

Quarterly Accounts (Un-audited)  
for the 1st Quarter ended  
30 September 2017



RUPALI POLYESTER LIMITED

# Corporate Data

## Board of Directors

### Chairman / Chief Executive Officer

Nooruddin Feerasta

### Directors

Muhammad Rashid Zahir - Non-Executive  
Sultan Ali Rajwany - Non-Executive  
Zeeshan Feerasta - Non-Executive

Muhammad Ali Sayani - Non-Executive  
Shehzad Feerasta - Non-Executive  
Abdul Hayee - Executive

### Audit Committee

Sultan Ali Rajwany - Chairman      Muhammad Rashid Zahir - Member  
Zeeshan Feerasta - Member

### Human Resource & Remuneration Committee

Sultan Ali Rajwany - Chairman      Nooruddin Feerasta - Member  
Zeeshan Feerasta - Member

### Chief Financial Officer

Asyub Saqib

### Company Secretary

S. Ghulam Shabbir Gilani

### Bankers

Askari Bank Limited  
Faysal Bank Limited  
MCB Bank Limited

Bank Alfalah Limited  
Habib Bank Limited  
Soneri Bank Limited

### Auditors

Qavi & Co.  
Chartered Accountants

### Registered Office

Rupali House, 241-242 Upper Mall Scheme,  
Anand Road, Lahore - 54000 PAKISTAN

### Plant

30.2 Kilometer Lahore - Sheikhpura Road  
Sheikhpura - 39350 PAKISTAN

## Directors' Review

On behalf of the Board of Directors, we are pleased to present the Company's un-audited financial statements for the first quarter ended 30 September 2017.

### Financial Results

As we envisaged in the Annual Report 2017, the Company's financial performance has substantially improved as is evident from results of the quarter under review. We feel pleasure to report that both top and bottom lines have turned from red to green. Over the last two years, the Company Management has initiated steps to revamp its base business and implement an aggressive growth plan for transformation of the Company into a profitable unit. These initiatives included expansion plans to increase production capacity and replacing the old DTY machines with new and advanced technologies. The project is at its tail end stages and will come into operation in the first quarter of 2018.

The National Tariff Commission (NTC) pursuant to wide ranging investigations has recently imposed anti-dumping duties on the imports of Polyester Filament Yarn (PFY) originating in or exporting from China and Malaysia at the rate of minimum 3.25% and maximum 11.35% duty on Chinese manufacturers and 6.36% duty on Malaysian manufacturers. Before this we approached the Federal Board of Revenue (FBR) seeking their attention towards the suffering of the PFY industry and requesting them for 10% Regulatory Duty (RD) on imported yarn. The FBR, considering our strong views, imposed 5% RD on imported yarn. This has given some protection to the local PFY industry which has been materially injured by dumped imports as investigated by the NTC. Four importers of dumped PFY have filed a writ petition in the Peshawar High Court and the Honourable High Court passed an ad-interim injunction dated 25.09.2017. Your Company filed an application in the writ petition before the Honourable Peshawar High Court for vacation of ad-interim injunction. We urge upon the NTC that the benefit of ad-interim injunction should only be granted to persons who are petitioners in the writ petition, instead of providing it to all importers.

Sales revenue for the quarter ended 30 September 2017 has increased by 32% to Rs.1,547.782 million compared to Rs.1,174.167 million in same quarter last year. Due to reduction in cost of goods sold as compared to last year, the gross profit increased

to Rs.104.987 million as compared to Rs.5.297 million in Q1 of 2016. Operating loss of Rs.26.811 million in Q1 of 2016 has been converted into profit which amounted to Rs.56.633 million in the current quarter. Finance cost increased to Rs.30.061 million from Rs.27.722 million in previous corresponding quarter because of utilization of long term financing for the expansion project. Loss before taxation of Rs.54.533 million in 2016 turned to profit of Rs.26.572 million and loss after tax of Rs.66.274 million turned to profit of Rs.7.225 million.

### Future Outlook

The economy is facing challenges due to political uncertainty in the country. Industrial growth largely contributes in economic stability on long term basis. It is upto the government to take concrete measures and frame such economic policies which ensure protection of the domestic industry. The anti-dumping duty imposed by the NTC on imported yarn has helped the PFY industry to some extent to come out of crises, however, the levy of anti-dumping duties has become a subjudice matter. The raw material prices are showing volatility and price escalation will directly impact our manufacturing cost. Regulatory Duty has been imposed on furnace fuel oil which will increase our fuel and power cost. Gas Infrastructure Development Cess (GIDC) is another threat to domestic industry and it is stressed that GIDC should be abolished forthwith.

