

**FIRST CAPITAL EQUITIES LIMITED**

**CONDENSED FINANCIAL INFORMATION**

**FOR THE PERIOD ENDED**

**31 MARCH 2019**

## FIRST CAPITAL EQUITIES LIMITED

### COMPANY INFORMATION

Board of Directors	Mian Ehsan Ul Haq, (Chief Executive) Azhar Ahmad Batla Abdul Samed Malik Safeer Raza Awan (Chairman) Muhammad Ahmad Saroya Muhammad Tariq Raja Suhail Qurban	Non-Executive Non-Executive Non-Executive Non-Executive Non-Executive Executive Independent
Chief Financial Officer	Waseem Ul Hassan	
Audit Committee	Raja Suhail Qurban (Chairman) Mohammad Ahmad Saroya Malik Safeer Raza Awan	
Human Resource and Remuneration (HR&R) Committee	Raja Suhail Qurban (Chairman) Mian Ehsan Ul Haq Mohammad Ahmad Saroya	
Company Secretary	Shahzad Jawahar	
Auditors	Nasir Javaid Maqsood Imran Chartered Accountants	
Legal Advisers	Muhammad Amir Advocates, Karachi	
Bankers	Askari Bank Limited Bank Alfalah Limited Bank Al Habib Limited Bank Islami Limited Dubai Islamic Bank Pakistan Limited Faysal Bank Limited Habib Metropolitan Bank Limited JS Bank Limited MCB Bank Limited NIB Bank Limited Soneri Bank Limited Summit Bank Limited United Bank Limited	
Registered Office	2 <sup>nd</sup> Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, Pakistan Tele: + 92-42-36623005/6/8 Fax: + 92-42-36623121, 36623122	
Main Corporate Office	4 <sup>th</sup> Floor, Block B,C & D Lakson Square Building No. 1 Sarwar Shaheen Road, Karachi Tele: + 92-21-111 226 226 Fax: +92-21-5656710	
Registrar and Shares Transfer Office	Corplink (Pvt.) Limited Wings Arcade, 1-K Commercial Model Town, Lahore Tele: + 92-42-35839182	

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT MARCH 31, 2019**

		<b>Un-Audited</b>	<b>Audited</b>
	<b>Note</b>	<b>MARCH</b>	<b>June</b>
		<b>2019</b>	<b>2018</b>
		<b>Rupees</b>	<b>Rupees</b>
<b>ASSETS</b>			
<b>NON - CURRENT ASSETS</b>			
Property, plant and equipment	5	2,566,294	3,071,069
Intangible assets		2,500,000	2,500,000
Investments property	6	1,063,187,000	1,269,445,782
Long term investments	7	24,784,784	33,662,358
Long term deposits, receivables and prepayments	8	1,968,028	1,524,000
		<b>1,095,006,106</b>	<b>1,310,203,209</b>
<b>CURRENT ASSETS</b>			
Trade debts	9	282,074,595	275,614,836
Short term investments	10	31,652,712	46,381,295
Advances, deposits, prepayments and other receivables		229,961,507	13,349,617
Advance income tax		9,492,133	5,308,401
Interest accrued		-	75,648
Cash and bank balances		3,335,147	106,623,484
		<b>556,516,094</b>	<b>447,353,281</b>
<b>TOTAL ASSETS</b>		<b><u>1,651,522,200</u></b>	<b><u>1,757,556,490</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>SHARE CAPITAL AND RESERVES</b>			
Authorized Share Capital 152,000,000 shares (June 2018: 152,000,000 shares)		<b><u>1,520,000,000</u></b>	<b><u>1,520,000,000</u></b>
Issued, subscribed and paid up capital 141,335,500 shares (June 2018: 141,335,500 shares)		<b>1,413,355,000</b>	<b>1,413,355,000</b>
Other reserves		<b>12,883,036</b>	<b>16,095,315</b>
Unappropriated loss		<b>(1,069,765,211)</b>	<b>(1,017,378,270)</b>
<b>TOTAL EQUITY</b>		<b><u>356,472,825</u></b>	<b><u>412,072,045</u></b>
<b>NON - CURRENT LIABILITIES</b>			
Long term financing	11	1,065,597,455	1,059,531,400
Interest Accrued		144,800,249	144,800,249
Deferred liabilities		39,471,462	38,506,461
		<b><u>1,249,869,166</u></b>	<b><u>1,242,838,110</u></b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables	12	38,622,182	97,187,053
Current portion of long term financing	11	6,300,000	5,459,282
Provision for taxation		258,027	-
		<b>45,180,209</b>	<b>102,646,335</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>1,651,522,200</u></b>	<b><u>1,757,556,490</u></b>

