



NISHAT POWER LIMITED



First Quarter Report

For the Period Ended
September 30, 2016

CONTENTS

Nishat Power Limited	Page No.
Corporate Profile	2
Directors' Report	4
Directors' Report (Urdu)	6
Condensed Interim Balance Sheet	8-9
Condensed Interim Profit and Loss Account	10
Condensed Interim Statement of Comprehensive Income	11
Condensed Interim Cash Flow Statement	12
Condensed Interim Statement of Changes in Equity	13
Notes to the Condensed Interim Financial Information	14-20

CORPORATE PROFILE

BOARD OF DIRECTORS	Mian Hassan Mansha Mr. Khalid Qadeer Qureshi Mr. Ahmad Aqeel Mr. Asad Farooq Mr. Ghazanfar Husain Mirza Mr. Mahmood Akthar Mr. Shahzad Ahmad Malik	Chief Executive/Director Chairman
AUDIT COMMITTEE	Mr. Khalid Qadeer Qureshi Mr. Shahzad Ahmad Malik Mr. Ahmad Aqeel	Member Member / Chairman Member
HUMAN RESOURCE & REMUNERATION COMMITTEE	Mr. Ghazanfar Husain Mirza Mian Hassan Mansha Mr. Khalid Qadeer Qureshi	Member/Chairman Member Member
CHIEF FINANCIAL OFFICER	Mr. Tanvir Khalid	
COMPANY SECRETARY	Mr. Khalid Mahmood Chohan	
BANKERS OF THE COMPANY	Habib Bank Limited United Bank Limited Allied Bank Limited National Bank of Pakistan Bank Alfalah Limited Faysal Bank Limited Askari Bank Limited Habib Metropolitan Bank Limited Soneri Bank Limited Silk Bank Limited BankIslami Pakistan Limited Meezan Bank Limited HSBC Bank Middle East Limited Dubai Islamic Bank Pakistan Limited Burj Bank Limited Albaraka Bank Pakistan Limited First Women Bank Limited The Bank of Punjab MCB Bank Limited Pak Kuwait Investment Co. Limited Pak Brunei Investment Co. Limited	
AUDITORS	A. F. Ferguson & Co. Chartered Accountants	
LEGAL ADVISOR	Cornelius, Lane & Mufti Advocates & Solicitors	

REGISTERED OFFICE

53 - A, Lawrence Road, Lahore - Pakistan
UAN: 042-111-11-33-33

HEAD OFFICE

1-B, Aziz Avenue, Canal Bank,
Gulberg-V, Lahore - Pakistan
Tel: +92-42-35717090-96, 35717159-63
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Website: www.nishatpower.com

SHARE REGISTRAR

Hameed Majeed Associates (Pvt.) Ltd.
Financial & Management Consultants
H.M. House, 7-Bank Square, Lahore - Pakistan.
Tel: 042-37235081-2

PLANT

66-K.M, Multan Road, Jambar Kalan,
Tehsil Pattoki, District Kasur, Punjab - Pakistan.



DIRECTORS' REPORT

The Board of Directors of Nishat Power Limited (the Company) is pleased to present their report together with the Condensed Interim Financial Information for the period ended September 30, 2016.

FINANCIAL AND OPERATIONAL RESULTS:

During the period, the Company had turnover of Rs 3,593 million (Sept 2016: Rs 4,529 million), against operating cost of Rs 2,627 million (Sept 2016: Rs 3,312 million) resulting in a gross profit of Rs 966 million (Sept 2016: Rs 1,217 million). The Company earned profit before tax of Rs 733 million compared to Rs 930 million in the same period last year.

The current period's net profit after tax amounts to Rs 733 million resulting earnings per share of Rs 2.07 compared to profit after tax of Rs 930 million and earnings per share of Rs 2.63 in the same period last year.

