim consolidated statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year.

24 DATE OF AUTHORIZATION FOR ISSUE

These condensed interim consolidated financial statements were authorized for issue on April 25, 2016 by the Board of Directors of the Holding Company.



CHIEF EXECUTIVE



DIRECTOR



THATTA CEMENT
C O M P A N Y L I M I T E D

Head Office
Office # 606 - 608A, 6th Floor,
Continental Trade Center, Block 8, Clifton, Karachi
www.thattacement.com

Factory
Ghulamullah Road, Makli,
District Thatta, Sindh