We appreciate the patronage and confidence placed in the Company by our stakeholders and commercial banks. We are thankful to our valued customers and expect growing business relationship with them. We also appreciate the continued hard work by the management and staff of the Company.

On behalf of the Board

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Lahore

23 October 2017

### مستقبل کا جائزہ

ملک میں سیاسی عدم استحکام کے باعث معیشت کو چیلنجز کا سامنا ہے۔ معیشت کو طویل المیعاد بنیادوں پر قائم رکھنے کیلئے ملکی صنعتی نمو کا بہت دخل ہوتا ہے۔ یہ حکومت کا فرض ہے کہ مقامی صنعت کو تحفظ دینے کیلئے ٹھوس حکمت عملی مرتب کرے۔ NTC کی حالیہ عائد کردہ اینٹی ڈمپنگ ڈیوٹی سے PFY صنعت کو تھوڑا سا سکھ کا سانس ملا ہے مگر یہ معاملہ اب عدالت میں زیر التوا ہے۔ خام مال کی قیمتیں بھی اتار چڑھاؤ کا شکار ہیں اور ان میں اضافہ بلا واسطہ ہماری پیداواری لاگت میں اضافہ کا موجب ہوگا۔ حال ہی میں فرانس آئل پیرریگولیٹری ڈیوٹی (RD) لگادی گئی ہے جس سے ہماری فیول اور پاور کی لاگت میں اضافہ ہوگا۔

ہم اسٹیک ہولڈرز اور کمرشل بینکوں کے تعاون اور اعتماد کیلئے اُن کے شکر گزار ہیں اور ان سے کاروباری تعلقات میں مزید وسعت کے خواہاں ہیں۔ ہم کمپنی کی انتظامیہ اور عملے کی مسلسل محنت کی بھی تعریف کرتے ہیں۔

عبدالرحمن  
ڈائریکٹر

نور الدین فیراستہ  
چیف ایگزیکٹو آفیسر  
لاہور:  
۲۳ اکتوبر ۲۰۱۷

## ڈائریکٹران کا جائزہ

کمپنی کے ڈائریکٹران کی جانب سے ہم بمسرت ۳۰ ستمبر ۲۰۱۷ کو ختم ہونے والی سہ ماہی کے غیر پڑتال شدہ گوشوارے پیش کرتے ہیں۔

### مالیاتی نتائج

جیسا کہ کمپنی کی سالانہ رپورٹ ۲۰۱۷ میں تصور کیا تھا، زیرِ جائزہ سہ ماہی کے مالیاتی نتائج کے مطابق کمپنی کی کارکردگی میں نمایاں بہتری آئی ہے۔ ہمیں یہ بتاتے ہوئے خوشی ہو رہی ہے کہ خام اور خالص منافع میں اضافہ ہوا ہے۔ گزشتہ دو برسوں میں کمپنی انتظامیہ نے بنیادی کاروبار کو بہتر بنانے اور منافع بخش یونٹ میں تبدیل کرنے کیلئے ٹھوس منصوبہ بندی کی جس میں پیداواری گنجائش میں توسیع اور پرانی DTY مشینوں کو جدید ٹیکنالوجی سے تبدیل کرنا شامل ہے۔ یہ منصوبہ تکمیل کے مراحل میں ہے اور ۲۰۱۸ کی پہلی سہ ماہی میں مکمل ہو جائے گا۔

