



## FIRST CAPITAL EQUITIES LIMITED

### CONDENSED INTERIM FINANCIAL INFORMATION FOR THE HALF YEAR ENDED

DECEMBER 31, 2015

## MISSION

Our mission is to strive to become the **Leading Brokerage and its Related Business Company and Best Employer** in each market that we operate. We will adhere to the following principles and provide execution to direct our future. We shall experience growth through building quality relationships, knowledge, service and innovation.

### *Dedicated to Make it Happen*

- CLIENTS:** We will offer every Client: Fast & Friendly Service, Commitment, Cleanliness, Dedication, Excellence, & Trust.
- ASSOCIATES:** We will offer every associate: Development, Loyalty, Opportunities, Open-Door, Teamwork, Training, & Benefits.
- IMAGE:** We will operate every facility: Professionally, Helpful, Positive, Bright, Clean, & Consistent.
- COMMUNITY:** We will offer every community: Involvement, Support, Stability, Respect, Assistance & Environmental Awareness.
- STANDARDS:** We will operate our business: Ethically, Competitively, Safely, Innovative, with High Expectations, & Quality Products.

## VISION

Our Vision is linked with our Mission to be the **Leading Brokerage and its Related Business Company and Best Employer** in each market we operate. Our Vision will guide and direct us towards our mission, and communicates what we believe in as an operations group.

### *We Believe In*

- Obligation to serve the *Shareholders' Interest*
- Providing Clients with *Consistent Outstanding Services*
- Showing and encouraging *Teamwork*
- Maintaining and developing high standards of *Image*
- Treating people with *Respect*
- Creating and developing a *Positive Environment*
- Building a *Reputation For Success*
- Providing services with the *Highest Quality*
- Operating with the highest *Integrity & Honesty*
- Exploring and encouraging *New & Innovative Ideas*
- Providing positive *Recognition & Reinforcement*
- Becoming a dependant fiber in every *Community*
- Continue to focus our associates with *Development & Training*
- Building and consistently growing overall *Revenues*
- Provide every Client with a *Pleasant Experience*
- Stay focused on our business by *Listening Intently*

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## COMPANY INFORMATION

<b>Board of Directors</b>	Mian Ehsan ul Haq <i>Chairman &amp; Chief Executive Officer</i> Farooq Bin Habib Muhammad Junaid Ahsan Zia Mazhar Abbas Waseem ul Hassan Muhammad Asjad Afzal	Executive  Executive Non-Executive Executive Executive Executive Independent
<b>Chief Financial Officer</b>	Mazhar Abbas	
<b>Audit Committee</b>	Muhammad Asjad Afzal (Chairman) Farooq Bin Habib Ahsan Zia	
<b>Human Resource and Remuneration (HR&amp;R) Committee</b>	Waseem ul Hasan (Chairman) Mian Ehsan Ul Haq Muhammad Asjad Afzal	
<b>Company Secretary</b>	Tariq Majeed	
<b>Auditors</b>	Nasir Javaid Maqsood Imran Chartered Accountants	
<b>Legal Advisers</b>	Muhammad Aamir Advocates, Karachi	
<b>Bankers</b>	Askari Bank Limited Bank Alfalah Limited Bank Al Habib Limited Bank Islami Limited Faysal Bank Limited Habib Metropolitan Bank Limited JS Bank Limited MCB Bank Limited NIB Bank Limited Silk Bank Limited Summit Bank Limited Soneri Bank Limited United Bank Limited	
<b>Registered Office</b>	2nd Floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore, Pakistan. Tel: (042) 36623005/6/8 Fax: (042) 36623121-36623122	
<b>Corporate Office</b>	4 <sup>th</sup> Floor, Block B, C & D Lakson Square Building No.1 Sarwar Shaheed Road, Karachi Tel: (021) 111 226 226 Fax: (021) 35656710, 35656725	
<b>Registrar and Shares Transfer Office</b>	Corplink (Pvt.) Limited Wings Arcade, 1-K, Commercial Model Town, Lahore. Tel: (042) 35839182	

## DIRECTORS' REVIEW

The Directors of First Capital Equities Limited are pleased to present the un-audited condensed interim financial statements of the Company for the half year ended December 31, 2015.