Included in trade debts is an amount of Rs 816 million deducted by National Transmission & Dispatch Company Limited ('NTDCL') from the Capacity Purchase Price invoices. Please refer note 9 to this Condensed Interim Financial Information for further details. Based on the advice of the company's legal counsel and Expert's determination, management feels that such amounts are likely to be recovered. Consequently, no provision for the abovementioned amount has been made in this Condensed Interim Financial Information.

NTDCL continues to default on its payment obligations. The Company took up the matter with NTDCL and Private Power & Infrastructure Board ('PPIB') by giving notices of default pursuant to provisions of Power Purchase Agreement and Implementation Agreement. Total receivables from NTDCL on Sept 30, 2016 stand at Rs 7,111 million (June 2016: Rs 6,384 million), out of which overdue receivables are Rs 5,487 million (June 2016: Rs 4,733 million).

The plant operated at optimal efficiency and dispatched 329 GWh of electricity to its customer NTDCL during the period, with 76.26% average capacity factor.

The management of the company had applied to the SECP for the exemption from the requirements of section 237 of the Ordinance, in respect of consolidating its wholly owned subsidiary namely Lalpir Solar Power (Private) Limited ('LSPPL'). The SECP, vide its letter EMD/233/744/2002-140 dated August 11, 2016, granted the exemption from consolidation of LSPPL in its financial statements for the year ended June 30, 2016 till third quarter of financial year ending June 30, 2017, under Section 237(8) of the Ordinance based on the fact that investment of the company in LSPPL is negligible in percentage of the total assets of the company and will not be a value addition in any way for the users of the company's financial statements.


DIVIDENDS

The directors have recommended an interim cash dividend of 10% i.e. Rupee 1 per ordinary share, amounting to Rs 354.089 million.

ACKNOWLEDGEMENTS

The board appreciates the efforts of the Company's workforce.

For and on behalf of Board of Directors



Chief Executive Officer

Lahore: October 24, 2016

مجلس نظماء کی رپورٹ:

نشاط پاور لمیٹڈ (کمپنی) کی مجلس نظماء 30 ستمبر 2016 مختتمہ مدت کے لئے بیرونی محاسب کی طرف سے محمد عبوری مالیاتی گوشوارے کی رپورٹ پیش کرتی ہے۔
مالیاتی اور کاروباری نتائج:

حالیہ مدت کے دوران کمپنی کو 2,627 ملین روپے (ستمبر 2015: 3,312 ملین روپے) کی آپریٹنگ لاگت کے عوض 3,593 ملین روپے (ستمبر 2015 : 4,529 ملین روپے) کی وصولیاں ہوئیں تھیں، جس کے نتیجے میں 966 ملین روپے (ستمبر 2015: 2,217 ملین روپے) کا مجموعی منافع ہوا ہے۔ کمپنی نے گزشتہ سال اسی مدت میں 930 ملین روپے کے مقابلے میں 733 ملین روپے قبل از ٹیکس منافع کمایا ہے۔

گزشتہ سال کی اسی مدت میں 2.63 روپے فی حصص آمدن اور 930 ملین روپے قبل از ٹیکس منافع کے مترادف 2.07 روپے فی حصص آمدن اور 733 ملین روپے قبل از ٹیکس خالص منافع ہوا ہے۔
تجارتی قرضوں میں نیشنل ٹرانسمیشن اینڈ ڈسٹریبیوٹن کمپنی لمیٹڈ ('NTDCL') کی طرف سے کپسٹی پر چیز پرائس میں منہا کردہ 816 ملین روپے کی رقم شامل ہے۔ مزید تفصیلات کے لیے ان محمد عبوری مالیاتی گوشوارے کا نوٹ 9 ملاحظہ کریں۔ کمپنی کے قانونی وکیل کے مشورہ اور ایکسپٹ کے تعین کے مطابق، انتظامیہ محسوس کرتی ہے کہ ایسی رقم کی واپسی کا امکان ہے۔ چنانچہ اس مجموعی مالیاتی گوشوارے میں مذکورہ بالا رقم کے لئے کوئی گنجائش نہیں رکھی گئی ہے۔