قومی کمیشن برائے ٹیرف (NTC) نے اینٹی ڈمپنگ ڈیوٹی کے لیے اپنی وسیع ترحتمی تفتیش کو مکمل کرتے ہوئے حال ہی میں چین کے مینوفیکچررز پر کم از کم ۳.۲۵ فیصد اور زیادہ سے زیادہ ۱۱.۳۵ فیصد اور ملائیشیا کے مینوفیکچرز پر ۶.۳۶ فیصد ڈیوٹی عائد کر دی ہے۔ اس سے قبل ہم نے فیڈرل بورڈ آف ریونیو (FBR) کو اس صنعت کی خراب حالت اور درپیش مسائل سے آگاہ کیا تاکہ درآمد ہونے والے PFY پر فوری طور پر ریگولیشن ڈیوٹی عائد کی جائے۔ FBR نے ہماری گزارشات کی ہمدردانہ سماعت اور حقائق و اعداد و شمار کو مد نظر رکھتے ہوئے قومی بجٹ میں یکم جولائی ۲۰۱۷ سے PFY پر ۵ فیصد ڈیوٹی عائد کر دی۔ اس سے مقامی صنعت کو جو کہ NTC کی تفتیش کے مطابق بُری طرح سے متاثر ہو رہی تھی کچھ تحفظ ملا ہے۔ البتہ چار یارن مرچنٹس نے پشاور ہائی کورٹ میں اینٹی ڈمپنگ ڈیوٹی کے خلاف درخواست داخل کی ہے اور عدالت عالیہ نے ad-interim injunction دیا ہے۔ آپ کی کمپنی نے اس مقدمہ کو خارج کرنے کی درخواست داخل کر دی ہے۔ ہم NTC سے کہتے ہیں کہ ad-interim injunction کا فائدہ درخواست دہندگان کے علاوہ کسی بھی درآمد کنندہ کو نہ دیں۔

۳۰ ستمبر ۲۰۱۷ کو ختم ہونے والی سہ ماہی میں فروخت آمدنی ۳۲ فیصد اضافہ کے ساتھ ۱،۵۴۷.۷۸۲ ملین روپے ہو گئی ہے جو کہ ۲۰۱۶ کی اسی سہ ماہی میں ۱،۱۷۴.۱۶۷ ملین روپے تھی۔ اس سہ ماہی میں پچھلے سال ہونے والا ختام منافع ۵۰۲۹۷ ملین روپے سے بڑھ کر ۱۰۴.۹۸۷ ملین روپے ہو گیا۔ آپریٹنگ آمدنی ۵۶.۶۳۳ ملین روپے رہی جبکہ گزشتہ سال اس سہ ماہی میں ۲۶.۸۱۱ ملین روپے سے خسارہ میں تھی۔ فنانس لاگت ۲۷.۷۲۲ ملین روپے سے بڑھ کر ۳۰.۰۴۱ ملین روپے ہو گئی۔ توسیع منصوبہ کے لیے لیا گیا طویل المیعاد قرضہ اس اضافہ کا موجب ہے۔ قبل از ٹیکس خسارہ جو کہ پچھلے سال ۵۴.۵۳۳ ملین روپے تھا ۲۶.۵۷۲ ملین روپے سے منافع میں تبدیل ہو گیا ہے اور خالص خسارہ جو کہ پچھلے سال ۶۶.۲۷۴ ملین روپے تھا تبدیل ہو کر ۷.۲۲۵ ملین روپے منافع میں آ گیا ہے۔

## Condensed Interim Balance Sheet (Un-audited)

as at 30 September 2017

	Note	30 Sep. 2017 Un-audited	30 June 2017 Audited
Rupees in thousand			
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		2,950,057	2,971,353
Investment property	5	400,000	400,000
Long-term deposits		4,406	4,396
		<u>3,354,463</u>	<u>3,375,749</u>
<b>CURRENT ASSETS</b>			
Stores, spares and loose tools		972,930	872,357
Stock-in-trade		550,910	725,481
Trade debts		694	1,461
Loans and advances		41,804	30,449
Trade deposits and short-term prepayments		754	1,161
Other receivables		413,312	479,639
Taxation - net		163,690	179,754
Cash and bank balances		151,501	62,920
		<u>2,295,595</u>	<u>2,353,222</u>
		<u>5,650,058</u>	<u>5,728,971</u>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorised share capital			
35,000,000 (30 June 2017: 35,000,000)			
ordinary shares of Rs.10 each		350,000	350,000
Issued, subscribed and paid-up capital			
34,068,514 (30 June 2017: 34,068,514)			
ordinary shares of Rs.10 each			
Reserves	6	340,685	340,685
		284,558	277,333
		625,243	618,018
Surplus on revaluation of freehold land		1,719,056	1,719,056
		<u>2,344,299</u>	<u>2,337,074</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term financing	7	225,066	183,879
Staff retirement benefits		138,587	138,587
Deferred taxation - net		267,438	267,438
Liabilities against assets subject to finance lease	8	1,985	2,272
		<u>633,076</u>	<u>592,176</u>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		830,555	870,332
Short-term borrowings	9	1,752,600	1,839,800
Accrued mark-up		27,206	27,287
Current portion of long-term borrowings	10	62,322	62,302
		<u>2,672,683</u>	<u>2,799,721</u>
<b>CONTINGENCIES AND COMMITMENTS</b>			
	11	<u>5,650,058</u>	<u>5,728,971</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Ayub Saqib  
Chief Financial Officer