## CAPITAL MARKET REVIEW

After witnessing a decline of 2,111 points (6%) in 1QFY16, Pakistan equities managed to recover some 529 points in 2QFY15 to close the its first half at 32,816.31 points. On aggregate basis, the KSE 100 index posted negative return of 4.6% losing around 1,583 points during 1HFY16. The half concluded with PKR 6.94 trillion or US\$66.33 billion of market capitalization. Market recovery in second half was helped by better than expected corporate results, continuation of IMF program despite missed targets, stable discount rate, foreign reserves touching US\$20bn mark, improvement in relations with neighboring India after PM Modi's surprise visit and smooth local bodes election in Sindh, Punjab & KPK. However, arrest of petroleum minister of previous PPP-government on terror abetting charges, tussle between centre and Sindh over powers of Rangers in province, depreciation Pak rupee versus US dollar, relentless selling by foreigners in the wake of its global pullout strategy and shrinking profitability of E&P companies, banks and fertilizer sector kept its due pressure on the market performance. As discussed, Foreigners remained net sellers with outflow of PKR 24.53bn or US\$236mn in 1HFY16.

KSE's turnover improved to average 235 million shares in 1HFY16 against average 182 million shares traded in the ready market in 1HFY15. Similarly, average traded value also improved to PRs10.05bn or US\$97mn against PKR 9.3bn or US\$92mn in the same period of last year.

## FINANCIAL HIGHLIGHTS

Following is the key financial highlights of your Company for the period;

Particulars	July to Dec 2015	July to Dec 2014
	Rupees	
Brokerage income	27,705,752	30,396,052
Capital (loss) / gain - net	(98,856)	193,390
Other operating income	82,113,106	42,486,612
Unrealized gain / (loss) on re-measurement of investments at fair value through profit or loss	22,374,104	(24,407)
Operating expenses	49,731,015	50,904,779
Finance costs	115,344,140	137,397,258
Loss before taxation	(32,981,048)	(115,250,390)
Loss after taxation	(33,258,106)	(115,554,351)
Loss per share	(0.24)	(0.82)

Your Company successfully reduced the losses to Rs 33 million in the first half of FY16 from Rs 115 million incurred in first half of FY15. The brokerage income of your Company dropped by 9 % YoY at PKR 28 million during the first half of FY16 versus that of PKR 30 million in the corresponding period last year. Other income also grew by notable 93 % to Rs 82 million during first half of FY16. The un-realized gain on re-measurement of investments was recorded at Rs 22 million. The Company booked Capital loss of Rs 98 thousand only. Operating expenses were 2 % lower at PKR 50 million while financial charges registered 16 % decline at PKR 115 million. The company ended the period with net loss of PKR 33 million as against net loss of PKR 115 million in the same period of last year.

## FUTURE OUTLOOK

Going forward, your Company's focused strategy would be based on providing quality service, broadening client base and controlling cost. With the improved regulatory environment and revival in the stock market, the management of your Company is committed to improve the revenue base and recover the losses.

## CHANGE IN BOARD OF DIRECTORS

There is no change in the composition of the Board of Directors since last reported in quarterly financial statements of the Company for the quarter ended September 30, 2015.

## ACKNOWLEDGEMENT

The Board of Directors wishes to place on record, their thanks and appreciation to all the shareholders and the banks for their continued valuable support. The Board also wishes to place on record its appreciation for the guidance and support extended by the Securities and Exchange Commission of Pakistan (SECP) as well the Lahore Stock Exchange Limited and Karachi Stock Exchange Limited. Finally, the Board would like to record its appreciation to all the staff members for their continued hard work.