*The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.*

\_\_\_\_\_  
Chief Executive

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Director

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Chief Financial Officer

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF PROFIT OR LOSS - (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2019**

	Note	9 MONTHS ENDED		3 MONTHS ENDED	
		March	March	March	March
		2019	2018	2019	2018
		Rupees	Rupees	Rupees	Rupees
<b>INCOME</b>					
Brokerage income		20,100,730	33,597,823	3,442,460	11,513,775
Capital gain / (loss) - net		(43,859)	(1,117,775)	(939,284)	(1,034,978)
Dividend income		45,120	578,646	350	-
Gain / (loss) on re-measurement of investments at fair value through profit or loss - net	10	(15,664,608)	(32,127,973)	1,435,622	3,860,202
		4,437,383	930,721	3,939,148	14,338,999
<b>EXPENDITURE</b>					
Operating and administrative expenses		44,036,724	90,636,927	9,495,435	33,148,512
Impairment loss on 'available for sale' investments		4,186,480	-	-	-
Finance cost		12,843,660	19,532,596	4,312,403	4,467,146
		61,066,864	110,169,523	13,807,838	37,615,658
<b>OPERATING PROFIT / (LOSS)</b>		<b>(56,629,481)</b>	<b>(109,238,802)</b>	<b>(9,868,690)</b>	<b>(23,276,659)</b>
<b>OTHER INCOME / (LOSS)</b>	13	<b>4,500,567</b>	<b>296,842,004</b>	<b>2,195,794</b>	<b>138,036,692</b>
<b>PROFIT / (LOSS) BEFORE TAXATION</b>		<b>(52,128,914)</b>	<b>187,603,202</b>	<b>(7,672,896)</b>	<b>114,760,033</b>
Taxation		258,027	(2,291,623)	43,083	1,864,893
<b>PROFIT / (LOSS) AFTER TAXATION</b>		<b>(52,386,941)</b>	<b>189,894,825</b>	<b>(7,715,979)</b>	<b>112,895,140</b>
<b>EARNING / (LOSS) PER SHARE - BASIC AND DILUTED</b>		<b>(0.37)</b>	<b>1.34</b>	<b>(0.05)</b>	<b>0.80</b>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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Chief Executive

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Director

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Chief Financial Officer

FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME - (UN-AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2019

	9 MONTHS ENDED		3 MONTHS ENDED	
	March	March	March	March
	2019	2018	2019	2018
	Rupees	Rupees	Rupees	Rupees
<b>Profit / (loss) after taxation for the period</b>	(52,386,941)	189,894,825	(7,715,979)	112,895,140
<b>Other comprehensive (loss) / income for the period</b>				
<b><u>Items that will never be reclassified to profit and loss:</u></b>				
Remeasurement of defined benefit plan	-	-	-	-
<b><u>Items that are or may be reclassified to profit and loss:</u></b>				
Loss on Available for sale financial assets – reclassified to profit or loss	(927,042)	-	-	-
Unrealized gain / (loss) on Remeasurement of investment available for sale	(2,285,237)	(6,790,807)	4,726,668	6,839,838
<b>Other comprehensive income / (loss) for the period - net of tax</b>	<b>(3,212,279)</b>	<b>(6,790,807)</b>	<b>4,726,668</b>	<b>6,839,838</b>
<b>Total comprehensive income / (loss) for the period</b>	<b><u>(55,599,220)</u></b>	<b><u>183,104,018</u></b>	<b><u>(2,989,311)</u></b>	<b><u>119,734,978</u></b>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