## Condensed Interim Profit and Loss Account (Un-audited) for the quarter ended 30 September 2017

	Quarter Ended	
	30 Sep. 2017	30 Sep. 2016
Rupees in thousand		
Sales	1,547,782	1,174,167
Cost of goods sold	(1,442,795)	(1,168,870)
<b>Gross profit</b>	<b>104,987</b>	<b>5,297</b>
Selling and distribution expenses	(4,314)	(2,927)
Administrative and general expenses	(37,805)	(34,340)
Other operating charges	(12,231)	-
	(54,350)	(37,267)
Other operating income	5,996	5,159
Operating profit/(loss)	56,633	(26,811)
Finance cost	(30,061)	(27,722)
Profit/(loss) before taxation	26,572	(54,533)
Taxation	(19,347)	(11,741)
Profit/(loss) after taxation	7,225	(66,274)
	Rupees	
Earnings/(loss) per share - basic and diluted	0.21	(1.95)

Appropriations have been reflected in the condensed interim statement of changes in equity.  
The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Ayub Saqib  
Chief Financial Officer

## Condensed Interim Statement of Comprehensive Income (Un-audited) for the quarter ended 30 September 2017

	Quarter Ended	
	30 Sep. 2017	30 Sep. 2016
	Rupees in thousand	
Profit/(loss) after taxation	7,225	(66,274)
Other comprehensive income	-	-
Total comprehensive income/(loss)	<u>7,225</u>	<u>(66,274)</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Ayub Saqib  
Chief Financial Officer

## Condensed Interim Cash Flow Statement (Un-audited)

for the quarter ended 30 September 2017

	Quarter Ended	
	30 Sep. 2017	30 Sep. 2016
	Rupees in thousand	
<b>CASH GENERATED FROM OPERATIONS</b>		
Profit/(loss) before taxation	26,572	(54,533)
<b>Adjustments for non-cash and other items</b>		
Depreciation	36,892	38,138
Provision for staff retirement benefits	355	56
Profit on Bank deposits	(398)	(414)
Finance cost	30,061	27,722
	66,910	65,502
<b>Effect on cash flow due to working capital changes</b>		
<b>(Increase)/decrease in current assets</b>		
Stores, spares and loose tools	(100,572)	(51,224)
Stock-in-trade	174,571	(93,322)
Trade debts	768	4,096
Loans and advances	(11,355)	654
Trade deposits and short-term prepayments	407	218
Other receivables	66,327	126,145
	130,146	(13,433)
<b>Increase/(decrease) In current liabilities</b>		
Trade and other payables	(39,777)	1,308
Cash generated from operations	183,851	(1,156)
Finance cost paid	(30,140)	(28,140)
Income tax paid	(3,287)	(2,923)
Staff retirement benefits paid	(355)	(56)
Profit received	398	414
Net Cash inflow/(outflow) from operating activities	150,467	(31,861)
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Capital expenditure	(15,595)	(14,086)
Long term deposits	(10)	-
Net cash outflow from investing activities	(15,605)	(14,086)

## Condensed Interim Cash Flow Statement (Un-audited) for the quarter ended 30 September 2017

	Quarter Ended	
	30 Sep. 2017	30 Sep. 2016
	Rupees in thousand	
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Long term financing	41,187	-
Liabilities against assets subject to finance lease	(268)	(249)
Net cash inflow/(outflow) from financing activities	40,919	(249)
Net increase/(decrease) in cash and cash equivalents	175,781	(46,196)
Cash and cash equivalents at the beginning of the period	(1,776,880)	(1,492,429)
Cash and cash equivalents at the end of the period	<u>(1,601,099)</u>	<u>(1,538,625)</u>
Cash and cash equivalents		
Cash and bank balances	151,501	20,089
Short-term borrowings	(1,752,600)	(1,558,714)
Cash and cash equivalents at the end of the period	<u>(1,601,099)</u>	<u>(1,538,625)</u>