NTDCL اپنی ادائیگی کی ذمہ داریوں پر مسلسل نادہندگی پر کاربند ہے۔ کمپنی نے بجلی کی خریداری کے معاہدے اور Implementation Agreement کے تحت NTDCL اور پرائیویٹ پاور اینڈ انفراسٹرکچر بورڈ ('پی پی آئی بی') کے ہاں معاملہ اجاگر کیا ہے۔ 30 ستمبر 2016 کو NTDCL سے کل وصولی 7,111 ملین روپے (جون 2016: 6,384 ملین روپے) ہے، جن میں سے 5,487 ملین روپے (جون 2016: 4,733 ملین روپے) وصولی واجب الادا اور خارج المعیاد ہیں۔
حالیہ مدت کے دوران پلانٹ زیادہ سے زیادہ باکفایت کارکردگی پر چلایا گیا اور اپنے صارف NTDCL کو اوسط 76.26 فیصد صلاحیت کے ساتھ 329GWh بجلی ترسیل کی گئی۔

کمپنی کی انتظامیہ نے اپنے مکمل ملکیتی ذیلی ادارہ یعنی لال پیر سولر پاور (پرائیویٹ) لمیٹڈ ('LSPPL') کے اشتمال شدہ گوشوارے کے سلسلے میں آرڈیننس کی دفعہ 237 کے تقاضوں سے رعایت کے لئے ایس ای سی پی کو درخواست گزاری تھی۔ ایس ای سی پی نے اپنے خط EMD/233/744/2002-140 مورخہ 11 اگست 2016، کی رو سے 30 جون 2017 کو ختم ہونے والے سال کی تیسری سہ ماہی تک کے مالی گوشواروں میں LSPPL کے انجماد سے استثناء کی منظوری دی ہے، آرڈیننس کی دفعہ (8) 237 کے تحت اس حقیقت پر مبنی کہ LSPPL میں کمپنی کی سرمایہ کاری کمپنی کے مجموعی اثاثوں کی شرح میں نہ ہونے کے برابر ہے اور کمپنی کے مالی گوشواروں کا صارفین کے لئے کسی بھی طرح سے قدر کا اضافہ نہیں ہوگا۔

منافع منقسمہ

مجلس نظماء نے 10 فیصد عبوری نقد منافع منقسمہ یعنی کہ 1 روپے فی عام حصص 354.089 ملین روپے رقم کی سفارش کی ہے۔

اظہار تشکر

بورڈ کمپنی کی افرادی قوت کی کوششوں کی تعریف کرتا ہے۔

برائے اور منجانب بورڈ آف ڈائریکٹرز

Hassan Muneer

چیف ایگزیکٹو آفیسر

لاہور: 24 اکتوبر 2016ء

CONDENSED INTERIM BALANCE SHEET (Un-audited)

AS AT SEPTEMBER 30, 2016

	Note	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
EQUITY AND LIABILITIES			
CAPITAL AND RESERVES			
Authorised share capital 500,000,000 (2016: 500,000,000) ordinary shares of Rs 10 each		5,000,000	5,000,000
Issued, subscribed and paid up share capital 354,088,500 (2016: 354,088,500) ordinary shares of Rs 10 each		3,540,885	3,540,885
Revenue reserve: Un-appropriated profit		9,443,163	8,710,194
		12,984,048	12,251,079
NON-CURRENT LIABILITY			
Long term financing - secured	6	6,440,942	6,857,693
CURRENT LIABILITIES			
Current portion of long term financing - secured	6	1,576,899	1,518,659
Trade and other payables		296,412	251,118
Accrued finance cost		183,332	196,082
		2,056,643	1,965,859
CONTINGENCIES AND COMMITMENTS			
	7	21,481,633	21,074,631