For and on behalf of the Board

Lahore  
February 26, 2016

  
Mian Ehsan Ul Haq  
Chairman and Chief Executive Officer

**FIRST CAPITAL EQUITIES LIMITED  
AUDITOR'S REPORT TO THE MEMBERS ON  
REVIEW OF CONDENSED INTERIM FINANCIAL INFORMATION**

**Introduction**

We have reviewed the accompanying condensed interim Balance Sheet of **First Capital Equities Limited** as at December 31, 2015, and the related condensed interim profit and loss account, condensed interim statement of comprehensive income, condensed interim statement of changes in equity, condensed interim cash flow statement, and notes to the condensed interim financial information for the half year then ended (here-in-after referred to as "Interim financial information"). Management is responsible for the preparation and fair presentation of this condensed interim financial information in accordance with approved accounting standards as applicable in Pakistan. Our responsibility is to express a conclusion on this interim financial information based on our review. The figures for the condensed interim profit and loss account and condensed interim statement of comprehensive income for the quarters ended December 31, 2015 and December 31, 2014 have not been reviewed as we are required to review only the cumulative figures for the half year ended December 31, 2015.

**Scope of Review**

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of condensed interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information as at and for the half year ended December 31, 2015 is not prepared, in all material respects, in accordance with approved Accounting Standards as applicable in Pakistan relating to interim financial reporting.

Place : Lahore  
Date : February 26, 2016

**NASIR JAVAID MAQSOOD IMRAN  
CHARTERED ACCOUNTANTS  
MUHAMMAD MAQSOOD**

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM BALANCE SHEET  
AS AT DECEMBER 31, 2015**

Note	Un-Audited	Audited
	DECEMBER 31, 2015	JUNE 30, 2015
	Rupees	Rupees
<b>ASSETS</b>		
<b>NON - CURRENT ASSETS</b>		
	Property and equipment	53,626,132
	Intangible assets	16,543,680
5	Investments - available for sale	39,021,357
	Long term deposits and advances	2,829,000
	<b>107,012,343</b>	<b>112,020,170</b>
<b>CURRENT ASSETS</b>		
	Trade debts - Unsecured	2,214,359,129
6	Investments	299,524
	Investments property	1,617,417,600
	Advances, deposits, prepayments and other receivables	17,423,047
	Advance income tax	66,417,611
	Interest accrued	438,230
	Cash and bank balances	10,077,093
	<b>3,861,199,163</b>	<b>3,926,432,234</b>
	<b>3,968,211,507</b>	<b>4,038,452,404</b>
<b>TOTAL ASSETS</b>		
<b>EQUITY AND LIABILITIES</b>		
<b>SHARE CAPITAL AND RESERVES</b>		
	Authorised share capital	1,520,000,000
	Issued, subscribed and paid up share capital	1,413,355,000
	Reserves	(43,559,896)
	Unappropriated loss	(1,320,227,020)
	<b>12,972,928</b>	<b>49,568,084</b>
<b>TOTAL EQUITY</b>		
<b>NON CURRENT LIABILITIES</b>		
7	Long term financing	1,585,896,098
	Interest accrued on long term financing	355,212,432
	Staff retirement benefits	46,756,971
	<b>2,027,335,679</b>	<b>1,987,865,501</b>
<b>CURRENT LIABILITIES</b>		
8	Trade and other payables- Unsecured	181,114,954
	Short term borrowing - Secured	634,157,148
	Current portion of long term financing	526,875,926
	Interest accrued	637,677,363
	Provision for taxation	21,193,428
	<b>1,927,902,900</b>	<b>2,001,018,820</b>
<b>CONTINGENCIES AND COMMITMENTS</b>		
9	-	-
	<b>3,968,211,507</b>	<b>4,038,452,404</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

LAHORE:

CHIEF EXECUTIVE

DIRECTOR

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INTERIM PROFIT AND LOSS ACCOUNT - (Un-audited)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	Note	SIX MONTHS ENDED		THREE MONTHS ENDED	
		July - Dec 2015	July - Dec 2014	Oct - Dec 2015	Oct - Dec 2014
		Rupees	Rupees	Rupees	Rupees
<b>INCOME</b>					
Brokerage income		27,705,752	30,396,052	11,531,299	22,096,972
Capital gain / (loss) - net		(98,856)	193,390	(64,436)	201,229
Other operating income	10	82,113,106	42,486,612	80,905,166	41,737,967
		<u>109,720,003</u>	<u>73,076,054</u>	<u>92,372,030</u>	<u>64,036,167</u>
Unrealized gain / (loss) on re-measurement of investments at fair value through profit or loss		22,374,104	(24,407)	40,125,724	180,513
		<u>132,094,106</u>	<u>73,051,647</u>	<u>132,497,753</u>	<u>64,216,680</u>
<b>EXPENDITURE</b>					
Operating expenses		49,731,015	50,904,779	24,670,474	26,527,542
Finance costs		115,344,140	137,397,258	94,911,866	67,291,606
		<u>165,075,154</u>	<u>188,302,037</u>	<u>119,582,339</u>	<u>93,819,148</u>
<b>PROFIT / (LOSS) BEFORE TAXATION</b>		<u>(32,981,048)</u>	<u>(115,250,390)</u>	<u>12,915,414</u>	<u>(29,602,468)</u>
Taxation		277,058	303,961	115,313	220,970
<b>PROFIT / (LOSS) AFTER TAXATION</b>		<u>(33,258,106)</u>	<u>(115,554,351)</u>	<u>12,800,101</u>	<u>(29,823,438)</u>
<b>EARNING / (LOSS) PER SHARE - BASIC AND DILUTED</b>	12	<u>(0.24)</u>	<u>(0.82)</u>	<u>0.09</u>	<u>(0.21)</u>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

Lahore

  
 Chief Executive

  
 Director

**FIRST CAPITAL EQUITIES LIMITED**  
**CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME-**  
**(Un-audited)**  
**FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	SIX MONTHS ENDED		THREE MONTHS ENDED	
	July - Dec 2015	July - Dec 2014	Oct - Dec 2015	Oct - Dec 2014
	Rupees	Rupees	Rupees	Rupees
<b>(Loss) / profit after taxation</b>	<b>(33,258,106)</b>	<b>(115,554,351)</b>	<b>12,800,101</b>	<b>(29,823,438)</b>
<b>Other comprehensive (loss) / income for the period</b>				
<b>Items that are or may be reclassified to profit or loss:</b>				
Unrealised loss on remeasurement of investment available for sale	(3,337,049)	(1,152,800)	(1,759,535)	182,020
<b>Total comprehensive (loss) / profit for the period</b>	<b>(36,595,155)</b>	<b>(116,707,151)</b>	<b>11,040,566</b>	<b>(29,641,418)</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