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Chief Executive

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Director

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Chief Financial Officer

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF CASH FLOWS - (Un-Audited)**  
**FOR THE PERIOD ENDED MARCH 31, 2019**

**CASH FLOWS FROM OPERATING ACTIVITIES**

	March 2019 Rupees	March 2018 Rupees
Profit/(Loss) before taxation	(52,128,914)	187,603,202
<b>Add: Items not involved in movement of funds</b>		
Depreciation	744,283	3,038,098
Loss / (gain) on re-measurement of investments at fair value through profit or loss - net	15,664,608	32,127,973
Loss / (gain) on re-measurement of investment property	-	-
Dividend income	(45,120)	(578,646)
Impairment loss on 'available for sale' investments	4,186,480	-
Deposits written off	-	456,145
Accrued interest written back	-	(395,230,050)
Interest accrued	(436,201)	(382,030)
Finance cost	12,602,584	19,453,669
Gain on sale of property and equipment	-	(40,207,662)
Gain on sale of investment property	-	147,297,892
Provision for gratuity	1,225,000	2,853,455
	<b>33,941,634</b>	<b>(231,171,156)</b>
	<b>(18,187,280)</b>	<b>(43,567,954)</b>
<b>Decrease / (Increase) in current assets</b>		
Investments at fair value through profit or loss	(936,025)	(336,255)
Trade debts - unsecured	(6,459,759)	585,647,104
Advances, deposits, prepayments and other receivables	(15,812,390)	18,774,263
	<b>(23,208,174)</b>	<b>604,085,112</b>
<b>(Increase) / decrease in current liabilities in trade and other payables</b>	<b>(58,564,871)</b>	<b>3,939,088</b>
<b>Cash generated in operations</b>	<b>(99,960,325)</b>	<b>564,456,246</b>
Interest received	511,849	463,828
Dividend received	45,120	578,646
Gratuity paid	(260,000)	(389,096)
Taxes paid	(4,183,517)	(7,080,798)
<b>Net cash generated in operating activities</b>	<b>(103,846,873)</b>	<b>558,028,826</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(239,507)	(1,837,050)
Proceeds from sale of property and equipment	-	79,425,000
Intangible assets	-	7,500,000
Acquisition of investments property	-	(1,187,928,785)
Proceeds from investments property	5,459,282	1,702,363,993
Proceed from sale of investment available for sale	1,478,600	-
Long term deposits and advances	(444,028)	1,062,249
<b>Net cash generated in investing activities</b>	<b>6,254,347</b>	<b>600,585,407</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finance paid	(5,695,811)	(1,139,394,091)
Short term borrowings	-	-
<b>Net cash (used in) financing activities</b>	<b>(5,695,811)</b>	<b>(1,139,394,091)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(103,288,337)</b>	<b>19,220,142</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>106,623,484</b>	<b>78,991,261</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>3,335,147</b>	<b>98,211,403</b>

The annexed notes from 1 to 19 form an integral part of these condensed interim financial statements.

Chief Executive

Director

Chief Financial Officer

FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (UN - AUDITED)  
FOR THE PERIOD ENDED MARCH 31, 2019