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Ayub Saqib  
Chief Financial Officer

## Condensed Interim Statement of Changes in Equity (Un-audited) for the quarter ended 30 September 2017

Rupees in thousand

	Issued Subscribed and Paid - up Capital	Capital Reserve	Revenue Reserves		Total Equity	Surplus on revaluation of freehold land	Total
		Share Premium	General Reserve	Accumulated Loss			
Balance as on 01 July 2016	340,685	71,490	1,664,125	(1,336,889)	739,411	293,388	1,032,799
Final dividend for the year ended 30 June 2016	-	-	-	-	-	-	-
Loss for 1st Quarter ended 30 September 2016	-	-	-	(66,274)	(66,274)	-	(66,274)
Other comprehensive income for 1st Quarter ended 30 September 2016	-	-	-	-	-	-	-
Balance as on 30 September 2016	340,685	71,490	1,664,125	(1,403,163)	673,137	293,388	966,525
Balance as on 01 October 2016	340,685	71,490	1,664,125	(1,403,163)	673,137	293,388	966,525
Loss for last 3 quarters ended 30 June 2017	-	-	-	(53,809)	(53,809)	-	(53,809)
Other comprehensive income for the year ended 30 June 2017	-	-	-	(1,310)	(1,310)	1,425,668	1,424,358
Balance as on 30 June 2017	340,685	71,490	1,664,125	(1,458,282)	618,018	1,719,056	2,337,074
Balance as on 01 July 2017	340,685	71,490	1,664,125	(1,458,282)	618,018	1,719,056	2,337,074
Final dividend for the year ended 30 June 2017	-	-	-	-	-	-	-
Profit for 1st Quarter ended 30 September 2017	-	-	-	7,225	7,225	-	7,225
Other comprehensive income for 1st Quarter ended 30 September 2017	-	-	-	-	-	-	-
Balance as on 30 September 2017	340,685	71,490	1,664,125	(1,451,057)	625,243	1,719,056	2,344,299

The annexed notes 1 to 15 form an integral part of this condensed interim financial information.

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Ayub Saqib  
Chief Financial Officer

## Notes to the Condensed Interim Financial Information (Un-audited) for the quarter ended 30 September 2017

### 1 Legal status and nature of business

RUPALI POLYESTER LIMITED ("the Company") was incorporated in Pakistan on 24 May 1980 as a Public Limited Company and is quoted on the Pakistan Stock Exchange Limited. The registered office of the Company is situated at 241-242 Upper Mall Scheme, Anand Road, Lahore. It is principally engaged in the manufacture and sale of polyester products.

### 2 Basis of preparation

This condensed interim financial information is un-audited and has been prepared in accordance with the requirements of International Accounting Standard (IAS) 34 - 'Interim Financial Reporting' and provisions of any directives issued under the repealed Companies Ordinance, 1984. In case where the requirements differ, the provisions of or directives issued under the Companies Ordinance, 1984 have been followed. This condensed interim financial information does not include all the information required for full annual financial statements and, therefore, should be read in conjunction with audited annual financial statements of the Company for the year ended 30 June 2017.

### 3 Significant accounting policies

The accounting policies and the methods of computation adopted for the preparation of this condensed interim financial information are the same as those applied in the preparation of audited annual financial statements of the Company for the year ended 30 June 2017.

The provision for taxation for the Quarter ended 30 September 2017 has been made using the tax rate that would be applicable to expected total annual earnings.

### 4 Accounting estimates, judgments and financial risk management

In preparing this condensed interim financial information, the significant judgments made by the management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that were applied to the audited annual financial statements as at and for the year ended 30 June 2017, with the exception of changes in estimates that are required in determining the provision for income taxes.

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

	Un-audited 30 Sep. 2017	Audited 30 June 2017
	Rupees in thousand	
<b>5 Investment property</b>		
Fair value at the beginning of the period/year	400,000	400,000
Fair value gain during the period/year	-	-
Fair value at the end of the period/year	400,000	400,000

The fair value of investment property was determined at 30 June 2017 by an independent valuer having relevant professional qualifications. The fair value was determined on the basis of professional assessment of the price that would be received to sell the property in an orderly transaction between market participants at the measurement date.