Lahore

  
 Chief Executive

  
 Director

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM STATEMENT OF CASH FLOWS- (Un-audited)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	Jul - Dec 2015	Jul - Dec 2014
	Rupees	Rupees
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(32,981,048)	(115,250,390)
<b>Add: Items not involved in movement of funds</b>		
Depreciation	2,638,279	3,062,706
(Gain) / Loss on re-measurement of investments at fair value through profit or loss - net	(22,374,104)	24,407
Accrued Interest written back	(78,878,237)	(38,724,533)
Interest income	(698,882)	(1,579,359)
Interest expense	115,344,140	137,397,258
Gain on sale of property and equipment	(1,190,000)	(733,480)
Gain on foreign currency translation	-	(117)
Provision for gratuity	5,040,662	3,206,796
	<b>19,881,858</b>	<b>102,653,678</b>
	<b>(13,099,190)</b>	<b>(12,596,713)</b>
<b>(Increase) / decrease in current assets</b>		
Investments at fair value through profit or loss	(73,172,319)	(50,922)
Trade debts - unsecured	175,906,391	(5,264,873)
Advances, deposits, prepayments and other receivables	(11,141,822)	(6,634,596)
	<b>91,592,250</b>	<b>(11,950,391)</b>
<b>Increase / (decrease) in current liabilities in trade and other payables</b>	<b>(32,482,641)</b>	<b>33,620,651</b>
<b>Cash used in operations</b>	<b>46,010,419</b>	<b>9,073,547</b>
Interest received	905,529	2,043,580
Finance cost paid	(79,383)	(80,372)
Gratuity paid	(814,000)	(1,260,000)
Taxes paid	(2,396,388)	(2,706,265)
<b>Net cash generated from operating activities</b>	<b>43,626,178</b>	<b>7,070,490</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of property and equipment	(867,500)	(122,385)
Proceeds from sale of property and equipment	1,190,000	733,480
Investments available for sale	-	-
Long term deposits and advances	(100,000)	-
<b>Net cash generated from investing activities</b>	<b>222,500</b>	<b>611,095</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Long term finance (paid) / obtained	(42,053,340)	(7,831,152)
Short term borrowings	-	-
<b>Net cash (used in) / generated from financing activities</b>	<b>(42,053,340)</b>	<b>(7,831,152)</b>
<b>Effects of exchange rate changes in cash and cash equivalents</b>	-	117
<b>NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>1,795,338</b>	<b>(149,568)</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>10,077,093</b>	<b>13,109,857</b>
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>11,872,432</b>	<b>12,960,406</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

Lahore

  
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED  
CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY - (Un-audited)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

	Issued, subscribed and paid up capital	Capital Reserve		Revenue Reserve	Total
		Share Premium	Reserve for issue of bonus shares	Unappropriated Profit	
Rupees					
<b>Balance as at June 30, 2014</b>	1,413,355,000	-	(42,710,465)	(1,090,095,763)	280,548,772
Loss for the period after taxation	-	-	-	(115,554,351)	(115,554,351)
<b>Other comprehensive income for the period</b>					
Fair value reserve realised	-	-	-	-	-
Deficit on remeasurement of investment available for sale to fair value	-	-	(1,152,800)	-	(1,152,800)
Total other comprehensive income for the period - net of tax	-	-	(1,152,800)	-	(1,152,800)
Total comprehensive loss for the period	-	-	(1,152,800)	(115,554,351)	(116,707,151)
<b>Balance as at December 31, 2014</b>	<b>1,413,355,000</b>	<b>-</b>	<b>(43,863,265)</b>	<b>(1,205,650,114)</b>	<b>163,841,622</b>
<b>Total comprehensive income for the period</b>					
Loss for the period after taxation	-	-	-	(118,679,034)	(118,679,034)
<b>Other comprehensive income for the period</b>					
Remeasurement of defined benefit plan	-	-	-	4,102,127	4,102,127
Deficit on remeasurement of investment available for sale to fair value	-	-	303,369	-	303,369
Total other comprehensive income for the period - net of tax	-	-	303,369	4,102,127	4,405,496
Total comprehensive loss for the period	-	-	303,369	(114,576,907)	(114,273,538)
<b>Balance as at June 30, 2015</b>	<b>1,413,355,000</b>	<b>-</b>	<b>(43,559,896)</b>	<b>(1,320,227,020)</b>	<b>49,568,084</b>
Loss for the period after taxation	-	-	-	(33,258,106)	(33,258,106)
<b>Other comprehensive income for the period</b>					
Deficit on remeasurement of investment available for sale to fair value	-	-	(3,337,049)	-	(3,337,049)
Total other comprehensive income for the period - net of tax	-	-	(3,337,049)	-	(3,337,049)
Total comprehensive loss for the period	-	-	(3,337,049)	(33,258,106)	(36,595,155)
<b>Balance as at December 31, 2015</b>	<b>1,413,355,000</b>	<b>-</b>	<b>(46,896,945)</b>	<b>(1,353,485,126)</b>	<b>12,972,927</b>

The annexed notes from 1 to 14 form an integral part of this condensed interim financial information.