	Issued, subscribed and paid up capital	Capital Reserve			Revenue Reserve	Total
		Share Premium	Reserve for issue of bonus shares	Fair value reserve	Unappropriated Profit	
Rupees						
Balance as at July 01, 2017	1,413,355,000	-	-	(8,236,149)	(1,026,758,252)	378,360,599
Profit for the period after taxation	-	-	-	-	189,894,825	189,894,825
<b>Other comprehensive income for the period</b>						
Deficit on remeasurement of investment available for sale to fair value	-	-	-	(13,630,645)	-	(13,630,645)
Total other comprehensive income for the period - net of tax	-	-	-	(13,630,645)	-	(13,630,645)
Total comprehensive income for the period	-	-	-	(13,630,645)	189,894,825	176,264,180
<b>Balance as at March 31, 2018</b>	<b>1,413,355,000</b>	<b>-</b>	<b>-</b>	<b>(21,866,794)</b>	<b>(836,863,427)</b>	<b>554,624,779</b>
Balance as at July 01, 2018	1,413,355,000	-	-	16,095,315	(1,017,378,270)	412,072,045
Profit for the period after taxation	-	-	-	-	(52,386,941)	(52,386,941)
<b>Other comprehensive income for the period</b>						
Fair value gain reserve realised	-	-	-	(927,042)	-	(927,042)
Deficit on remeasurement of investment available for sale to fair value	-	-	-	(2,285,237)	-	(2,285,237)
Total other comprehensive income for the period - net of tax	-	-	-	(3,212,279)	-	(3,212,279)
Total comprehensive profit for the period	-	-	-	(3,212,279)	(52,386,941)	(55,599,220)
<b>Balance as at March 31, 2019</b>	<b>1,413,355,000</b>	<b>-</b>	<b>-</b>	<b>12,883,036</b>	<b>(1,069,765,211)</b>	<b>356,472,825</b>

Chief Executive

Director

Chief Financial Officer

**FIRST CAPITAL EQUITIES LIMITED**  
**NOTES TO THE CONDENSED INTERIM FINANCIAL STATEMENTS - (UN-AUDITED)**  
**FOR THE PERIOD ENDED MARCH 31, 2019**

**1 THE COMPANY AND ITS OPERATION**

- 1.1** First Capital Equities Limited, (the "Company") was incorporated on January 26, 1995 as private limited company, under the Repealed Companies Ordinance, 1984. The Company was converted into Public Limited Company on June 18, 1997 and is listed on Pakistan Stock Exchange. The principal activities of the Company include share brokerage and conducting / publishing business research. The Company is subsidiary of First Capital Securities Corporation Limited - a listed company which holds 103,494,200, 73.23% (June 2018: 73.23%) ordinary shares of the Company. The registered office of the Company is situated at 2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt, Lahore. In addition to this the Company have regional offices located in Karachi, Islamabad, Faisalabad, Sargodha, Sukkur and Mirpur.
- 1.2** During the year the Company has incurred a after tax loss of Rs. 44.67 Million, moreover the accumulated losses of the company stand at Rs. 1,062 Million as at December 31, 2018 (June 2018: Rs. 1,017 Million) however the company successfully signed debt property swaps and restructuring of its long term loans with various banks. The mark up on various loans has also been waived / frozen. The Company in order to carry on its business and to meet its obligations requires generating sufficient operating profits and cash flows. Accordingly there is a material uncertainty relating to the Company's operations that may cause sufficient doubt regarding discharge of its liability in the normal course of business. Continuation of the Company as going concern is heavily dependent on improved cash flows. For this purpose the management of the Company took various initiatives which resulted in following:
- a) Restructuring of overall operations; and
  - b) The Company is also relying on continued support from its sponsors.

Owing to these factors, these condensed interim financial statements are prepared on going concern basis.

**2 BASIS OF PREPARATION**

- 2.1** These condensed interim financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan for interim financial reporting. The accounting and reporting standards as applicable in Pakistan for interim financial reporting comprise of:
- International Accounting Standard (IAS) 34, Interim Financial Reporting, issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;
  - and
  - Provisions of and directives issued under the Companies Act, 2017.

Where the provisions of and directives issued under the Companies Act, 2017 differ with the requirements of IAS 34, the provisions of and directives issued under the Companies Act, 2017 have been followed.

- 2.2** These condensed interim financial statements do not include all the information and disclosures required in the annual audited financial statements, and should be read in conjunction with Company's annual audited financial statements for the year ended June 30, 2018.

**3 SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and methods of computation adopted in the preparation of these condensed interim financial statements are consistent with those applied in the preparation of the annual audited financial statements for the year ended June 30, 2018 except those stated in note 3.1 (a) below.