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

Rajesh Mishra
CHIEF EXECUTIVE

Note	Un-audited September 30, 2016	Audited June 30, 2016
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(Rupees in thousand)

ASSETS

NON-CURRENT ASSETS

Fixed assets	8	11,570,805	11,654,976
Long term investments		1,382	1,396
Long term loans and advances		2,822	3,133
		11,575,009	11,659,505

CURRENT ASSETS

Stores, spares and loose tools		582,196	530,171
Inventories		724,084	702,678
Trade debts	9	7,110,953	6,384,250
Advances, deposits, prepayments and other receivables		829,700	1,108,221
Income tax receivable		18,403	15,812
Cash and bank balances		641,288	673,994
		9,906,624	9,415,126
		21,481,633	21,074,631


DIRECTOR

CONDENSED INTERIM PROFIT AND LOSS ACCOUNT (Un-audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Note	Quarter ended	
		September 30, 2016	September 30, 2015
(Rupees in thousand)			
Sales		3,592,958	4,528,593
Cost of sales	10	(2,626,919)	(3,311,718)
Gross profit		966,039	1,216,875
Administrative expenses		(59,420)	(51,099)
Other expenses		(1,867)	-
Other income		11,926	6,869
Finance cost		(183,695)	(242,371)
Share of loss of associate		(14)	(721)
Profit before taxation		732,969	929,553
Taxation		-	-
Profit for the period		732,969	929,553
Earnings per share - basic and diluted (in Rupees)		2.070	2.625

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


CHIEF EXECUTIVE


DIRECTOR

CONDENSED INTERIM STATEMENT OF
 COMPREHENSIVE INCOME (Un-audited)
 FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Quarter ended	
	September 30, 2016	September 30, 2015
Profit for the period	732,969	929,553
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss	-	-
Items that will not be reclassified subsequently to profit or loss	-	-
	-	-
Total comprehensive income for the period	732,969	929,553

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


 CHIEF EXECUTIVE


 DIRECTOR

CONDENSED INTERIM CASH FLOW STATEMENT (Un-audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Note	Quarter ended	
		September 30, 2016 (Rupees in thousand)	September 30, 2015
Cash flows from operating activities			
Cash generated from operations	11	672,213	2,157,208
Finance cost paid		(196,445)	(271,174)
Income tax paid		(2,591)	(1,763)
Long term loans and advances - net		311	(1,978)
Retirement benefits paid		(7,006)	(1,542)
Net cash inflow from operating activities		466,482	1,880,751
Cash flows from investing activities			
Purchase of fixed assets		(158,270)	(4,257)
Proceeds from disposal of operating fixed assets		-	48
Profit on bank deposits received		18,641	12,462
Net cash inflow/(outflow) from investing activities		(139,629)	8,253
Cash flows from financing activities			
Repayment of long term financing		(358,511)	(628,643)
Dividend paid		(1,048)	(5,165)
Net cash outflow from financing activities		(359,559)	(633,808)
Net increase / (decrease) in cash and cash equivalents		(32,706)	1,255,196
Cash and cash equivalents at the beginning of the period		673,994	(828,682)
Cash and cash equivalents at the end of the period	12	641,288	426,514

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


CHIEF EXECUTIVE


DIRECTOR

CONDENSED STATEMENT OF CHANGES IN EQUITY (Un-audited)
FOR THE QUARTER ENDED SEPTEMBER 30, 2016

	Share capital	Revenue reserve: Un-appropriated profit	Total
	(Rupees in thousand)		
Balance as on July 01, 2015 (audited)	3,540,885	8,072,183	11,613,068
Profit for the period	-	929,553	929,553
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	929,553	929,553
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-
Balance as on September 30, 2015 (un-audited)	3,540,885	9,001,736	12,542,621
Balance as on July 01, 2016 (audited)	3,540,885	8,710,194	12,251,079
Profit for the period	-	732,969	732,969
Other comprehensive income for the period	-	-	-
Total comprehensive income for the period	-	732,969	732,969
Total contributions by and distributions to owners of the company recognised directly in equity	-	-	-
Balance as on September 30, 2016 (un-audited)	3,540,885	9,443,163	12,984,048