Lahore:

  
Chief Executive

  
Director

**FIRST CAPITAL EQUITIES LIMITED  
NOTES TO THE CONDENSED INTERIM FINANCIAL  
INFORMATION - (Un-audited)  
FOR THE HALF YEAR ENDED DECEMBER 31, 2015**

**1 THE COMPANY AND ITS OPERATIONS**

First Capital Equities Limited, (the "Company") was incorporated on January 26, 1995 as private limited company, under the Companies Ordinance, 1984. The Company was converted into Public Limited Company on June 18, 1997 and is listed on Lahore 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%) ordinary shares of the Company. The registered office of the Company is located at 2nd floor, Pace Shopping Mall, Fortress Stadium, Lahore Cantt. Lahore.

**2 BASIS OF PREPARATION**

**2.1 Statement of compliance**

This condensed interim financial information is un-audited and is prepared in accordance with the requirements of International Accounting Standards (IAS) 34 "Interim Financial Reporting" and are being presented to share holders under section 245 of Companies Ordinance, 1984. The disclosures in the condensed interim financial information do not include the information reported for full annual financial statements and should therefore be read in conjunction with the financial statements for the year ended June 30, 2015.

This condensed interim financial information comprise of condensed interim balance sheet as at December 31, 2015 and the related condensed interim profit & loss account, condensed interim statement of comprehensive income, condensed interim statement of cash flows, condensed interim statement of changes in equity and notes thereto, for the half year ended December 31, 2015.

**3 ACCOUNTING POLICIES**

Accounting policies adopted for the preparation of these condensed interim financial information are the same as those applied in the preparation of the annual financial statements of the Company for the year ended June 30, 2015.

**4. ESTIMATES**

The preparation of the condensed interim financial information requires management to make adjustments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. The significant judgments made by the management in applying the accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statement for the year ended June 30, 2015.

**5 INVESTMENTS - AVAILABLE FOR SALE**

	<u>Note</u>	<u>(Un-Audited) December 31, 2015 Rupees</u>	<u>(Audited) June 30, 2015 Rupees</u>
<b>Quoted Shares</b>			
Media Times Limited	5.1	11,527,988	14,865,037
<b>Unquoted Shares</b>			
Karachi Stock Exchange Limited 4,007,383 shares of KSE (June 2015 : 4,007,383 shares)		24,156,320	24,156,320
		<u>35,684,308</u>	<u>39,021,357</u>
5.1 6,067,362 (June 2015 : 6,067,362) Fully paid ordinary shares of Rs. 10 each Equity Held 3.56% (June 2015 : 3.56%)		14,865,037	15,714,468
Loss on remeasurement of investment available for sale for the period / year		<u>(3,337,049)</u>	<u>(849,341)</u>
		<u>11,527,988</u>	<u>14,865,037</u>

**6 INVESTMENTS**

**At fair value through profit or loss**

Quoted equity securities			
Carrying value / cost of investments		73,471,843	325,983
Unrealised gain / (loss) on remeasurement of investments for the period / year		22,374,104	(26,459)
		<u>95,845,946</u>	<u>299,524</u>

**7 LONG TERM FINANCING**

Secured	7.1	2,253,054,841	2,295,108,182
Deferred notional income	7.2	(115,072,805)	(182,336,158)
		<u>2,137,982,037</u>	<u>2,112,772,024</u>
Less: Current portion shown under current liability		<u>525,411,926</u>	<u>526,875,926</u>
		<u>1,612,570,111</u>	<u>1,585,896,098</u>

7.1 This includes agreements with different commercial banks with a mark up rate of 8.13% and 3 months kibar plus 3% to 4 % p.a (June 2015 : 8.13% and 3 months kibar plus 3% to 4% ). These facilities are secured against the pledge of shares, charge over trade receivable and equitable mortgage of certain properties. The shares having market value of Rs 292,142,472 (June 2015 : 375,932,545) have been pledged by the Company.