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

**a) Standards, interpretations and amendments to published approved accounting standards that are effective and relevant**

IFRS 15 'Revenue from contracts with customers' - IFRS 15 replaces the previous revenue standards: IAS 18 Revenue, IAS 11 Construction Contracts, and the related interpretations on revenue recognition.

IFRS 15 introduces a single five-step model for revenue recognition and establishes a comprehensive framework for recognition of revenue from contracts with customers based on a core principle that an entity should recognize revenue representing the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The changes laid down by these standards do not have any significant impact on these condensed interim financial statements of the Company.

The other new standards, amendments and interpretations that are mandatory for accounting periods beginning on or after January 1, 2018 are considered not to be relevant for the Company's financial statements and hence have not been detailed here.



**b) Standards and amendments to published approved accounting standards that are not yet effective but relevant**

The following is the new standard, amendment to existing approved accounting standards and new interpretations that will be effective for the periods beginning on or after January 1, 2019 that may have an impact on the financial statements of the Company.

IFRS 9 'Financial instruments' - This standard replaces the guidance in IAS 39. It includes requirements on the classification and measurement of financial assets and liabilities; it also includes an expected credit loss model that replaces the current incurred loss impairment model. The management is in the process of assessing the impact of changes laid down by these standards on its financial statements.

**c) Standards and amendments to published approved accounting standards that are not yet effective but relevant**

There is a new standard, certain amendments and an interpretation to the approved accounting and reporting standards that will be mandatory for the Company's annual accounting periods beginning on or after July 1, 2019. However, these will not have any significant impact on the financial reporting of the Company and, therefore, have not been disclosed in these condensed interim financial statements.

**4 SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES**

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

However, the management believes that the change in outcome of judgements, estimates and assumptions would not have a material impact on the amounts disclosed in these condensed interim financial statements. Judgements and estimates made by the management in the preparation of these condensed interim financial statements are the same as those applied in the Company's annual audited financial statements for the year ended June 30, 2018.

The Company's financial risk management objectives and policies are consistent with those disclosed in the Company's annual audited financial statements for the year ended June 30, 2018.

**5 PROPERTY PLANT AND EQUIPMENT**

	Un - audited	Audited
	MARCH	JUNE
	2019	2018
	Rupees	Rupees
Opening	3,071,069	43,952,022
Additions	239,507	1,980,550
Disposals	-	(39,100,922)
Depreciation	(744,282)	(3,760,581)
	<u>2,566,294</u>	<u>3,071,069</u>

**6 INVESTMENT PROPERTY**

Openig balance	1,269,445,782	1,602,449,600
Acquisition during the period/year	-	1,223,960,706
	<u>1,269,445,782</u>	<u>2,826,410,306</u>
Disposal during the period/year	(206,258,782)	(1,408,463,338)
	<u>1,063,187,000</u>	<u>1,417,946,968</u>
(Decrease) / Increase in fair value	-	(148,501,186)
Closing balance	<u>1,063,187,000</u>	<u>1,269,445,782</u>

6.1 The carrying amount of investment property is the fair value of property as determined by approved independent valuer M/s Negotiators as at June 30, 2018. Fair value is determined keeping in view the location of the land and inquiries in the vicinity, the trend and tone of sale / purchase of property in the respective areas.

6.2 Investment Property comprises various shops / counters in various shopping malls situated at Gujranwala and Gujrat. These properties are under mortgage by banks against the borrowings. The Company has the intention to sell off this properties to pay off the bank borrowings.