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


CHIEF EXECUTIVE


DIRECTOR

NOTES TO AND FORMING PART OF THE CONDENSED INTERIM FINANCIAL INFORMATION (Un-audited) FOR THE QUARTER ENDED SEPTEMBER 30, 2016

1. THE COMPANY AND ITS ACTIVITIES

Nishat Power Limited (the 'company') is a public limited company incorporated in Pakistan. The company is a subsidiary of Nishat Mills Limited. The company's ordinary shares are listed on the Pakistan Stock Exchange Limited.

The principal activity of the company is to build, own, operate and maintain a fuel fired power station having gross capacity of 200 MW in Jamber Kalan, Tehsil Pattoki, District Kasur, Punjab, Pakistan. The address of the registered office of the company is 53-A, Lawrence Road, Lahore. The company has a Power Purchase Agreement ('PPA') with its sole customer, National Transmission and Despatch Company Limited ('NTDC') for twenty five years which commenced from June 09, 2010.

2. BASIS OF PREPARATION

This condensed interim financial information is un-audited and is being submitted to the members in accordance with section 245 of the Companies Ordinance, 1984. It has 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 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 annual financial statements and therefore, should be read in conjunction with the annual financial statements for the year ended June 30, 2016.

3. SIGNIFICANT ACCOUNTING POLICIES

3.1 The accounting policies and the methods of computation adopted in the preparation of this condensed interim financial information are the same as those applied in the preparation of preceding annual published financial statements of the company for the year ended June 30, 2016.

3.2 Initial application of standards, amendments or an interpretation to existing standards

The following amendments to existing standards have been published that are applicable to the company's financial statements covering annual periods, beginning on or after the following dates:

3.2.1 Standards, amendments and interpretations to approved accounting standards that are effective in the current period

Certain standards, amendments and interpretations to approved accounting standards are effective in the current year but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in this condensed interim financial information.

3.2.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the company

There are certain standards, amendments to the approved accounting standards and interpretations that are mandatory for the company's accounting periods beginning on or after October 1, 2016 but are considered not to be relevant or to have any significant effect on the company's operations and are, therefore, not detailed in this condensed interim financial information.

4. ACCOUNTING ESTIMATES

The preparation of the condensed interim financial information requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates. In preparing this condensed interim financial information, the significant judgments made by management in applying accounting policies and key sources of estimation were the same as those that were applied to the financial statements for the year ended June 30, 2016.

5. FINANCIAL RISK MANAGEMENT

5.1 Financial risk factors

The company's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk, cash flow interest rate risk and price risk), credit risk and liquidity risk.

The condensed interim financial information does not include all financial risk management information and disclosures required in the annual financial statements, and should be read in conjunction with the company's annual financial statements as at June 30, 2016.

There have been no changes in the risk management department since year end or in any risk management policies.

5.2 Fair value estimation

The carrying values of all financial assets and liabilities reflected in the condensed interim financial information approximate their fair values. Fair value is determined on the basis of objective evidence at each reporting date.

During the period, there were no significant changes in the business or economic circumstances that affect the fair value of the company's financial assets and financial liabilities. Furthermore, there were no reclassifications of financial assets.