	Un-audited 30 Sep. 2017	Audited 30 June 2017
	Rupees in thousand	
<b>6 Reserves</b>		
Capital		
- Share Premium	71,490	71,490
Revenue		
- General reserve	1,664,125	1,664,125
- Accumulated loss	(1,451,057)	(1,458,282)
	213,068	205,843
	284,558	277,333
<b>7 Long Term Financing</b>		
From banking companies - secured		
- Utilized under mark-up arrangement	286,359	245,172
Current portion shown under current liabilities	(61,293)	(61,293)
Non-current portion	225,066	183,879

In 2015 the Company obtained a term finance facility of Rs. 500 million from MCB Bank limited for the purpose of import of plant and machinery, spare parts and related civil works. The facility is secured by way of first charge over fixed assets aggregating to Rs. 667 million, lien over import documents and promissory note of Rs. 975 million and carries mark-up of 6 months KIBOR + 0.5% to be reset on semi annual basis. The loan is repayable in 10 equal half yearly instalments starting from November 2016.

	Un-audited 30 Sep. 2017	Audited 30 June 2017
	Rupees in thousand	
<b>8 Liabilities against assets subject to finance lease</b>		
Minimum lease payments		
- Payable within one year	1,205	1,205
- Payable after one year	2,116	2,445
	3,321	3,650
Future financial charges		
- Payable within one year	176	196
- Payable after one year but before five years	132	173
	308	369
Present value of minimum lease payments		
- Payable within one year	1,029	1,009
- Payable after one year but before five years	1,985	2,272
	3,014	3,281
Current portion shown under current liabilities	(1,029)	(1,009)
Non-current portion	1,985	2,272

Future minimum lease payments have been discounted at implicit interest rates ranging from 7.50% to 11.50% (2016: 7.74% to 11.44%) per annum to arrive at the present values. Rentals are payable in advance in monthly instalments. Taxes, repairs, replacements and insurance cost are to be borne by the Company. The lease contains a bargain purchase option exercisable at the end of lease and it is reasonably certain that the Company will exercise this option at maturity.

	Un-audited 30 Sep. 2017	Audited 30 June 2017
	Rupees in thousand	
<b>9 Short-term borrowings</b>		
From Banking Companies - Secured		
Running Finances under Mark-up arrangements from banks	1,412,600	1,499,800
From related party - unsecured		
Interest free loan	340,000	340,000
	1,752,600	1,839,800

	Un-audited 30 Sep. 2017	Audited 30 June 2017
	Rupees in thousand	
<b>10 Current portion of long-term borrowings</b>		
Long-term financing	61,293	61,293
Liabilities against assets subject to finance lease	1,029	936
	<u>62,322</u>	<u>62,229</u>

## 11 Contingencies and commitments

### 11.1 Contingencies:

11.1.1 Guarantees issued to different organizations in the normal course of business amounted to Rs. 81.314 million (30 June 2017: Rs. 81.314 million).

11.1.2 Outstanding guarantees given on behalf of related parties amounted to Rs. Nil (30 June 2017 Rs. Nil).

### 11.2 Commitments:

11.2.1 Contracts for Capital expenditure commitments outstanding as at 30 September 2017 amounted to Rs. 356.104 million (30 June 2017: Rs. 255.432 million).

11.2.2 Commitments against irrevocable letters of credit as at 30 September 2017 amounted to Rs. 824.033 million (30 June 2017: Rs. 1,054.272 million).

## 12 Transactions with related parties

The related parties comprise Associated Undertakings, Other Related Group Companies, Directors of the Company, Key Management Personnel and Defined Contribution Plan (Provident Fund). There are no transactions with key management personnel other than under their terms of employment.

## 13 Date of authorization for issue

These condensed interim financial statements were authorized for issue on 23 October 2017 by the Board of Directors of the Company.

#### 14 Corresponding Figures

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

Corresponding figures have been re-arranged, wherever necessary, for the purposes of comparison. However, no significant re-arrangements have been made in these financial statements.

#### 15 General

Figures have been rounded off to the nearest thousand rupees unless stated otherwise.

Nooruddin Feerasta  
Chief Executive Officer

Abdul Hayee  
Director

Ayub Saqib  
Chief Financial Officer



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