**7 LONG TERM INVESTMENT**

	Note	Un - audited	Audited
		MARCH	JUNE
		2019	2018
		Rupees	Rupees
<b>Investment in related parties</b>			
<b>Available for sale</b>			
Media Times Limited - quoted shares	7.1	7,038,140	10,496,536
6,067,362 shares of MDTL (June 2018 : 6,067,362 shares)			
<b>Other Investments</b>			
<b>Available for sale</b>			
Pakistan Stock Exchange Limited - quoted shares	7.2	17,746,644	23,165,822
1,081,453 shares of PSX (June 2018 : 1,172,953 shares)			
		<u>24,784,784</u>	<u>33,662,358</u>

		Un - audited	Audited
		MARCH	JUNE
		2019	2018
Note		Rupees	Rupees
7.1	6,067,362 (June 2018 : 6,067,362) Fully paid ordinary shares of Rs. 10 each Equity Held 3.39% (June 2018 : 3.39%)	10,496,536	18,687,475
	Loss on measurement of investment available for sale for the period	(3,458,396)	(8,190,939)
		<u>7,038,140</u>	<u>10,496,536</u>
7.2	1,081,453 shares of PSX (June 2018 : 1,172,953 shares)	23,165,822	41,163,833
	Disposals of investment available for sale	(1,807,125)	(11,042,400)
	Loss on Remeasurement of investment available for sale for the period	(3,612,053)	(6,955,611)
		<u>17,746,644</u>	<u>23,165,822</u>
<b>8 LONG TERM DEPOSITS, RECEIVABLES AND PREPAYMENTS</b>			
	Central Depository Company of Pakistan Limited	100,000	100,000
	National Clearing Company of Pakistan Limited	1,400,000	1,000,000
	Other deposits and receivables	468,028	424,000
		<u>1,968,028</u>	<u>1,524,000</u>
<b>9 TRADE DEBTS - UNSECURED</b>			
Note		Un - audited	Audited
		MARCH	JUNE
		2019	2018
		Rupees	Rupees
	Trade debts against purchase of shares: Considered good - unsecured Clients	282,074,595	275,614,836
	Considered doubtful:		
	Clients	169,000,000	169,000,000
	Members	-	-
		169,000,000	169,000,000
	Less: Provision for doubtful debts	(169,000,000)	(169,000,000)
		<u>282,074,595</u>	<u>275,614,836</u>
<b>10 SHORT TERM INVESTMENTS</b>			
<b>At fair value through profit or loss</b>			
	Quoted equity securities		
	Opening balance	46,381,295	86,805,188
	Additions	11,859,183	69,465,221
	Disposals	(10,923,158)	(69,051,583)
	Unrealized (loss) / gain on Remeasurement of investments for the period/year	(15,664,608)	(40,837,531)
		<u>31,652,712</u>	<u>46,381,295</u>
	10.1		
	10.1 This includes Rs. 24,670,929 (June 2018: Rs. 39,318,954 ) investments in related parties.		
<b>11 LONG TERM FINANCING</b>			
Note		Un - audited	Audited
		MARCH	JUNE
		2019	2018
		Rupees	Rupees
	Secured	1,101,990,202	1,107,686,013
	Deferred notional income	(30,092,747)	(42,695,331)
		<u>1,071,897,455</u>	<u>1,064,990,682</u>
	Less: Current portion shown under current liability	(6,300,000)	(5,459,282)
		<u>1,065,597,455</u>	<u>1,059,531,400</u>

11.1 This includes agreements with different commercial banks with a mark up rate of 8% and 3 months kibar plus 1.5% to 4% p.a (June 2018 : 8% and 3 months kibar plus 1.5% to 4% p.a ). But owing to the negotiations with the banks the mark up on these loans was either waived or frozen. These facilities are secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties.

11.2 This represents the difference between amortized cost and carrying value of restructuring of long term loan. Amortized cost has been determined using effective interest rate of upto 12.29% (June 2018 : upto 12.29%). Movement is as follows:

	Un - audited	Audited
	MARCH	JUNE
	2019	2018
	Rupees	Rupees
<b>Deferred notional income</b>		
As at beginning of the period / year	42,695,331	26,011,163
Occurred during the period / year	-	27,399,232
Amortized during the period / year	(12,602,584)	(10,715,064)
As at end of the period / year	<u>30,092,747</u>	<u>42,695,331</u>

12 TRADE AND OTHER PAYABLES - UNSECURED

Un - audited	Audited
MARCH	JUNE
2019	2018
Rupees	Rupees
<u>38,622,182</u>	<u>97,187,053</u>

This includes balance payable to associated company i.e. Falcon Commodities (Pvt) Limited Rs. 3,316,132/- (June 2018 : Rs. 3,316,132/-).