6. LONG TERM FINANCING - SECURED

	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
Opening balance	8,376,351	9,682,778
Less: Repayments during the period / year	358,509	1,306,427
	8,017,842	8,376,351
Less: Current portion shown under current liabilities	1,576,899	1,518,659
	6,440,943	6,857,692

7. CONTINGENCIES AND COMMITMENTS

7.1 Contingencies

- (i) There is no significant change in contingencies from the preceding annual published financial statements of the company for the year ended June 30, 2016.
- (ii) The banks have issued the following on behalf of the company:
- (a) Letter of guarantee of Rs 7.5 million (June 30, 2016: Rs 7.5 million) in favour of Director, Excise and Taxation, Karachi, under direction of Sindh High Court in respect of suit filed for levy of infrastructure cess.
- (b) Letter of guarantee of Rs 190.682 million (June 30, 2016: Rs 190.484 million) in favor of fuel suppliers.

7.2 Commitments

- (i) Letters of credit and contracts other than for capital expenditure aggregating Rs 200.263 million (June 30, 2016: Rs 315.168 million).
- (ii) The amount of future payments under operating lease and the period in which these payments will become due are as follows:

	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
Not later than one year	12,461	12,461
Later than one year and not later than five years	63,865	60,490
	76,326	72,951
8. FIXED ASSETS		
Property, plant and equipment:		
Operating fixed assets - note 8.1	11,422,854	11,505,661
Capital work-in-progress	1,475	1,950
Major spare parts and standby equipment	139,562	140,074
	11,563,891	11,647,685
Intangible asset:		
Computer software	6,914	7,291
	11,570,805	11,654,976
8.1 Operating fixed assets		
Opening book value	11,505,661	12,292,319
Additions during the period/year - note 8.1.1	159,257	219,583
Book value of deletions during the period/year	-	(491)
Depreciation charged during the period/year	(242,064)	(1,005,750)
	11,422,854	11,505,661

8.1.1 Additions during the period / year

	Un-audited September 30, 2016 (Rupees in thousand)	Audited June 30, 2016
Buildings and roads on freehold land	-	5,494
Plant and machinery	144,317	191,867
Computer equipment	694	3,613
Furniture and fixtures	11	236
Office equipment	14,235	323
Vehicles	-	18,050
	159,257	219,583

9. TRADE DEBTS

Included in trade debts is an amount of Rs 816.033 million relating to capacity purchase price not acknowledged by NTDC as the plant was not fully available for power generation. However, the sole reason of this under-utilization of plant capacity was non-availability of fuel owing to non-payment by NTDC.

Since management considers that the primary reason for claiming these payments is that plant was available, however, could not generate electricity due to non-payment by NTDC, therefore, management believes that company cannot be penalized in the form of payment deductions due to NTDC's default of making timely payments under the PPA. Hence, the company had taken up this issue at appropriate forums. On June 28, 2013, the company entered into a Memorandum of Understanding ('MoU') for cooperation on extension of credit terms with NTDC whereby it was agreed that the constitutional petition filed by the company before the Supreme Court of Pakistan on the abovementioned issue would be withdrawn unconditionally and it would be resolved through the dispute resolution mechanism under the PPA. Accordingly, as per terms of the MoU, the company applied for withdrawal of the aforesaid petition which is pending adjudication before Supreme Court of Pakistan. During the financial year 2014, the company in consultation with NTDC, appointed an Expert for dispute resolution under the PPA.

During the previous year, the Expert gave his determination whereby the aforesaid amount was determined to be payable to the company by NTDC. Pursuant to the Expert's determination, the company demanded the payment of the aforesaid amount of Rs 816.033 million from NTDC that has not yet been paid by NTDC. Consequently, under the terms of PPA, the company filed petition for arbitration in The London Court of International Arbitration ('LCIA'), whereby an arbitrator was appointed and the matter is yet pending arbitration. In November 2015, the Government of Pakistan ('GOP') through Private Power & Infrastructure Board ('PPIB') filed a case in the court of Senior Civil Judge, Lahore, against the aforementioned decision of the Expert, praying it to be illegal, which is pending adjudication. Furthermore, NTDC filed a stay application in the LCIA before the Arbitrator to stay the arbitration proceedings. During the period, in response to NTDC's stay application, the Arbitrator through his order dated July 8, 2016, has declared that the arbitration shall proceed and has denied NTDC's request for a stay. Also, the Arbitrator has ordered NTDC to withdraw the abovementioned case filed in the court of Senior Civil Judge, Lahore and has refrained it from taking any further steps therein to disrupt the arbitration proceedings.