7.2 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 9.13% to 12.06% (June 2015 : 9.13% to 12.06%) per annum being the 6 month KIBOR rate. Movement is as follows:

	(Un-Audited) December 31, 2015 Rupees	(Audited) June 30, 2015 Rupees
<b>Deferred notional income</b>		
As at beginning of the period / year	182,336,158	334,230,306
Occurred during the period / year	-	-
Amortized during the period / year	<u>(67,263,352)</u>	<u>(151,894,148)</u>
As at end of the period / year	<u><b>115,072,806</b></u>	<u><b>182,336,158</b></u>

**8 TRADE AND OTHER PAYABLES - UNSECURED** 31,916,645 181,114,954

This includes balance payable to associated company i.e Falcon Commodities (Pvt) Limited Rs. 4,056,000/- (June 2015 : Rs. 4,500,000/-)

**9 CONTINGENCIES AND COMMITMENTS**

There is no change in contingencies and commitments disclosed in the annual financial statements for the year ended June 30, 2015 except for the following:

During the period, the guarantee of T Bills amounting of Rs. 8,905,068/- to Pakistan Stock Exchange against exposure by parent Company has been withdrawn.

	(Un-Audited) December 31, 2015 Rupees	(Audited) June 30, 2015 Rupees
<b>9.1 COMMITMENTS</b>		

Sale of Shares	<b>98,846,034</b>	147,761,015
Purchase of shares	<b>98,507,836</b>	120,156,393

	(Un-Audited) December 31, 2015 Rupees	(Un-Audited) December 31, 2014 Rupees

**10 OTHER OPERATING INCOME**

Return on deposit accounts	<b>698,882</b>	1,579,359
Dividend income	<b>936,488</b>	630,122
Gain on sale of property and equipment	<b>1,190,000</b>	733,480
Gain on foreign currency translation	-	117
Accrued Interest written back	<b>78,878,237</b>	38,724,533
Rental Income	<b>409,500</b>	819,000
	<u><b>82,113,106</b></u>	<u>42,486,612</u>

**11 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. Transactions with related parties and associated undertakings other than remuneration and benefits to key management personnel under the terms of their employment are as follows:

Six Months Ended December 31, 2015			
Associated Company	Parent Company	Key management personnel of the entity, its parent and their close family members	Other Related Parties
Rupees			

Brokerage Income	-	-	-	-
Advance aga purchase of investment property	-	4,400,000	-	-

Six Months Ended December 31, 2014			
Associated Company	Parent Company	Key management personnel of the entity, its parent and their close family members	Other Related Parties
Rupees			

Brokerage Income	-	-	-	-
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11.1 The amount due to / due from related parties are disclosed in respective notes to the financial information.

**12 LOSS PER SHARE - BASIC AND DILUTED**

	July 01, 2015 to December 31, 2015	July 01, 2014 to December 31, 2014
Loss after taxation attributable to ordinary share holders - Rupees	<u><b>(33,258,106)</b></u>	<u>(115,554,351)</u>
Weighted average number of ordinary shares	<u><b>141,335,500</b></u>	<u>141,335,500</u>
Loss per share - Basic and Diluted (Rupees per share)	<u><b>(0.24)</b></u>	<u>(0.82)</u>

12.1 No figure for diluted earnings per share has been disclosed as the Company has not issued any instrument which would have an impact on earnings per share, when exercised.

**13 DATE OF AUTHORIZATION**

This condensed interim financial information was authorized for issue by the Board of Directors on February 26, 2016.

**14 GENERAL**

14.1 Figures have been rounded off to the nearest rupee.

Lahore

  
Chief Executive

  
Director