13 OTHER INCOME

	9 Months ended		3 Months ended	
	March 2019	March 2018	March 2019	March 2018
	Rupees		Rupees	
<b>Income from financial assets</b>				
Return on deposit accounts	436,201	382,030	197,813	122,400
<b>Income from assets other than financial assets</b>				
Gain on sale of property and equipment	-	40,207,662	-	22,180,989
Loss on sale of investment Property	-	(147,297,892)	-	(125,806,061)
Accrued interest/liabilities written back	4,062,366	395,230,062	1,997,981	236,164,364
Other	2,000	8,320,142	-	5,375,000
	<u>4,064,366</u>	<u>296,459,974</u>	<u>1,997,981</u>	<u>137,914,292</u>
	<u>4,500,567</u>	<u>296,842,004</u>	<u>2,195,794</u>	<u>138,036,692</u>

14 CONTINGENCIES AND COMMITMENTS

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended June 30, 2018 except for the following:

14.1 COMMITMENTS

	Un - audited	Audited
	MARCH	JUNE
	2019	2018
	Rupees	Rupees
Sale of Shares	2,601,742	517,215,269
Purchase of shares	334,970	513,507,359
Purchase of property	-	5,459,282

## 15 TRANSACTIONS WITH RELATED PARTIES

The related parties comprise parent company, related group companies, local associated undertakings, directors, key management personnel and their close family members. The Company in the normal course of business carries out transactions with various related parties. Significant transactions with related parties other than those disclosed elsewhere in the condensed interim financial information are as follows:

	9 Months ended		3 Months ended	
	March 2019	March 2018	March 2019	March 2018
	Rupees		Rupees	
<b>Parent company</b>				
Brokerage Income	11,715	-	-	-
Purchase of goods / services	-	890,400	-	890,400
<b>Associated companies</b>				
Purchase of goods / services	-	36,880	-	-
<b>Key management personnel</b>				
Salaries and other	4,525,000	26,650,567	1,260,000	8,883,522

## 16 FAIR VALUE MEASUREMENT

The carrying values of financial assets and liabilities approximate their fair values. The table below analyzes financial assets that are measured at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices in active markets for identical assets and liabilities;
- Level 2 : Observable inputs; and
- Level 3 : Unobservable inputs

The Company held the following financial assets and liabilities at fair value;

	Un - audited	Audited
	MARCH 2019	JUNE 2018
	Rupees	Rupees
<b>Financial Assets</b>		
<b>Level 1:</b>		
Long term investments	24,784,784	33,662,358
Short term investments	31,652,712	46,381,295
<b>Level 2:</b>	-	-
<b>Level 3:</b>	-	-
	<u>56,437,496</u>	<u>80,043,653</u>
<b>Financial Liabilities</b>	<u>-</u>	<u>-</u>

There is no movement between level 1, 2 and 3 during the period.

## 17 DATE OF AUTHORIZATION

This condensed interim financial statements were authorized for issue by the Board of Directors on April 24, 2019.

## 18 CORRESPONDING FIGURES

In order to comply with the requirements of International Accounting Standard 34 - 'Interim Financial Reporting', the condensed interim statement of financial position has been compared with the balances of annual audited financial statements of preceding financial year, whereas, the condensed interim statement of profit or loss, condensed interim statement of comprehensive income and condensed interim statement of cash flows and condensed interim statement of changes in equity have been compared with the balances of comparable period of immediately preceding financial year. Corresponding figures have been re-arranged and re-classified, wherever necessary, for the purposes of comparison. However, no significant re-classifications have been made.

## 19 GENERAL

19.1 Figures have been rounded off to the nearest rupee.

\_\_\_\_\_  
Chief Executive

\_\_\_\_\_  
Director

\_\_\_\_\_  
Chief Financial Officer