Based on the advice of the company's legal counsel and Expert's determination, management feels that the above amount is likely to be recovered by the company. Consequently, no provision for the above mentioned amount has been made in this condensed interim financial information.

	Un-audited Quarter ended	
	September 30, 2016	September 30, 2015
(Rupees in thousand)		
10. COST OF SALES		
Raw materials consumed	2,173,234	2,773,109
Salaries and other benefits	63,852	14,281
Operations and maintenance	-	82,036
Repairs and maintenance	7,398	1,441
Stores, spares and loose tools consumed	93,767	166,564
Insurance	40,816	40,814
Travelling and conveyance	4,929	1
Printing and stationery	245	90
Postage and telephone	158	38
Vehicle running expenses	607	353
Entertainment	86	256
Depreciation on operating fixed assets	237,470	231,283
Amortization of intangible asset	377	-
Fee and subscription	931	931
Miscellaneous	3,049	521
	2,626,919	3,311,718
11. CASH GENERATED FROM OPERATIONS		
Profit before taxation	732,969	929,553
Adjustment for non cash charges and other items:		
Depreciation on operating fixed assets	242,064	235,756
Amortization on intangible assets	377	-
Profit on bank deposits	(11,581)	(5,689)
Finance cost	183,695	242,371
Provision for employee retirement benefits	4,189	1,542
Share of loss of associate	14	721
Gain on disposal of operating fixed assets	-	(40)
Profit before working capital changes	1,151,727	1,404,214
Effect on cash flow due to working capital changes:		
(Increase) / decrease in current assets		
Stores, spares and loose tools	(52,025)	(34,341)
Inventories	(21,406)	624,536
Trade debts	(726,703)	216,661
Advances, deposits, prepayments and other receivables	271,461	39,313
	(528,673)	846,169
(Decrease) / increase in current liabilities		
Trade and other payables	49,159	(93,175)
	(479,514)	752,994
	672,213	2,157,208

	Un-audited Quarter ended	
	September 30, 2016	September 30, 2015
(Rupees in thousand)		
12. CASH AND CASH EQUIVALENTS		
Cash and bank balances	641,288	426,514
	641,288	426,514

13. TRANSACTIONS WITH RELATED PARTIES

The related parties comprise the holding company, subsidiaries and associates of holding company, subsidiary company, associated undertakings, directors and key management personnel of the company, its subsidiary company and its holding company and post employment benefit plan (provident fund). The company in the normal course of business carries out transactions with various related parties.

	Relationship with the company	Nature of transactions	Un-audited Quarter ended	
			September 30, 2016	September 30, 2015
(Rupees in thousand)				
	i. Associated undertakings	Purchases of goods and services	14,752	11,269
		Rental expense	3,115	3,115
		Insurance premium	40,983	41,325
	ii. Post employment benefit plan	Expense charged in respect of retirement benefit plan	4,189	1,542
	iii. Key management personnel	Salaries and other employee benefits	80,442	37,998
	Period end balances			
	Net receivable/(payable) to related parties		13,255	(13,580)

14. DATE OF AUTHORISATION FOR ISSUE

This condensed interim financial information was authorized for issue on October 24, 2016 by the Board of Directors of the Company.

15. EVENTS AFTER THE BALANCE SHEET DATE

The Board of Directors have proposed an interim cash dividend of Rupee 1 per ordinary share, amounting to Rs 354.089 million at their meeting held on October 24, 2016. This condensed interim financial information does not include the effect of the above interim dividend which will be accounted for in the period in which it is declared.


CHIEF EXECUTIVE


DIRECTOR



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